

18th

Annual Report

2011-12

RADIX INDUSTRIES (INDIA) LIMITED

18th Annual General Meeting

28th September 2012

at 10.30 A.M.

at 4-243, Chivatam, Near NH-5 Road,
Tanuku - 534211 West Godavari District,
Andhra Pradesh

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CORPORATE INFORMATION**BOARD OF DIRECTORS**

- **Sri. G. Raghu Rama Raju** : Managing Director
- **Smt. G. Parvathi** : Director
- **Sri. G. Ganapathi Rama Prabhakara Raju** : Director
- **Sri V. Viswanada Raju** : Independent Director
- **Sri G. Ramalakshmi Narayana Rao** : Independent Director
- **Sri M. Kiran Phani Varma** : Independent Director

AUDITORS : **M/s Chevuturi Associates**
Chartered Accountants
Vijayawada.

REGISTERED OFFICE : Door No. 4-243
Chivatam, Near NH-5 Road
Tanuku – 534211
West Godavari Dist,
Andhra Pradesh, India

CORPORATE OFFICE : **Plot No. 21, Aswini Heights,**
Road No.7, Jubilee Hills,
Hyderabad – 500 033

BANKERS : **State Bank of India,** Tanuku
Axis Bank, Tanuku

LISTED AT : The Bombay Stock Exchange Limited, Mumbai
Madras Stock Exchange Limited, Chennai

**REGISTRARS &
SHARE TRANSFER AGENTS** : **M/s. Bigshare Services Private Limited**
Local office at 306, Right Wing,
Amrutha Ville, Opp. Yashoda Hospital,
Somajiguda, Rajbhavan Road,
Hyderabad – 500 082

NOTICE

Notice is hereby given that the **Eighteenth Annual General Meeting** of the members of the Company will be held on Friday, the 28th September 2012 at 10.30 A.M. at the registered office of the company at 4-243, Chivatam, Near NH-5 Road, Tanuku - 534211 West Godavari District, Andhra Pradesh to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2012 and the Statement of Profit and Loss Account and cash flow statement for the 9 Months financial year ended on that date along with the Report of Directors and the Auditors thereon.
2. To appoint a Director in the place of Sri G. Ganapathy Rama Prabakara Raju, who retires by rotation and being eligible offers himself for re-appointment
3. To appoint a Director in the place of Sri G Rama Lakshmi Narayana Rao, who retires by rotation and being eligible offers himself for re-appointment
4. To appoint Statutory Auditors of the Company to hold the office as such from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix the remuneration.

BY ORDER OF THE BOARD
For Radix Industries (India) Limited

Place : Tanuku
Date : 03.09.2012

Sd/-
G.Raghu Rama Raju
Managing Director

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND TO VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies in order to be effective must be received at the Company's Registered Office not less than 48 hours before the meeting.
2. The Register of Members and the Share Transfer Books will remain closed from 24th September, 2012 to 28th September, 2012 (both days inclusive).
3. Members / Proxies are requested to bring their copies of Annual Report with them for the Annual General Meeting and the attendance slip duly filled in for attending the Meeting. No copies of the Annual Report will be distributed at the meeting.
4. Members are requested to quote their Registered Folio No or Demat Account No and Depository Participant Identification Number (DPID No) on all correspondence with the Company.
5. Members are requested to send all communication relating to shares to the Company's RTA, M/s Bigshare Services Pvt. Ltd. 306, Right Wing Amrutha Ville Opp Yashoda Hospital Rajbhavan Road Somajiguda, Hyderabad – 500 082
6. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by companies and has issued circular stating that service of notice/documents including annual report can be sent by e-mail to its members. We fully support the Ministry's green initiative. Accordingly, the members are requested to inform their e-mail addresses to RTA - M/s Bigshare Services Pvt. Ltd. 306, Right Wing Amrutha Ville Opp Yashoda Hospital Rajbhavan Road Somajiguda, Hyderabad – 500 082
7. The information pursuant to Clause 49 of the Listing Agreement with respect to the details of the Directors seeking appointment / re-appointment in this Annual General Meeting is annexed.

ADDITIONAL INFORMATION

(Pursuant to Clause 49 IV (G) of the Listing Agreement)

Sri G. Ganapathy Rama Prabhakar Raju, aged about 43 years, hold a Diploma in Civil Engineering, with more than two decades of experience in different Industries including hairs. His forte his Interpersonal and problem solving skills. He is not a Director in any other Company.

Shareholding in the Company: **5000 (0.17%)**

Sri G Rama Lakshmi Narayana Rao, aged about 60 years, is a qualified Bachelor of Commerce with more than three decades of experience in different industries. He is also the Director of the Company M/s. Arqube industries (India) Limited.

Shareholding in the Company: **Nil**

BY ORDER OF THE BOARD
For Radix Industries (India) Limited

Sd/-
G. Raghu Rama Raju
Managing Director

Place : Tanuku
Date : 03.09.2012

DIRECTORS' REPORT

Your Directors hereby present the **EIGHTEENTH ANNUAL REPORT** together with the Audited Accounts of the company for the financial year (9 Months) ended 31st March, 2012.

