



Precision, Pace, Passion

## Annual Report

Arihant Domestic Appliances Limited

Report  junction.com

FY 2007 - 08

Factory at –

GAT No. 1261, Sanaswadi, Tal:

Shirur, Dist: Pune – 412208

Tel: 02137-669001/2

Fax: 02137-669014

## **Corporate Information**

### **Board of Directors**

Chandu Chavan (Chairman)  
Ravinda Katre (MD)  
Sanjay Waghulade(WTD)  
Sanjay Bhade  
Parag Mulye  
Shivaji Katke  
Gaurav Pradhan

### **GM (Finance)**

Kishor Deshpande

### **Company Secretary**

Mahesh Bagla

### **Auditors**

AMB & CO  
Chartered Accountants  
Pune

### **Bankers**

United Bank of India  
Saraswat Co Op Bank Ltd  
State Bank of India  
Corporation Bank  
UCO Bank  
HSBC Bank  
State Bank of Mysore  
IDBI Bank Ltd  
CITI Bank NA  
Deutsche Bank, AG  
Barclays Bank, PLC  
ING Vysya Bank

### **Registered office & Plant I**

Gat No 1261, Sanaswadi  
Pune Nagar Road  
Tal Shirur  
Dist Pune 412208

### **Plant II**

Village: Pimple Jagtap,  
Tal Shirur, Pune – 412208

### **Corporate Office**

Office No D 234/235  
Clover Centre  
Camp  
Near West End Cinema,  
Pune - 411001



**Board of Directors**

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<i>Chandu L. Chavan</i>	<i>Chairman</i>
<i>Ravinda W. Katre</i>	<i>Managing Director</i>
<i>Sanjay H. Waghulade</i>	<i>Director</i>
<i>Sanjay T. Bhade</i>	<i>Director</i>
<i>Parag M. Mulye</i>	<i>Director</i>
<i>Shivaji R. Katke</i>	<i>Director</i>
<i>Gaurav Pradhan</i>	<i>Nominee Director</i>

**Auditors**

*AMB & Co*  
*Chartered Accountants*  
*Office No 308*  
*Pantagaon off Pune Satara Road*  
*Opp Hotel Panchmi*  
*Pune 411 037*

**Corporate Office**

*Office No D 234/235*  
*Clover Centre*  
*Camp*  
*Near West End Cinema*  
*Pune 411 001*

**Bankers**

*United Bank of India*  
*Saraswat Co Op Bank Ltd*  
*State Bank of India*  
*Corporation Bank*  
*UCO Bank*  
*HSBC Bank*  
*State Bank of Mysore*  
*IDBI Bank Ltd*  
*CITI Bank NA*  
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*Barclays Bank, PLC*  
*Ing Vysya Bank*

**Registered office &  
Plant I**

*Gat No 1261, Sanaswadi*  
*Pune Nagar Road*  
*Tal Shirur*  
*Dist Pune 412208*

**Plant II**

*Village: Pimple Jagtap, Tal:*  
*Shirur, Dist: Pune – 412208*



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**NOTICE TO SHAREHOLDERS**

**NOTICE** is hereby given that the 17<sup>th</sup> Annual General Meeting of **Arihant Domestic Appliance Private Limited** will be held on Saturday the 29<sup>th</sup> Day of November, 2008 at 03.30 p.m. at the Registered Office (Gat No. 1261, Sanaswadi, Nagar Road, Shirur, Pune 412208) of the Company, to transact the following business.

➤ **ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited Balance Sheet as at, and the Profit and Loss Account for the Financial Year ended 31<sup>st</sup> March 2008 together with the Directors' report and Auditors' report thereon.
2. To appoint a Director in place of Mr Ravindra W. Katre who retires by rotation and being eligible offers himself for re-appointment as a Director of the Company.
3. To appoint a Director in place of Mr. Shivaji R. Katke who retires by rotation and being eligible offers himself for re-appointment as a Director of the Company.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to authorize the Board to fix their remuneration.

➤ **SPECIAL BUSINESS:**

5. To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution;

**"RESOLVED THAT** Mr. Mukund Krishnaswami who was appointed as an additional director of the Company by the Board of Directors, pursuant to Section 260 of the Companies Act, 1956 and who holds office upto the date of this General Meeting and eligible for appointment to the office of Director, be and is hereby appointed as a director of the Company, not liable to retire by rotation."

6. To consider and if thought fit to pass with or without modifications the following resolution as a *Special Resolution*.

**"RESOLVED THAT** pursuant to Section 44 and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of members in Annual General Meeting of the Company, the Company be converted into a Public Limited Company.





***FURTHER RESOLVED THAT*** pursuant to the applicable provisions of the Companies Act, 1956 draft copy of articles of association of the company submitted for consideration and approval of this meeting, and initialed by the Chairman for the purpose of identification, be and are hereby approved and adopted as the articles of association of the Company in substitution for and to the exclusion of the present articles of association of the Company."

7. To consider and if thought fit to pass with or without modifications the following resolution as a *Special Resolution*.

***"RESOLVED THAT*** subject to the approval of members in Annual General Meeting of the Company and pursuant to Section 21 and other applicable provisions, if any, of the Companies Act, 1956, the name of the Company be changed from "***ARIHANT DOMESTIC APPLIANCES PRIVATE LIMITED***" to "***ARIHANT DOMESTIC APPLIANCES LIMITED***"

***FURTHER RESOLVED THAT*** pursuant to the applicable provisions, if any, of the Companies Act, 1956, the name of the Company in an Articles of Association of Company be altered by substituting the following:

The name of the Company is "***ARIHANT DOMESTIC APPLIANCES LIMITED***"

***FURTHER RESOLVED THAT*** pursuant to Section 16 and other applicable provisions, if any, of the Companies Act, 1956, Clause I of the Memorandum of Association of the Company be altered by substituting the same with the following:

"Clause I. The name of the Company is "***ARIHANT DOMESTIC APPLIANCES LIMITED***".

