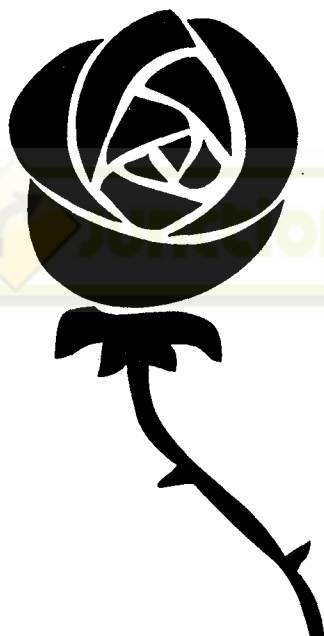


# TENTH ANNUAL REPORT

2002 2003



**Elegant Floriculture &  
Agrotech (India) Limited**

**ELEGANT FLORICULTURE & AGROTECH (INDIA) LIMITED**

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**BOARD OF DIRECTORS****SHRI RAJKUMAR AGARWAL****Director****SHRI PAWANKUMAR AGARWAL****Director****SHRI SURENDRA GUPTA****Director****DR. SHEORAM AGARWAL****Director****REGISTERED OFFICE**

Village : Mouje-Kashal

Taluka : Maval, Wadgaon

Dist. : Pune

**SITE**

Village : Mouje-Kashal

Taluka : Maval, Wadgaon

Dist. : Pune

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**AUDITORS****M/s. S. H. GARG & ASSOCIATES**

Chartered Accounts

Mumbai

**BANKERS****CENTRAL BANK OF INDIA**

**NOTICE**

Notice is hereby given that 10<sup>th</sup> Annual General Meeting of Elegant Floriculture and Agrotech (India) Limited will be held on Monday 22<sup>nd</sup> September 2003 at 3.00 p.m. at Village: Mouje-Kashal, Taluka: Maval, Wadgaon, Dist: Pune to transact the following business.

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited Balance Sheet as on 31<sup>st</sup> March, 2003, the Profit and Loss Account for the year ended 31<sup>st</sup> March, 2003 together with report of the Directors' and Auditors' thereon.

2. To appoint Director:

To appoint a Director in place of Shri Rajkumar B. Agarwal who retires by rotation and being eligible offers himself for reappointment.

3. To appoint Auditors of the Company:

To consider, and though fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION.

**"RESOLVED THAT** the Company's Auditors M/s. S. H. Garg & Associates, chartered Accountants, Mumbai be and hereby re-appointed as Auditors of the Company to hold office from the conclusion of this meeting till the conclusion of next Annual General Meeting of the Company and the Board of Directors be and is hereby authorised to fix their remuneration for the period."

**For and on behalf of Board of Directors  
Elegant Floriculture & Agrotech (I) Ltd.**

**--sd--**

**Pawankumar Agarwal  
Director**

**Date: 20-08-2003**

**Regd. Office:**

Village Mouje-Kashal,  
Taluka Maval, Wadgaon,  
Dist- Pune.

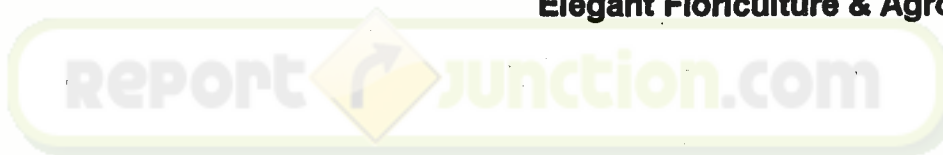
**ELEGANT FLORICULTURE & AGROTECH (INDIA) LIMITED**

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**NOTES:**

1. A Member entitled to attend and vote at the Meeting is entitled to appoint Proxy to attend and vote instead of himself and the proxy need not be a member.
2. Proxies should be lodged with the Company 48 hours before the commencement of the meeting.
3. The Register of Members and the Share Transfer Books of the Company will be closed from 15-09-2003 to 22-09-2003 (both days inclusive).
4. Member desirous of obtaining information with respect of the accounts of the Company are requested to send queries in writing to the Company at its registered office so as to reach at least seven days before the date of Meeting.
5. The members shall intimate change in their address to the Company to enable the Company to update its records.

**For and on behalf of Board of Directors  
Elegant Floriculture & Agrotech (I) Ltd.**



**--sd--**

**Pawankumar Agarwal  
Director**

**Place : Pune  
Date : 20-08-2003**

**DIRECTORS' REPORT OF ELEGANT FLORICULTURE & AGROTECH (INDIA) LTD.**

To The Members,

The Directors have pleasure in submitting the 10<sup>th</sup> Annual Report together with the Audited Accounts for the year ended 31<sup>st</sup> March 2003.

