



# **Rids Securities Ltd.**

**15<sup>th</sup> ANNUAL REPORT  
2008-2009**

**Rids Securities Ltd.**

**15<sup>th</sup> ANNUAL REPORT**

**BOARD OF DIRECTORS:**

Shri Naran Bhati

Shri Mihir Shah

Shri Deepinder Mohan

Shri Jeetendra Wala

**AUDITORS:**

M/S. Kiritbhai Soni & Associates

Chartered Accountants.

Ahmedabad.

**BANKERS:**

Indian Bank,

Ashram Road, Ahmedabad.

**REGISTERED OFFICE:**

54, Empire Tower,

Near Associated Petrol Pump,

C. G. Road, Ahmedabad - 380 006.

**REGISTRAR AND TRANSFER AGENT:**

M/s. Sharex (Dynamic) India Pvt. Ltd.

17-B, Dena Bank Building,

Horniman Circle, Fort,

Mumbai - 400 023.

**NOTICE**

NOTICE is hereby given that the 15th Annual General Meeting of the members of Rids Securities Limited, will be held on Thursday, the 10th day of September, 2009 at 2.00 p.m., at 54, Empire Tower, Near Associated Petrol Pump, C. G. Road, Ahmedabad - 380 006, to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Profit and Loss Account, Cash Flow Statement for the period ended as on 31st March 2009, Balance Sheet as on that date, and the Report of the Directors' and Auditors thereon.
2. To appoint a Director in place of Shri Deepinder Mohan and Shri Mihir Shah who retires by rotation and being eligible offer themselves for reappointment.

**SPECIAL BUSINESS**

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

"RESOLVED THAT subject to the provisions of Sections 224,225 and other applicable provisions, if any, of the Companies Act, 1956, Messers Koshal & Associates, Chartered Accountants, be and are hereby appointed as the Statutory Auditors of the company to hold the office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, in place of the retiring auditors Messers Kiritbhai Soni & Associates, Chartered Accountants, Ahmedabad, to examine and audit the accounts of the Company for the financial year 2009-10, at such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the auditors."

4. To consider and if thought fit to pass the following resolution, with or without modification(s), as a Special Resolution:

"RESOLVED THAT pursuant to Sections 81, 81(1A) and other applicable provisions of the Companies Act, 1956, (including any statutory modification or re-enactment thereof for the time being in force) and subject to such approvals, permissions, consents and sanctions as may be necessary from the Government of India (GOI), Reserve Bank of India (RBI), the Securities and Exchange Board of India (SEBI) and/or any other competent authorities and enabling provisions of the Memorandum and Articles of Association of the Company, the Listing Agreements entered into by the Company with the Stock Exchanges, where the shares of the Company are listed and in accordance with the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993, the guidelines, rules, regulations issued by the GOI, RBI, SEBI and/or any other competent authorities and clarifications thereon, issued from time to time, and subject to all such other approvals, permissions, consents and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions, consents and sanctions, which may be agreed to by the Board of Directors of the Company, (which term shall include any Committee constituted / to be constituted by the Board for exercising the powers conferred on the Board by this resolution), consent of the Company be and is hereby accorded to the Board to create, offer, issue and allot, in one or more tranches, whether within India or outside India, with or without premium, whether rupee denominated or denominated in any foreign currency, such number of equity/preference shares (Cumulative or Non-Cumulative, Redeemable or Non-Redeemable) and/or Foreign Currency Convertible Bonds (FCCBs) and/or Fully/Partially Convertible Bonds/Loans or non convertible debentures/Bonds and/or Global Depository Receipts (GDRs) and/or American Depository Receipts (ADRs) and/or Qualified Institutional Placements (QIPs) and/or any other equity and/or preference or equity related instrument/security and/or any other instruments/securities in the nature of Shares/Bonds and/or warrants, convertible into equity shares at the option of the Company and/or the holder(s) of such securities, and/or securities linked to equity shares and/or securities with or without detachable/non-detachable warrants with a right exercisable by the warrant-holder to subscribe for the equity shares and/or warrants with an option exercisable by the warrant-holder to subscribe for equity shares, and/or any instrument or securities representing either equity shares and/or convertible securities linked to equity shares, naked or otherwise, convertible into shares or otherwise, either in registered or bearer forms, (hereinafter referred to as