**BY ORDER OF THE BOARD OF DIRECTORS**

**CHANDU CHAVAN**  
CHAIRMAN





Place: PUNE

Date: 22.11.2008

**NOTE:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. Proxies in order to be effective must be lodged with the Company at its Registered Office at least 48 hours before the time appointed for the meeting.
3. Members desirous of obtaining any information concerning the Accounts and Operations of the Company are requested to send their queries to the Company at least seven days prior to the meeting so that the required information can be made available at the meeting.





**EXPLANATORY STATEMENT**  
**(Pursuant to section 173(2) of the Companies Act, 1956)**

**Item No. 5**

The Board of Directors appointed Mr. Mukund Krishnaswami as an additional director of the Company with effect from 07.06.2008 by way of passing necessary board resolution. Pursuant to section 260 of the Companies Act, 1956 he holds office upto the date of ensuing Annual General Meeting.

The appointment of Mr. Mukund as Nominee Director representing interest of Kavos Capital Limited has been proposed as by virtue of signing Shareholders agreement dated 21.02.2008 Company concurred to appoint Mr. Mukund as Nominee Director on Board hence, your Directors recommends his appointment as Nominee Director. Period of office as Nominee Director of Mr. Mukund shall not be liable to retire by rotation.

No Director other than Mr. C. L. Chavan is concerned or interested in the resolution.







**REPORT OF THE DIRECTORS**

To,  
The Members Of,  
Arihant Domestic Appliances Private Limited,  
Pune

Your directors have pleasure in presenting the 17<sup>th</sup> Annual Report together with the Audited Accounts of the Company for the year ended 31<sup>st</sup> March 2008. The Financial highlights of the year under review are as follows

**FINANCIAL RESULTS:**

During the year 2007-08 your Company has achieved over 42% rise in sales as compared to previous year. Total sale of Financial Years 2007-08 was Rs. 31,892.85 lacs as compared to sale of Rs. 22,474.77 Lacs in financial year 2006-07 for better understanding of the financial results of the Company separate summary report is also included in this annual report.

	(Rs. In Lacs)	
Particulars	2007-08	2006-07
Turnover / Income (Gross)	31,892.85	22,474.77
Turnover / Income (Net)	27,424.48	19,210.75
Other Income	168.21	52.86
Total Expenditures	26,082.15	17,128.84
Profit Before Depreciation Interest and Tax	2,526.55	2,767.47
Finance Charges	1,272.11	837.87
Depreciation	578.89	426.65
Profit Before Tax	675.55	1,502.95
Tax - Current	66.65	170.00
- Deferred	252.8	266.60
- FBT	10.4	8.00
- Income Tax Excess Provision in Previous Year	(38.96)	—
- Wealth Tax	(1)	0.30
- MAT ( Credit )	21.24	(145.54)
Profit After Tax	364.41	1,203.58
Balance Brought forward from last year	2,222.15	1,099.73
Profit Available for Appropriation	2,586.57	2,303.31
<b>Appropriations</b>		
Dividend on Preference Shares	4.00	48.00
Corporate Dividend Tax	0.68	8.16
Transfer to Capital Redemption Reserve	400.00	—



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General Reserve	25.00	25.00
Surplus Carried over to Balance sheet	2156.89	2,222.15
EPS	7.29	24.07
Face value of Share Rs 10/- each)		

**MEGA PROJECT**

“Mega Project” which got final nod from Maharashtra Government vide their letter dated October 30, 2007 followed by signing of Memorandum of Understanding (MoU) by Mr. V. K. Jairath, IAS, Principal Secretary (Industries) Government of Maharashtra and Mr. Chandu L. Chavan, Chairman of the Company in the presence of Honorable Chief Minister Shri. Vilasrao Deshmukh (GoM), Mr. Ashok Chavan, Honorable minister of industries (GoM), Mr. Rana Jagjitsinh Patil, Honorable minister of state for Industries, Mr. Jonny Joseph, Chief Secretary (GoM) on 15.03.2008 at Mumbai Mantralay.

This Mega Project will allow an expansion in ERW, CEW precision welded tube manufacturing from 1,80,000 to 3,00,000 tones per annum and will be established at Pimple Jagtap, Tal: Shirur, Dist: Pune. The initial project investment cost would be Rs. 117 Crores which should provide direct and indirect employment to more than 500 peoples out of which around 350 would be women employees belonging to local rural areas.

This project will cater demands of expanding automobile sector and energy sector.

**SUBSIDIARY:**

During the period under review, following is the list of Subsidiary Companies, within the meaning of Section 4(1)(b)(ii) of the Companies Act, 1956;

➤ Arihant Auto Components Private Limited:-

The Company is carrying the business of manufacturing, buying, selling, hiring, importing, exporting or dealing etc in every type of auto components, auto parts, replacements parts or spare parts and others. Company started actual operations in the year 2006 and achieved turnover of Rs. 12.61 Crores at the end of Financial Year 2007-08 as against its previous year's turnover of Rs. 1.25 Crores.

➤ Arihant Steel and Metal Wires Private Limited:-

The Company established in December 2005 and since then engaged into the business of all kinds of wires and cables like metal wire, non-metal wire, steel wire, copper wire and all other wire products required for household and industrial applications and scraps obtained in the manufacturing or processing

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