

# **ASIAN FLORA LTD**

## **16<sup>th</sup> ANNUAL REPORT 2009-2010**

## **ASIAN FLORA LIMITED**

### **BOARD OF DIRECTORS**

**SRI M SAMBASIVA RAO**  
Director

**SIR SANGAMESHWAR SETTY**  
Director

**SRI S. VAHEED BASHA**  
Director

### **AUDITORS**

**V.Ramachandra Rao**  
Chartered Accountants  
H.No.1-2-56/55, Ground Floor,  
Street No 5, Advocates Colony,  
Himayatnagar, Hyderabad – 29  
Phone: 55547713  
Cell: 9949057690

### **BANKERS**

**State Bank of Mysore**  
Hi-tech Agricultural Finance Branch  
No.20, 1<sup>st</sup> Main, K.H.M. Block,  
Ganganagar,  
Bangalore – 560 032.

**KSIIDC**  
Kanija Bhavan  
No.49, Race Course Road,  
Bangalore

### **REGISTERED OFFICE**

**Plot No. 6, Journalist Colony**  
8-2-248/B/2, Banjara Hills,  
Hyderabad – 500 034

**ASIAN FLORA LTD**  
**Plot No.6, Journalist Colony**  
**Road No.3, Banjara Hills, Hyderabad – 34**

**NOTICE**

Notice is hereby given that the 16<sup>th</sup> Annual General Meeting of the Company will be held on Saturday the 25<sup>th</sup> September 2010, at 10.00 A.M at Plot No.6, H.No.8-2-248/B/2, Journalists Colony, Road No.3, Banjara Hills, Hyderabad to transact the following business.

**A. Ordinary Business:**

1. To receive, consider, approve and adopt the Audited Profit and Loss Account for the year ended 31<sup>st</sup> March, 2010, Balance Sheet and Cash Flow Statement as on that date together with the reports of the Directors' and Auditors thereon.
2. To re-appoint M/s.V.Ramachandra Rao, Chartered Accountants, as Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize the Board to fix their remuneration.

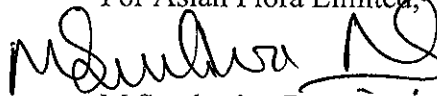
**B. Special Business:**

3. To appoint Sri. Sangameshwar Setty as Director of the Company.

To consider and if thought fit to pass the following resolution as an Ordinary Resolution.

“RESOLVED THAT Sri. Sangameshwar Setty, who was appointed as an Additional Director of the Company on 9<sup>th</sup> August, 2010 under Articles of Association and who holds office until the date of ensuing Annual General Meeting under Section 260 of the Companies Act, 1956, be and is hereby appointed as Director of the Company.”

By Order of the Board  
For Asian Flora Limited,



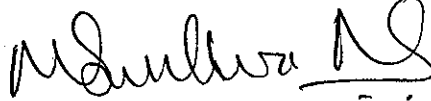
M.Sambasiva Rao  
Director

Place: Hyderabad  
Date: 31.08.2010

**NOTES:**

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member, the proxies, should however be deposited at the Registered Office of the Company not later than 48 hours before commencement of the meeting.
2. The Register of members of the company will remain closed from 17<sup>th</sup> September, 2010 to 25<sup>th</sup> September 2010 (both days inclusive).
3. Members are requested to bring their copies of Annual Report to the Annual General Meeting.
4. Members/Proxies should bring the attendance slip sent here with duly filled in for attending the Meeting.
5. No Gifts will be distributed at the meeting.

By Order of the Board  
For **Asian Flora Limited**,



**M.Sambasiva Rao**  
Director

Place: Hyderabad  
Date: 31.08.2010

## DIRECTORS' REPORT

To  
The Members,  
Asian Flora Ltd,  
Hyderabad.

Your Directors have pleasure in presenting the 16<sup>th</sup> Annual Report together with Audited Statement of Accounts of your Company for the year ended 31<sup>st</sup> March, 2010.

### FINANCIAL RESULTS:

The Financial highlights for the year under review are given below:

(Rs.in lacs)

	2009-10 (12 mths)	2008-09 (12 mths)
Sales and Other Income (Loans written off)	65.88	0
EBIDT	62.79	-1.08
Interest	0	0
Depreciation	27.96	27.96
<b>Profit Before Tax</b>	34.83	-29.04
Provision for Tax*	0	0
<b>Profit After Tax</b>	34.83	-29.04
Net Worth**	(1199.36)	(1234.20)

### OPERATIONS:

The company has no business activity during the year. The Company during the year has negotiated with ARCIL and closed the liabilities pertaining to OBC through OTS.

### DIVIDEND:

The Company did not undertake any operations and therefore no dividend for the year 2009-2010.

### Future Outlook:

The Assets are under the control of KSIIDC, Bangalore and hence there is no possibility of continuation of business operations till the loans are cleared. Hence interest on loans has not been provided.

## **DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the provisions of section 217(2AA) of the Companies Act, 1956, the Board of Directors state:

- i) That in preparation of the Annual Accounts, applicable accounting standards have been followed and there were no material departures there from except as otherwise explained in the notes to accounts.
- ii) That the directors have selected such accounting policies and adopted them consistently, except as stated in the notes on accounts, and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as on 31<sup>st</sup> March, 2010 and Profit & Loss account of the company for the year ended 31<sup>st</sup> March, 2010. The auditor's comments in this regard are self explanatory.
- iii) That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

## **DIRECTORS**

Sri. Sangmeshwar Shetty who was appointed as additional director during the year, being eligible, offers himself for re-appointment.