"Financial Instruments") or any combination of the financial instruments in the International/Domestic market, upto Rs.100,00,00,000/- (Rupees One Hundred Crores only) to Indian or foreign investors (whether institutions, incorporated bodies, mutual funds and / or individuals, or otherwise and whether or not such investors are members of the Company), members, employees, non-resident Indians, Foreign institutional Investors(FIIs), Qualified Institutional Buyers (QIBs), Companies, Mutual Funds, Banks, Indian/Foreign Financial Institutions, other entity(ies) and such other persons through public issue(s), private placement(s), preferential allotment, rights issue, qualified institutional placements, exchange of securities, issue of shares under ESOP Plan, Conversion of loan or otherwise in the course of offerings in Indian and/or International Market or in any other manner or a combination thereof at such time or times, at such price or prices, at a discount or at par to or at a premium to market price or prices in such manner and on such terms and conditions including security, rate of interest, Dividend etc. as may be decided and deemed appropriate by the Board at the time of such issue, offer or allotment considering the prevailing market conditions and other relevant factors, wherever necessary in consultation with the lead managers, and/or underwriters and /or other advisors to the extent and in the manner as may be decided by the Board in this behalf.

RESOLVED FURTHER THAT in the event that securities are issued under Chapter XIII A of SEBI DIP Guidelines, the 'Relevant Date' for the purpose of pricing of the securities shall be 30 days prior to the date on which the Special Resolution in terms of Section 81(1A) of the Companies Act, 1956 approving the proposed issue of securities is passed in the general meeting, i.e. August 10, 2009.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the Financial Instruments may have all or any term or combination of terms in accordance with prevalent market practice including but not limited to terms and conditions relating to payment of interest, dividend, premium or redemption at the option of the Company and/or holders of any securities, including terms for issue/offer of additional equity shares or variations of the price or period of conversion of securities into equity shares or issue/offer of equity shares during the period of the securities or terms pertaining to voting rights or option(s) for early redemption of securities and to provide for the tradability or free transferability thereof as per the prevailing practices and regulations in the capital markets. For the purpose of giving effect to the above, the Board be and is hereby authorised to determine the form, terms and timing of the issue(s)/offer(s), including the class of investors, to whom the securities are to be allotted, number of securities to be allotted in each tranche, issue/offer price, face value, premium amount on issue/ conversion of securities/exercise of warrants/redemption of securities, rate of interest, redemption period, listings on one or more stock exchanges in India and/or overseas as the Board in its absolute discretion deems fit and to make and accept any modification in the proposal as may be required by the authorities involved in such issues/offers in India and/or overseas, to do all acts, deeds, matters and things as may be necessary and to settle any questions or difficulties that may arise in regard to the issue(s)/offer(s) and the Board is hereby authorized in its absolute discretion in such a manner as it may deem fit, to dispose of such of the Financial Instruments as are not subscribed.

RESOLVED FURTHER THAT the Board, be and is hereby authorised to make appointments as may be required of Managers (including Lead Managers), Merchant Bankers, Underwriters, Guarantors, Financial and/or Legal Advisors, Depositories, Custodians, Principal Paying/ Transfer/ Conversion Agents, Listing Agents, Registrars, Trustees and all other agencies, whether in India or overseas and to enter into and execute all such arrangement(s)/ agreements(s) with any such Managers (including Lead Managers)/ Merchant Bankers/ Underwriters/ Guarantors/ Depositories/ Custodians /Legal advisors/ Principal Paying/Transfer/ Conversion Agents, Listing Agents, Registrars, Trustees and all such agents or body as may be involved or concerned in such offering of Financial Instruments and to remunerate all such agents including by way of payment of commission, brokerage, fees, expenses incurred in relation to the issue/offer of securities and other expenses, if any.

RESOLVED FURTHER THAT the preliminary as well as the final Offer Document for the aforesaid issue/ offer be finalized, approved and signed by the Directors of the Board for and on behalf of the Company with authority to amend, vary, modify the same as may be considered desirable or expedient and for the purpose aforesaid to give such declarations, affidavits, undertakings, certificates, consents, authorities as may be necessary and required from time to time.