**DIVIDEND:**

The Directors recommend no payment of dividend during the year.

**OPERATIONS:**

During the year under consideration the Company's total Profit is Rs. 1.20 Lacs after providing for Depreciation Rs.23.84 Lacs.

**FIXED DEPOSITS:**

The Company has not accepted any deposits, within the meaning of section 58-A of the Companies Act, 1956, and the Companies (Acceptance of Deposits) Rules, 1975.

**PERSONNEL:**

During the year under review none of the employees was in receipt of remuneration of Rs. 24,00,000/- per annum when employed throughout the year or Rs. 2,00,000/- per month when employed for part of the year and therefore the provisions of section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended are not attached.

**DIRECTORS:**

Shri Rajkumar B. Agarwal, Director of the Company retires by Rotation and being eligible offer himself for reappointment.

**AUDITORS:**

M/s. S. H. Garg & Associates, Auditors of the Company, retire from the Company at conclusion of the Annual General Meeting and being eligible offers themselves for reappointment.

**ENERGY, CONSERVATION, TECHNOLOGY, ABSORPTION, AND FOREIGN EXCHANGE EARNING & OUTGO:**

Information in accordance with the provision of section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo is given in the Annexure forming part of this report.

**ELEGANT FLORICULTURE & AGROTECH (INDIA) LIMITED**

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**DIRECTORS RESPONSIBILITY STATEMENT PURSUANT TO SECTION 217 (2AA) OF THE COMPANIES ACT, 1956**

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the board of Directors hereby confirms:

- i) In the preparation of the Annual accounts, the applicable Accounting Standards have been followed.
- ii) The Company has selected and applied such Accounting Policy consistently and judgements and estimates are made in a reasonable and prudent manner so as to give true and fair view of the state of affairs of the company as at the end of financial year and profit of the Company for the period.
- iii) Proper and sufficient care has been taken for maintenance of Accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing/detecting fraud and other irregularities.
- iv) The Annual Accounts are prepared on a going concern basis.

**ACKNOWLEDGEMENTS:**

The Directors place on record their sincere appreciation of the valuable contribution made by the employees and shareholders at all levels towards the growth and performance of the Company.

The Directors would like to express their grateful appreciation for the assistance and Co-operation received from the various Departments of the Central and State Government and the Banks.

**For and on behalf of Board of Directors  
Elegant Floriculture & Agrotech (I) Ltd.**

**--sd--**

**Pawankumar Agarwal  
Director**

**Place : Pune  
Date : 20-08-2003**

**ANNEXURE TO THE DIRECTOR'S REPORT:**

STATEMENT CONTAINING PARTICULARS PURSUANT TO THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 FORMING PART OF THE REPORT OF THE DIRECTORS.

**A. CONSERVATION OF ENERGY:**

The particulars regarding conservation of energy are not applicable to the Company, as the Company has been producing the flowers during the year.

**B. TECHNOLOGY ABSORPTION:**

The particulars regarding absorption of technology is given below as per form B of the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988.

**EXPENDITURE ON R & D**

|                |   |     |
|----------------|---|-----|
| a. Capital     | ) |     |
| b. Recurring   | ) |     |
| c. Total       | ) |     |
| d. Total R & D | ) | NIL |
| expenditure as | ) |     |
| percentage of  | ) |     |
| total turnover | ) |     |

**TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION:**

- 1) Efforts in brief, made towards technology absorption, adoption and innovation-NIL
- 2) Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product development.

- NOT APPLICABLE -

- 3) In case of imported Technology (Imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished.

|  |   |     |
|--|---|-----|
| a) Technology Imported                                   | ) |     |
| b) Year of Import  | ) |     |
| c) Has technology been fully absorbed                    | ) | NIL |
| d) If not fully absorbed, areas where this has not taken | ) |     |
| Place, reasons therefore and future plan of action       | ) |     |

**ELEGANT FLORICULTURE & AGROTECH (INDIA) LIMITED**

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**C. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The company's main line of business is the producing of flowers

|                               |     |
|-------------------------------|-----|
| Total Foreign Exchange Used   | NIL |
| Total Foreign Exchange Earned | NIL |

**For and on behalf of Board of Directors  
Elegant Floriculture & Agrotech (I) Ltd.**

**--sd--**

**Pawankumar Agarwal  
Director**

**Place : Pune**

**Date : 20-08-2003**

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## REPORT ON CORPORATE GOVERNANCE

### A. COMPLIANCE OF MANDATORY REQUIREMENTS

#### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE :

Your Company has incorporated a separate Section of Report on Corporate Governance in this Report in compliance with the Clause 49 of the Listing Agreement with the Stock Exchange, Mumbai thus committing it to transparency in all its dealings and places emphasis on business ethics.

