



Innoventive Industries Ltd.
(Erstwhile Arihant Domestic Appliances Ltd)

19th Annual Report 2009-10



INNOVENTIVE INDUSTRIES LIMITED
(Erstwhile Arihant Domestic Appliances Limited)

Board of Directors

<i>Chandu L. Chavan</i>	<i>Chairman</i>
<i>Ravinda W. Katre</i>	<i>Managing Director</i>
<i>Sanjay H. Waghulade</i>	<i>Whole-time Director</i>
<i>Mukund Krishnaswami</i>	<i>Nominee Director</i>
<i>Ramprasad Joshi</i>	<i>Independent Director</i>
<i>Pradeep Tupe</i>	<i>Independent Director</i>
<i>Yashpaul Gupta</i>	<i>Independent Director</i>
<i>Dr. Rajendra Jagdale</i>	<i>Independent Director</i>

Auditors

B. K. Khare & Co.,
Chartered Accountants
Pune

Company Secretary
Mahesh G. Bagla

Corporate Office

Office No. 406, 407 'SAN MAHU
Commercial Complex' Opp: Poona
Residency, Bund Garden Road,
Pune - 411001.

Bankers

United Bank of India
Saraswat Co Op Bank Ltd
Central Bank of India
Corporation Bank
UCO Bank
State Bank of Mysore
IDBI Bank Ltd
Axis Bank
Oriental Bank of Commerce

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



INNOVENTIVE INDUSTRIES LIMITED
(Erstwhile Arhant Domestic Appliances Limited)

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NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the 19th Annual General Meeting of **Innoventive Industries Limited** (Formerly known as Arihant Domestic Appliance Limited) will be held on Monday the 06th Day of September, 2010 at 04.30 p.m. at the Registered Office (Gar No. 1261, Sanaswadi, Nagar Road, Shirur, Pune) 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 31st March 2010 together with the Directors' report and Auditors' report thereon.
2. To appoint a Director in place of Mr. Chandu L. Chavan 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. Ravindra W. Katre 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. Ramprasad Joshi who was appointed as additional director by Board of Directors of the Company, pursuant to Section 260 of the Companies Act, 1956 and who holds office up to the date of this General Meeting and eligible for appointment to the office of Director, be and is hereby appointed as Independent Director of the Company liable to retire by rotation with immediate effect on such terms and conditions as may be mutually agreed by and between parties.

RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby jointly or severally authorised to file necessary forms, returns & documents in this regard with Registrar of Companies, Pune and also to do all such acts, deeds & things in connection with the forgoing resolution."

6. To consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**;
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"RESOLVED THAT Mr. Pradeep Tupe who was appointed as additional director by Board of Directors of the Company, pursuant to Section 260 of the Companies Act, 1956 and who holds office up to the date of this General Meeting and eligible for appointment to the office of Director, be and is hereby appointed as Independent Director of the Company liable to retire by rotation with immediate effect on such terms and conditions as may be mutually agreed by and between parties.

RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby jointly or severally authorised to file necessary forms, returns & documents in this regard with Registrar of Companies, Pune and also to do all such acts, deeds & things in connection with the forgoing resolution."

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

"RESOLVED THAT Mr. Yashpaul Gupta who was appointed as additional director by Board of Directors of the Company, pursuant to Section 260 of the Companies Act, 1956 and who holds office up to the date of this General Meeting and eligible for appointment to the office of Director, be and is hereby appointed as Independent Director of the Company liable to retire by rotation with immediate effect on such terms and conditions as may be mutually agreed by and between parties.

RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby jointly or severally authorised to file necessary forms, returns & documents in this regard with Registrar of Companies, Pune and also to do all such acts, deeds & things in connection with the forgoing resolution."

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

"RESOLVED THAT Dr. Rajendra Jagdale who was appointed as additional director by Board of Directors of the Company, pursuant to Section 260 of the Companies Act, 1956 and who holds office up to the date of this General Meeting and eligible for appointment to the office of Director, be and is hereby appointed as Independent Director of the Company liable to retire by rotation with immediate effect on such terms and conditions as may be mutually agreed by and between parties.

RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby jointly or severally authorised to file necessary forms, returns & documents in this regard with Registrar of Companies, Pune and also to do all such acts, deeds & things in connection with the forgoing resolution."

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

"RESOLVED THAT Mr. William Sean Sovak who was appointed as additional director by Board of Directors of the Company, pursuant to Section 260 of the Companies Act, 1956 and who holds office up to the date of this General Meeting and eligible for appointment to the office of Director, be and is hereby appointed as Nominee Director of the Company not liable to retire by rotation with immediate effect on such terms and conditions as may be mutually agreed by and between parties.

RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby jointly or severally authorised to file necessary forms, returns & documents in this regard with Registrar of Companies, Pune and also to do all such acts, deeds & things in connection with the forgoing resolution."

