

MD	✓	REC	✓
CS	✓	✓	✓
RC	✓	✓	✓
TE	✓	✓	✓
AD	✓	✓	✓
Y	✓	✓	✓

AVON

INDUSTRIES LIMITED

(Formerly known as Avon Container Printers Ltd.)

Report  Junction.com

10th

ANNUAL REPORT

1997 - 98

Report  Junction.com

Avon Industries Limited



DIRECTORS

Shri C. Prakash Agarwal - Managing Director
Shri Vinay Agarwal - Executive Director
Shri Amit Agarwal - Director

BANKERS

CANARA BANK
Basheerbagh
Hyderabad.

FACTORS

CANBANK FACTORS LIMITED
Basheerbagh
Hyderabad.

Report  Junction.com

REGISTERED OFFICE

Plot No.275, 1st Floor
Vivekananda Nagar
Kukatpally
Hyderabad - 500 072.

FACTORY

Plot No.140
Miyapur, Bollaram
Narsapur Taluk, Medak Dist
Andhra Pradesh - 502 325.
Phones: 08459 - 79241,79242

Avon Industries Limited

AVON
INDUSTRIES LIMITED

NOTICE

Notice is hereby given that the Tenth Annual General Meeting of the Shareholders of the Company will be held on Tuesday the 29th day of September, 1998 at Royal Mansion, Plot No.5, Vivekanandanagar Colony, Kukatpally, Hyderabad - 500 072 at 8.30 A.M. to transact the following business:

As Ordinary Business

1. To receive, consider and adopt the Balance Sheet as at 31st March, 1998 and Profit & Loss Account for the period ended on the aforesaid date and Reports of the Directors and Auditors thereon.
2. To re-appoint of retiring Director.
3. To appoint Auditors who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and fix their remuneration.

Notes:

- a. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of

himself and the proxy need not be a Member.

- b. Proxies in order to be effective, must be received by the Company not less than 48 hours before the meeting.
- c. The Register of Members and share transfer books of the Company will remain closed for the purpose of Annual General Meeting from Friday, the 16th day of October, 1998 to Tuesday, the 20th day of October, 1998 (both days inclusive).
- d. Please bring the admission slip with your duly filled in and handover the same at the entrance of the meeting hall.

By Order of the Board of Directors

C. Prakash Agarwal
Managing Director

30th June, 1998
Registered Office:
Plot No.275, 1st Floor,
Vivekanandanagar,
Hyderabad - 500 072.

Avon Industries Limited



DIRECTORS' REPORT

Dear Shareholder,

Your Directors submit the 10th Annual Report together with Audited Statement of Accounts of the Company for the year ended 31st March, 1998.

Financial results

	For the Year ended 31st March, 1998 (Rs in Lacs)	For the Year ended 31st March, 1997 (Rs in Lacs)
Profit before depreciation	(52.27)	(481.01)
LESS:		
1. Depreciation	41.88	40.85
2. Provision for taxation for earlier year	—	—
3. Provision for taxation	—	—
4. Prior period adjustments	41.88	52.05
	<u>94.15</u>	<u>92.90</u>
Net profit after tax		(558.65)
ADD:		
Balance brought forward from Previous year	(4187.14)	71.51
Profit available for appropriation	<u>(581.29)</u>	<u>(487.14)</u>
Appropriations		
1. Proposed dividend	—	—
2. General reserve	—	—
3. Balance carried to Balance Sheet	<u>(581.29)</u>	<u>(487.14)</u>
	<u>581.29</u>	<u>(487.14)</u>

OPERATIONS OF THE COMPANY

This year your Company had a very turbulent time, due to severe working capital crunch. From November, 1996 the Factory is under lock-out due to labour problems. The Management is working out sincerely to seek a solution to improve over all operations in the forthcoming year.

As per the Auditors Comments, there are certain debts, which seems irrecoverable. However, Directors are trying hard to recover these debts.

AUDITORS

The Auditors of the company M/s. Shyam Sharma & Co., Chartered Accountants, and RRA Associates, Chartered Accountants have resigned due to there preoccupation in the month of March, 1998. To fulfill this casual vacancy the Board has appointed M/s. Ratnakara and Associates, as the auditors of the company. The appointment will be approved in the Annual General Meeting of the Company.