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RESOLVED FURTHER THAT the Financial Instruments to be so offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of equity shares as may be required to be issued and allotted upon conversion of the Financial Instruments or exercise of options as may be necessary in accordance with the terms of the offer aforesaid, subject to the provisions of the Company's Articles of Association and all such shares shall rank pari passu with the existing equity shares of the Company in all respects, in accordance with the law applicable at the time of such issue, offer or allotment as the case may be.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board is hereby authorised to do all such acts, deeds, matters and things and resolve any doubts or question that may arise in the issue and allotment of the Financial Instruments and/or fresh shares, to effect any modification to the foregoing in the best interest of the Company and its shareholders and to execute all such writings and instrument as the Board may in its absolute discretion deem necessary or desirable.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers to any Committee of Directors or any Director(s) or Officer(s) of the Company to give effect to the aforesaid resolution."

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

"RESOLVED THAT the Board of Directors (hereinafter referred to as "the Board" may constitute for this purpose), be and is hereby authorised, in accordance with Section 293(1)(d) of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and the Articles of Association of the Company, to borrow any sum or sums of money (including non fund based facilities) from time to time at their discretion, for the purpose of the business of the Company, from any one or more Banks, Financial Institutions and other persons, firms, bodies corporate either domestically or internationally, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) may, at any time, exceed upto a sum of Rs.100,00,00,000/- (Rupees One Hundred Crores only) over and above the aggregate of the then paid up capital of the Company and its free reserves (that is to say reserves not set apart for any specific purpose) and that the Board of Directors be and is hereby empowered and authorised to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, security or otherwise as they may, in their absolute discretion, think fit.

FURTHER RESOLVED THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper, or desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution."

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

"RESOLVED THAT, Mr. Jeetendra Wala, who was appointed by the Board as an Additional Director of the Company on 12th December, 2008 and who in terms of Section 260 of the Companies Act, 1956, holds office upto the date of this Annual General Meeting, who being eligible, offers himself for appointment and in respect of whom the Company has received a notice from a member under Section 257 of the Companies Act, 1956 signifying his intention to propose Mr. Jeetendra Wala as a candidate for the office of the Director, be and is hereby appointed as the Director of the Company, liable to retire by rotation."

**Registered Office:**

54, Empire Tower,  
Near Associated Petrol Pump,  
C. G. Road, Ahmedabad - 380 006.

Date : 11/08/2009  
Place : Ahmedabad

For and on Behalf of the Board  
of **RIDS SECURITIES LTD.**

Sd/-  
Chairman



**Rids Securities Ltd. 15<sup>th</sup> ANNUAL REPORT****NOTES:**

- (a) 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 THE INSTRUMENT APPOINTING PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- (b) The Explanatory Statement as required under Section 173(2) of the Companies Act, 1956, in respect of Special Business mentioned in the above notice is annexed hereto.
- (c) The Register of Members and Share Transfer Books of the Company will remain closed from 3rd September, 2009 to 10th September, 2009 (both days inclusive).
- (d) Members holding shares of the Company under more than one Ledger Folio are requested to send to the Registrar & Share Transfer Agents of the Company, details of all such folios together with the Share Certificates for consolidating the folios into one. The Share Certificates will be returned to the shareholders after making the requisite endorsement thereon.
- (e) Members are requested to notify change in their address along with pin code number.
- (f) Members are requested to bring their copy of the Annual Report to the Meeting, as copies of the Report will not be distributed at the Meeting.
- (g) Members seeking further information about the Accounts and/or Operations of the Company are requested to send their queries to the Company at its Registered Office at least TEN days before the date of the Meeting.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956****ITEM NO. 3:**

Messers Kiritbhai Soni & Associates, Chartered Accountants, Ahmedabad have expressed their unwillingness to be re-appointed as the Statutory Auditors of the Company, with effect from the conclusion of the ensuing Annual General Meeting of the Company.

In view of the above, the Board of Directors propose the appointment of Messers Koshal & Associates Chartered Accountants, Mumbai as the Statutory Auditors of the Company in place of Messers Kiritbhai Soni & Associates, Chartered Accountants, Ahmedabad for the financial year 2009-10, i.e. with effect from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting.