Hope, by way of transparency in corporate management and reporting practices this will make a value addition.

#### 2. BOARD OF DIRECTORS

##### (i) Composition of Board, Directorships and Committees position held in other Companies as at 31st march, 2003 :

| Directors                | Executive/Non-Executive/<br>Independent | No. of outside<br>Directorship<br>held | Outside Committees # |           |
|--------------------------|---|--|----------------------|-----------|
|                          |   |  | As<br>Chairman       | As member |
| Shri Rajkumar Agarwal    | *Non Executive                          | 3                                      | None                 | None      |
| Shri Pawan Kumar Agarwal | *Non Executive                          | 2                                      | None                 | None      |
| Shri Surendra Gupta      | *Non Executive                          | Nil                                    | None                 | None      |
| Dr. Sheoram Agarwal      | *Non Executive                          | 2                                      | None                 | None      |

\* Also Independent

# Only three Committees viz., Audit Committee, shareholders' Grievance Committee and Remuneration committee are considered for this purpose.

Independent Director is defined as one, who apart from receiving sitting fee as a Director, does not have any other material pecuniary relationship or transactions in his personal capacity with the Company, its promoters & management.

The Non-Executive Directors have no material pecuniary relationship or transactions in their personal capacity with the Company.

**ELEGANT FLORICULTURE & AGROTECH (INDIA) LIMITED****(ii) Attendance of Directors in meetings held during the financial year 2002-03.**

| Sl. No. | Nature & date of meetings | Name of Directors |             |           |             |
|---------|---------------------------|-------------------|-------------|-----------|-------------|
|         |                           | R K Agarwal       | P K Agarwal | S S Gupta | S R Agarwal |
| 1.      | Board on 30.04.2002       | Present           | Present     | Present   | Present     |
| 2.      | Board on 10.07.2002       | Present           | Present     | Present   | Present     |
| 3.      | Board on 29.08.2002       | Present           | Present     | Present   | Present     |
| 4.      | Board on 16.10.2002       | Present           | Present     | Present   | Present     |
| 5.      | Board on 23.01.2003       | Present           | Present     | Present   | Present     |
| 6.      | Members on 25.09.2002     | Present           | Present     | Present   | Present     |

**3. AUDIT COMMITTEE :****(i) Terms of Reference :**

The Audit Committee has been mandated with the terms of reference as specified in Clause 49 of the Listing agreement with The Stock Exchange, Mumbai & enumerated in section 292A of the Companies Act, 1956 and covers all the aspects stipulated by the SEBI Guidelines.

**(ii) Composition, Name of Members and Chairman :**

The Audit Committee is comprised of three independent Directors. During the financial year ended 31.03.2003 five Committee Meetings were held on 30<sup>th</sup> April, 2002, 10<sup>th</sup> July, 2002, 29<sup>th</sup> August, 2002, 16<sup>th</sup> October, 2002 and 23<sup>rd</sup> January, 2003. The composition of the Audit Committee and the attendance of each Director at their meetings are as follows:-

| Sl. No. | Members                        | Meetings attended |
|---------|--------------------------------|-------------------|
| 1.      | Shri Surendra Gupta – Chairman | 5                 |
| 2.      | Dr. Sheoram Agarwal            | 5                 |
| 3.      | Shri Pawan Kumar Agarwal       | 5                 |

**(iii) Invitee: (being entitled to attend as per relevant provisions of applicable laws/rules and/or as and when felt necessary)**

(a) The Statutory Auditors viz. M/s. S. H. Garg & Associates

(iv) The Chairman of the Audit Committee attended the Annual General Meeting held on 25<sup>th</sup> September, 2002 and provided clarifications of the members of the Company on the matters relating to Accounts and finance.

(v) The Audit Committee comprises persons with vast experience. Shri Surendra Gupta, Chairman is a practicing chartered accountant. Dr. Sheoram Agarwal, is a PHD holder and well known industrialist and Shri Pawan Kumar Agarwal having experience of around two decade of running business.