FINANCIAL HIGHLIGHTS:

The financial highlights for the current year in comparison to the previous year are as under:

(Rs. In Lacs)

Particulars	Current Year (2011-12) (9 months)	Previous Year (2010-11) (15 months)
Total Revenue	14.95	16.22
Total Expenditure (before Financial Charges, Depreciation and Taxation)	14.92	82.68
Profit before Financial Charges, Depreciation and Taxation	0.03	-66.46
Less: Depreciation	0.43	0.00
Less: Financial Charges	0.00	0.00
Profit Before Tax	-0.40	-66.46
Less: Provision for Tax & Deferred Tax	0.00	0.00
Profit After Tax	-0.40	-66.46
Loss from Previous Year	-555.48	-489.02
Less : Transfer from Reduction of Capital	319.30	0.00
Net Loss carried to Balance Sheet	-236.58	-555.48

* The figures for the current year are for 9 months from 01.07.2011 to 31.03.2012 and that for previous year are for 15 months from 01.04.2010 to 30.06.2011 and hence not comparable.

OPERATIONS:

During the year under review, The Company has made a new beginning, it commenced its commercial operations with an export turnover of Rs.14.95 Lacs. However, owing to miscellaneous and other onetime expenses, the company posted a net loss of Rs.0.40 Lacs.

FUTURE OUTLOOK:

After going through a long process of restructuring, the stage is all set for the company to takeoff. During the year the Company has made a humble beginning and other Infrastructure and finances are in place. The management is actively scouting for new orders and markets.

In the coming years, the management will strive to identify and produce distinct varieties of hair wigs to cater to the needs of European markets and other overseas markets.

DIVIDEND:

In view of the losses in the current year and also accumulated losses, your Directors do not recommend any dividend for the financial year 2011-12

FIXED DEPOSITS:

The company has neither accepted nor renewed any deposits falling within the provisions of Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975 from the public during the financial year.

DIRECTORS:

Sri G. Ganapathy Rama Prabakara Raju and Sri G Rama Lakshmi Narayana Rao, retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

SCHEME OF ARRANGEMENT

As the members are aware and as discussed in the 17th Directors Report, the scheme of arrangement of the Company was sanctioned by the Hon'ble High Court of Andhra Pradesh at Hyderabad on 12.12.2011 and certified copy filed with the Registrar of Companies, AP. Thereafter the Board of Directors after fixing the record date, re issued and dispatched new share certificates post reduction (90%) and consolidation into Equity Shares of Rs.10/- each to the eligible shareholders. The Board also allotted 26, 50,000 Equity Shares of Rs.10/- each to the Unsecured Creditors by converting the unsecured loans into equity shares pursuant to the scheme of arrangement.

The re issued and newly allotted shares have been admitted for Listing and Trading on both the stock exchanges BSE and MSE.

DEMATERIALIZATION:

Post restructuring of the Balance Sheet, the Company obtained electronic connectivity with NSDL & CDSL. The ISIN allotted to the Company is **INE576N01014**. The Shareholders of the Company can now get their physical shares dematerialized.

AUDITORS REPORT:

With regard to clause 7 of the Annexure to the Auditors report, the Board would like to submit that, the company has in place internal control procedures which exercises enough checks and balances with regard to the minimum transactions being done at present. Further the Board is committed to put in place a formal Internal Audit System, commensurate with the operations and transactions of the company in the future.

AUDITORS:

M/s Chevuturi Associates, Vijayawada Chartered Accountants, , the Statutory Auditors of the Company retire at the conclusion of ensuing Annual General Meeting & being eligible, offer themselves for re-appointment. They have furnished a certificate stating that their re-appointment, if made, will be within the limits laid down under Section 224(1B) of the Companies Act, 1956. The Board recommends their re-appointment for the FY 2012-13.

PARTICULARS OF EMPLOYEES:

There are no employees whose particulars are required to be furnished under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of employees) Rules, 1975, and as amended from time to time as remuneration of none of the employees is in excess of Rs.5, 00,000- per month, if employed for the part of year or Rs. 60, 00,000 / Rs. 75, 00,000 per annum during the financial year 2011-2012

DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors of your Company hereby report:

- (i) that in the preparation of Annual Accounts for the financial year ended 31st March , 2012, the applicable accounting standards have been followed along with the proper explanation relating to material departures, if any, there from;
- (ii) that the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period:
- (iii) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities
- (iv) that the directors have prepared the annual accounts on a going concern basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The details regarding Energy Conservation, Technology Absorption, Foreign Exchange Earnings and Outgo as required by section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of the particulars in the report of the Board of Directors) Rules, 1988 are given as **Annexure A** and forms part of this report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis Report, pursuant to Clause 49 of the Listing Agreement forms part of this Report and is annexed hereto.

CORPORATE GOVERNANCE:

The Company has implemented the procedures and adopted practices in conformity with the Code of Corporate Governance enunciated in Clause 49 of the Listing Agreement with the Stock Exchanges. A separate report on Corporate Governance is annexed herewith, as a part of the Annual Report along with the CS Certificate on its compliance.

COMPLAINEE CERTIFICATE:

A copy of Compliance Certificate pursuant to the provisions of Section 383A of the Companies Act, 1956, obtained from M/s P.S Rao & Associates, Company Secretary, Hyderabad is attached to this Report.

LISTING:

Your Company's shares are presently listed on The Bombay Stock Exchange Limited, Mumbai and Madras Stock Exchange Limited, Chennai and the listing fees for F.Y 2012-13 is paid.

ACKNOWLEDGEMENTS:

Your directors acknowledge the continued support from regulatory, government authorities, staff and all the stake holders for their support and cooperation.

BY THE ORDER OF THE BOARD
For Radix industries (India) Ltd

Sd/-
G.Raghu Rama Raju
Managing Director

Place : Tanuku
Date : 03.09.2012