Additional information as required under Sec. 217 (1) (e) of the Companies Act, 1956 :

- Conservation of Energy: The Company had no manufacturing activity during the period under review.
- Disclosure of particulars with respect to Technology absorption, adoption and innovation: Nil.
- Disclosure of Foreign Exchange earning and outgo as required under Companies (Disclosure of particular in the Directors Report) Rules 1998: Nil.

PARTICULARS OF EMPLOYEES

The particulars of employees in accordance with section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 is not applicable to the Company as the Managing Director, Executive Director and Director are not accepting any remuneration from the Company due to paucity of funds.

ACKNOWLEDGEMENTS

Your Directors wish to thank the Investors, Canara Bank, Canbank Factors Ltd. and the State and Central Government Agencies for their timely support, co-operation and valuable guidance.

The Directors also appreciate the continued support and co-operation extended by the workers, staff and executives of the Company.

For and on behalf of the Board of Directors

C. Prakash Agarwal
Managing Director

Vinay Agarwal
Executive Director

Hyderabad
30th June, 1998

Amit Agarwal
Director

Avon Industries Limited**AVON**
INDUSTRIES LIMITED**ANNEXURE TO DIRECTORS' REPORT****FORM - A**

Form for disclosure of particulars with respect to conservation of energy

A. Power and Fuel Consumption:

	<u>31.03.1998</u>	<u>31.03.1997</u>
1. Electricity		
a. Purchased units	Nil	1,04,618
Total amount Rs.	Nil	3,06,532
Rate/unit Rs.	Nil	2.93
b. Own generation		
i) Through diesel generator:		
No. of litres	Nil	222361
Total Amount Rs.	Nil	18,16,692
Rate/Litre	Nil	8.07
Unit/Litre	Nil	3.64
2. Coal		N.A.
3. Furnace Oil (L.D.O.) & Others		
No. of Litres	Nil	224259
Total Amount Rs.	Nil	17,94,073
Rate per litre	Nil	8.00
4. Others/Internal Generators	Nil	N.A.

B. Consumption per unit of production

	<u>31.03.98</u>	<u>31.03.97</u>
Consumption per MT of production		
Production (with details)		
Electricity (Rs)	Nil	152.58
Furnace Oil (L.D.O.)	Nil	893.02
Coal (specify quality)	Nil	N.A.
Others (specify)	Nil	N.A.

FORM - B

Form for disclosure of particulars with respect to absorption

Research and Development:

Since no activities are carried over during the year as such no R & D works are undertaken.

Technology absorption, adaptation and innovation:

No technology absorption are taken place during the year since no business is taken place.

Foreign Exchange Earnings and outgo:

The required information in respect of foreign exchange earnings and outgo have been given in the notes forming part of accounts for the year ended 31st March, 1998.

Avon Industries Limited

AVON
INDUSTRIES LIMITED

AUDITORS' REPORT

To

The Members of

AVON INDUSTRIES LIMITED

We have audited the attached Balance Sheet of Avon Industries Limited as at 31st March, 1998 and also the annexed Profit and Loss Account of the Company for the year ended on that date and report as under:

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988, issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956 we annexe hereto a statement on all matters specified in paragraphs 4 & 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph (1) above we report that :
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our Audit.
 - b) In our opinion proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of the books.
 - c) The Balance Sheet and the Profit and Loss Account dealt with by this report are in

agreement with the books of accounts.

- d) In our opinion and to the best of our information and according to the explanations given to us, the said Accounts subject to the notes on accounts no.2 regarding provision for bad & doubtful debts and note no.6, give the information required by the Companies Act 1956, in the manner so required and give a true and fair view :
 - i) In so far as it relates to the Balance Sheet of the state of affairs of the company as at 31st March, 1998 and
 - ii) In so far as it relates to the Profit and Loss Account, of the profit of the company for the year ended on that date.

For Ratnakara & Associates
Chartered Accountants

M. Ratnakara Rao
Proprietor

Hyderabad, 30th June, 1998.