The Company has received a special notice from a member of the Company, in terms of the provisions of the Act, signifying his intention to propose the appointment of Messers Koshal & Associates, Chartered Accountants, Mumbai, as the Statutory Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting. As required the said auditors have forwarded certificates to the Company stating that the appointment, if made, will be within the limits specified in sub-section (1B) of Section 224 of the Companies Act, 1956. Further they have confirmed that they are not disqualified to be appointed as the auditors under Section 226 of the Companies Act, 1956.

The Members approval is being sought to the appointment of Messers Koshal & Associates, Chartered Accountants, Mumbai, as the Statutory Auditors and to authorize the Board of Directors, on the recommendation of the Audit committee, to determine the remuneration payable to the Auditors.

None of the Directors of the Company is concerned or interested in the said resolution.

**ITEM NO. 4:**

The Company needs to raise funds for normal capital expenditure, expansion, acquisition/s, general corporate purposes, working capital requirements etc. The Board of Directors have proposed that it would be necessary for the Company to raise funds not exceeding Rs. 100,00,00,000/- (Rupees One Hundred Crores only) in the manner as set out in the Resolution No.4 of the Notice.

The resolution set out in Item No.4 is an enabling resolution conferring authority on the Board to do all the acts and deeds which may be required to issue/offer securities of appropriate nature at an opportune time, including the size, structure, price and timing of the issue/offer at the appropriate time(s). The detailed terms and conditions for the international and/or domestic offering will be determined in consultation with the lead managers, consultants, advisors, underwriters and/or other such intermediaries as may be appointed for the issue/offer. Wherever necessary and applicable, the pricing of the issue/offer will be finalized in accordance with the applicable guidelines in force of the Government of India, RBI, SEBI and other relevant authorities. Since the pricing of the offering can be decided only at a later stage, it's not possible to state the price or the exact number of securities or instruments to be issued.

Section 81 of the Companies Act, 1956 and the listing agreements provide, inter alia, that whenever it is proposed to increase the subscribed capital of the Company by further issue/offer and allotment of shares, such shares shall be offered to existing shareholders of the company in the manner laid down in the section, unless the shareholders decide otherwise in the general meeting. Accordingly, the consent of the shareholders is being sought pursuant to the provisions of Section 81(1A) and all other provisions of the Companies Act, 1956 and in terms of provisions of the listing agreements executed by the Company with the Stock Exchanges, authorizing the Board to issue securities, as stated in the resolution which would result in issuance of further securities of the Company to persons other than existing members of the Company in accordance with the terms and nature of the securities.

The Resolution in the accompanying Notice being proposed as a Special Resolution is essentially an enabling one and relates to a proposal to create, issue, offer and allot equity shares/depository receipts/foreign currency convertible bonds and/or other appropriate securities upto an amount not exceeding Rs. 100 Crores inclusive of premium in the course of domestic/international offerings. Such securities are proposed to be issued to any eligible person including but not limited to resident investors and foreign investors (whether individuals, mutual funds, incorporated bodies, institutions or otherwise), Foreign Financial Institutions and Qualified Institutional Buyers, etc.

The Special Resolution also seeks to empower the Board of Directors to undertake a qualified institutional placement with qualified institutional buyers as defined by SEBI DIP Guidelines. The Board of Directors may in its discretion adopt this mechanism as prescribed under Chapter XIII A of SEBI DIP Guidelines without the need for fresh approval from the shareholders.

The 'Relevant Date' for the purpose of determination of minimum price as per Chapter XIII A of the SEBI DIP Guidelines for issue of securities shall be 30 days prior to the date on which the shareholders Resolution in terms of Section 81(1A) of the Companies Act, 1956 approving the proposed issue of securities is passed i.e. August 10, 2009.

Your directors commend the resolution for your approval as a special resolution.

None of the Directors of the Company is in any way concerned or interested in the proposed Resolution at Item No.4 except to the extent of their holding of equity shares in the Company and/or of their relatives and/ or companies/ concerns in which they may be interested.

#### **ITEM NO. 5:**

In terms of the provisions of Section 293(1)(d) of the Companies Act, 1956, the Board of Directors of the Company, cannot except with the consent of the Company in general meeting, borrow moneys, apart from temporary loans obtained from Company's bankers in the ordinary course of business, in excess of aggregate of the paid up capital and its free reserves that is to say reserves not set apart for any specific purpose. Keeping in view the Company's business requirements and its growth plans, it is considered desirable to increase the said borrowing limits. The Board of Directors accordingly recommends the resolution set out at Item No. 5 of the accompanying Notice for the approval of the Members as ordinary resolution.