## **AUDITORS:**

Sri V.Ramachandra Rao, Chartered Accountant, Auditors of the Company are eligible for re-appointment as statutory auditors of the Company to audit the accounts of the Company for the financial year 2010-11.

## **PARTICULARS OF EMPLOYEES**

No employee of the company is in the receipt of remuneration as specified under the provisions of section 217(2A) of the companies Act, 1956, read with companies(particulars of employees) rules, 1975 as amended.

## **ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The company does not have any manufacturing operations. It is engaged in plantation activity business. All these activities are not energy intensive, consequently, the provisions regarding furnishing of details of conservation of energy are not applicable.

Technology absorption and foreign exchange earning and outgo "NIL" during the year under review.

## **ACKNOWLEDGEMENTS**

Your Directors thank APITCO the authorized attorney of ARCIL for their co-operation in concluding the OTS for the liabilities pertaining to OBC/erstwhile GTB.

By Order of the Board  
For Asian Flora Limited,



**M.Sambasiva Rao**  
Director

Place: Hyderabad  
Date: 31.08.2010

## **REPORT ON CORPORATE GOVERNANCE**

### **1. Company's Philosophy on Corporate Governance**

The Company philosophy on the code of Corporate Governance is:

- (i) To ensure that adequate control system exists to enable the board to effectively discharge its responsibility to all the shareholders of the company.
- (ii) To ensure that the decision making process is fair and transparent.
- (iii) To ensure that the fullest commitment of the Management and the board to the maximization of shareholders value.
- (iv) To ensure that the employees of the company subscribe to the corporate values and apply them in their conduct and to ensure that the company follows globally recognized Corporate Governance practices.

## 2. Board of Directors:

(i) Composition: The details of composition and categories of Directors are:

Name	Category	Designation held	No. of Meetings Held	No. of Meetings Attended	Whether Attended Last AGM (Y/N)	No. of Director ships in other Boards	No. of Member ships in other committees
Sri.Muppalla Sambasiva Rao	Executive Director	Director	4	4	Yes	2	Nil
Sri Sangameshwar Setty	Non-Executive Director	Additional Director	4	4	Yes	2	Nil
Sri S. Vaheed Basha	Non-Executive Director	Director	4	4	Yes	Nil	Nil

### Meeting of Board of Directors

During the Financial Year 2009-10 Board of Directors met on the following dates: 28<sup>th</sup> April 2009, 5<sup>th</sup> September 2009, 26<sup>th</sup> December 2009 and 4<sup>th</sup> March 2010.

**3. Audit Committee:** As a measure of good Corporate Governance and to provide assistance to the Board of Directors in fulfilling the Board's oversight responsibilities, an Audit Committee has been constituted consisting of two Independent Directors and one Executive Director as sub-Committee to the Board and considers the terms of reference as stipulated under Clause 49 of the Listing Agreement:

**Composition and other details:** The Audit Committee of the Company was constituted with two Independent Directors and one Executive Director viz.,

Chairman	-	Sri M.Sambasiva Rao	-	Director (Executive)
Member	-	Sri Sangmeshwar Setty	-	Independent Director
Member	-	Sri S.Vaheed Basha	-	Independent Director

During the year the Audit Committee met 4 times on the following Dates:

28<sup>th</sup> April 2009,  
05<sup>th</sup> September 2009,



**26<sup>th</sup> December 2009 and  
4<sup>th</sup> March 2010.**

Attendance of the Directors in the Audit Committee Meeting:

<u>Name of the Director</u>	<u>No. of Meetings Held</u>	<u>No. of Meetings attended</u>
Sri M.Sambasiva Rao	4	4
Sri S.Vaheed Basha	4	4
Sri Sunil Paul	4	4

**4. Remuneration Committee:**

a) Composition, Name of the Chairman and members:

Sri M.Sambasiva Rao  
Sri S.Vaheed Basha  
Sri Sangameshwar Setty

b) The Terms of reference stipulated by the Board to the Remuneration Committee

To formulate a remuneration policy and approve the remuneration or revise the remuneration payable to the Directors. The remuneration policy of the Company is directed towards motivating and retaining the senior officers of the Company by rewarding performance.

**5. Share Holders/ Investors Grievance Committee**

**a. Constitution:** The shareholders grievance committee was constituted by the Board of Directors in accordance with the requirement of clause 49 of the listing agreement.

**b. Composition:** The composition of the Committee is as follows

Chairman	-	Sri M.Sambasiva Rao	-	Director
Member	-	Sri Sangameshwar Shetty	-	Director
Member	-	Sri S.Vaheed Basha	-	Director

**c. Functions:** The functions of the committee are as follows: oversees

- (i) Share Transfer with in stipulated time.
- (ii) Non-receipt of Dividends, if any.
- (iii) To consider Replacement of lost/stolen/mutilated share certificates.
- (iv) Non-receipt of rights/bonus/share certificates.
- (v) Other related issues.