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

"RESOLVED THAT pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (hereinafter referred to as the "Act") (including any statutory modification or re-enactment thereof for the time being in force), read with the Memorandum of Association and Articles of Association of the Company and the Listing Agreements to be entered into with the respective Stock Exchanges, where the Company's equity shares are proposed to be listed and subject to the approval to the extent necessary of the Government of India, Securities and Exchange Board of India ("SEBI"), Foreign Investment Promotion Board ("FIPB"), Reserve Bank of India ("RBI") and all other concerned statutory and other authorities and to the extent necessary, such other approvals, consents, permissions, sanctions and the like, as may be necessary, and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of them while granting such approvals, consents, permissions, sanctions and the like, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board" which shall include a duly authorized Committee for the time being exercising the powers conferred upon it by the Board), consent of the members in this Nineteenth Annual General Meeting be and is hereby granted, and the Board be and is hereby authorized to create, offer, issue and allot equity shares of the face value of Rs. 10/- (Rupees ten only) each at par or at a premium, so however that the total amount to be raised including amount of securities premium by such offerings shall not exceed 300 Crores (Rupees Three Hundred Crores only) (the "Issue"); to such person or persons, who may or may not be the Members of the Company and as the Board may at its sole discretion decide, including one or more of the Members, Promoters (that is to say persons in present management

and control of the Company) and their associates, Directors, their friends, relatives and associates, foreign / resident investors, foreign institutional investors, foreign venture capital investors, Indian and/or multilateral financial institutions, mutual funds, Non Resident Indians, qualified institutional buyers, employees and/or workers of the Company or its subsidiaries,, in or out of India, or the Promoters, members of group companies, Indian public, bodies corporate, any other company/companies, private or public or other body corporate(s) or entities whether incorporated or not, authorities and such other persons in one or more combinations thereof and/or any other categories of investors, whether they be holders of equity shares of the Company or not, and/or through issue of offer documents ("Initial Public Offer") or under Preferential Offer/ Allotment regulations of SEBI, through the Book Building Process, in one or more tranches and in the manner, and on the terms and conditions as the Board may in its absolute sole discretion decide including the price at which the equity shares are to be issued, at par or at premium and for cash or other consideration and the decision to determine the category or categories of investors to whom the offer, issue and allotment/transfer shall be made to the exclusion of all other categories of investors on such terms and conditions as may be finalized by the Board and that the Board may finalize all matters incidental thereto as it may in its absolute discretion think fit;

RESOLVED FURTHER THAT in terms of Section 81(1A) of the Companies Act, 1956 and all other applicable provisions of the Companies Act, 1956 and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time, consent of the members in this Annual General Meeting be and is hereby granted, and Board be and is hereby authorised at its option to issue and retain up to and including 15% (fifteen) percent of the aggregate equity shares issued pursuant to the above resolution as a 'Green Shoe Option' and that the Board be and is hereby authorized to enter into a Stabilization Agreement or execute any other deed, document, writing or the like in this regard;

RESOLVED FURTHER THAT the Board, including any Committee or Sub-Committee be and is hereby authorized to make any alteration, addition or vary any of the above said clauses, in consultation with the Book Running Lead Managers or SEBI or such other authorities as may be required, and without prejudice to the generality of the aforesaid, deciding the exact Issue structure;

RESOLVED FURTHER THAT: -

1. All the monies received out of the issue of shares to the public shall be transferred to separate bank account other than the bank account referred to in Sub-section (3) of Section 73 of the Companies Act, 1956;

2. Details of all monies utilised out of the Issue referred to in sub-item 1 above shall be disclosed under an appropriate separate head in the balance sheet of the Company indicating the purpose for which such monies had been utilised; and
3. Details of all un-utilised monies out of the issue of shares, if any, referred to in sub-item 1 above shall be disclosed under an appropriate separate head in the balance sheet of the Company indicating the form in which such un-utilised monies have been invested;

RESOLVED FURTHER THAT such of these equity shares to be issued as are not subscribed may be disposed of by the Board to such persons and in such manner and on such terms as the Board in its absolute sole discretion may think most beneficial to the Company including offering or placing them with Banks/Financial Institutions / Investment Institutions / Mutual Funds / Foreign Institutional Investors / Bodies Corporate / such other persons or otherwise as the Board may in its absolute sole discretion decide;

RESOLVED FURTHER THAT Axis Bank Limited and Avendus Capital Private Limited and SBI Capital Markets Limited be and are hereby approved as Book Running Lead Manager(s) to the above Issue made by the Company;

RESOLVED FURTHER THAT Karvy Computershare Private Limited be and is hereby approved as registrar to the above Issue;

RESOLVED FURTHER THAT for the purpose of giving effect to these resolutions, the Board be and is hereby authorized, on behalf of the Company, to decide and approve the terms and conditions of the Issue, including but not limited to reservations for employees or other permitted categories, and shall be entitled to vary, modify or alter any of the terms and conditions, including the size of the Issue, as it may consider expedient and to do all such acts, deeds, matters and things, as it may in its absolute sole discretion deem necessary, proper, desirable and to settle any question, difficulty or doubt that may arise in regard to the above offer, issue and allotment and utilisation of the proceeds of the Issue, to liaise with regulatory authorities and further to do all such acts, deeds, matters and things and to negotiate and finalize all such deeds, documents and writings as may be necessary, desirable or expedient to give effect to the above resolution and to negotiate terms, appoint advisor(s), book running lead manager, registrar(s), any other intermediary / intermediaries registered with SEBI, legal counsel or legal experts, advertising agents/agencies, consultants and to pay any fees, commission, remuneration, incur expenses and take such further steps as may be required necessary, incidental or ancillary for the allotment and listing of the aforesaid equity shares on the Stock Exchanges where the Company's equity shares are proposed to be listed, as may be decided by the Board, and to make

such modifications without being required to seek further consents or approval of the Members and that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized on behalf of the Company, at its discretion, to make available for allocation/allotment, a portion of the Issue to anchor investors being qualified institutional buyers making an application for a value of ten crores or more in the Issue in accordance with the SEBI Regulations ("Anchor Investors") or other applicable laws, regulations, policies or guidelines or as may otherwise be permitted by SEBI; and to take any and all action in connection with any allocation/allotment to Anchor Investors as may be decided by the Board in its absolute discretion, including without limitation, to negotiate, finalize and execute any document or agreement, and any amendments, supplements, notices or corrigenda thereto; seek any consent or approval required or necessary; give directions or instructions and do all such acts, deeds, matters and things as the Board may, from time to time, in its absolute discretion, deem necessary, proper, or desirable; and settle any question, difficulty, or doubt that may arise with regard to or in relation to the foregoing, without being required to seek further consents or approvals of the Members and the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board and/or any Committee of the Board, be and is hereby authorised to take such action, give such directions, as may be necessary or desirable to give effect to this resolution and to do all such acts, matters, deeds and things, including but not limited to the allotment of equity shares against the valid applications received in the Initial Public Offering, as are in the best interests of the Company;

RESOLVED FURTHER THAT Mr. Chandu L. Chavan, Director and/or Mr. Sanjay H. Waghulade, Director of the Company and/or Company Secretary of the Company be and are hereby severally authorized to execute and sign the documents including consent letter, power of attorney, certificates etc., as may be required in connection with the above;

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

"RESOLVED THAT pursuant to the applicable provisions of the Foreign Exchange Management Act (FEMA), 1999, the Companies Act, 1956, all other applicable laws, rules, regulations, guidelines and subject to such approvals, consents and permissions of the Government of India, the Reserve Bank of India ("RBI") and any other appropriate authorities, institutions or bodies as may be necessary and subject to such conditions as may be prescribed by any of the

concerned authorities while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors (hereinafter referred to as the "Board" which term shall be deemed to include any Committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this Resolution), consent of the members be and is hereby accorded for investment in the Equity Shares of the Company by Foreign Institutional Investors (FIIs) including their sub-accounts registered with the Securities and Exchange Board of India (SEBI) upto such limit as may be permitted by law and approved by the Board of Directors of the Company, provided however that the share holding of a single FII or a sub-account of an FII, in the Company shall not exceed 49 percent of the total issued share capital of the Company or such other limit as may be permitted by law and approved by Board of Directors of the Company;

RESOLVED FURTHER THAT any Director of the Company or the Company Secretary be and are hereby severally authorized to do and perform all such acts, deeds, matters and things and to execute all such documents, deeds and writings as it may, in its absolute discretion, deem necessary, expedient, desirable or appropriate to give effect to this resolution in all respects as it may, in its absolute discretion, deem fit and proper and to settle any question or difficulty that may arise with regard to the aforesaid purpose and which it may deem fit in the interest of the Company."

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

"RESOLVED THAT pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956 consent of the members of the Company be and is hereby accorded to the alteration of the existing Articles of Association of the Company by deleting the same and substituting in its place a new set of Articles of Association as placed before the Board of Directors and initialed by the Chairman for identification.

RESOLVED FURTHER THAT any Director of the Company or the Company Secretary be and are hereby severally authorized to do and perform all such acts, deeds, matters and things and to execute all such documents, deeds and writings as it may, in its absolute discretion, deem necessary, expedient, desirable or appropriate to give effect to this resolution in all respects as it may, in its absolute discretion, deem fit and proper including but not limited filing the required forms with the Registrar of Companies, Pune and to settle any question or difficulty that may arise with regard to the aforesaid purpose and which it may deem fit in the interest of the Company."