#### **ITEM NO. 6:**

Mr. Jeetendra Wala was appointed as Additional Director of the Company with effect from 12th December, 2008. According to the provisions of Section 260 of the Companies Act, 1956, he holds office upto the date of the ensuing Annual General Meeting. A notice has been received from a member signifying his intention to propose the appointment of Mr. Jeetendra Wala as Director at the forthcoming Annual General Meeting. Hence, necessary resolution is placed before the meeting for member's approval.

Mr. Jeetendra Wala is a Chartered Accountant by profession, having 26 years of rich experience.

Mr. Jeetendra Wala is deemed to be interested in the proposed resolution to the extent of his appointment as a Director. No other Director is interested in the Resolution. Directors recommend the resolution as proposed in the Notice for member's approval.

None of the directors of the Company is, in any way, concerned or interested in the said resolution

#### **Registered Office:**

54, Empire Tower,  
Near Associated Petrol Pump,  
C. G. Road, Ahmedabad - 380 006.

Date : 11/08/2009

Place : Ahmedabad

For and on Behalf of the Board  
of **RIDS SECURITIES LTD.**

Sd/-  
Chairman

**Rids Securities Ltd. 15<sup>th</sup> ANNUAL REPORT****DIRECTORS' REPORT**

To,  
The Members,  
**RIDS SECURITIES LIMITED**  
Ahmedabad.

Your Directors have pleasure in presenting herewith their 15th Annual Report together with the Audited Statements of Accounts for the period ended 31st March 2009.

**FINANCIAL RESULTS**

(Rs. in Thousands)

	<b>2008-09</b>	<b>2007-08</b>
Sales	3920.09	64727.00
Closing Stock	1384.79	299.88
Other Income	-	406.00
<b>TOTAL</b>	<b>5304.88</b>	<b>65432.88</b>
Profit Before Interest, Depreciation and Taxation	966.57	4909.96
Depreciation	236.75	503.01
Provision for Taxation and Deferred Tax	297.82	1500.80
<b>PROFIT FOR THE YEAR</b>	<b>462.00</b>	<b>2906.15</b>

**DIVIDEND**

In view of lesser profits available for appropriation and to conserve the resources your Directors do not recommend any dividend.

**PRESENT OPERATIONS**

During the year under consideration your company has achieved turnover of Rs. 39.20 Lacs (P.Y. 647.27 Lacs), which resulted in profit to the tune of Rs. 7.59 Lacs before providing for Taxation. The Company is implementing the different projects undertaken for the development of Arid Land & Trading in Agricultural Products and thus making an huge impact in overall growth of the company.

The Scheme of Amalgamation of Tricom Agrochem Limited (Transferor Company) with effect from "appointed date" of 1st April, 2008 with Rids Securities Limited (Transferee Company) is awaiting member's approval under section 391 to 394 of the Companies Act, 1956. The approval of the Hon'ble High Court of Bombay and Hon'ble High Court of Gujarat, is awaited & thus the amalgamation though effective from the "appointed date" i.e. 1st April, 2008 shall be operative from "effective date", i.e. last of the dates on which the sanctions/ approvals or order as specified in the Scheme of Amalgamation are obtained & / or filed. Once the approval of both the High Court is received & other legal formalities are completed, the amalgamation will be effective & all the assets, liabilities and reserves of Tricom Agrochem Limited (Transferor Company) will be transferred to the Company. Pending approvals & sanction of the Scheme from the Hon'ble High Court of Bombay and Hon'ble High Court of Gujarat, Company's accounts have been prepared independently without incorporating the figures of Tricom Agrochem Limited. The effect of the above Amalgamation will be given in the Annual Accounts of the Company, in the financial year in which all the sanctions/ approvals or orders as specified in the Scheme of Amalgamation are obtained and/ or filed.

The amalgamation of both the Companies would help to combine the activities and operations into a single company for synergistic linkages besides the benefit of financial resources of each other.

**LISTING**

The Shares of the Company are listed at Ahmedabad Stock Exchange Limited and Bombay Stock Exchange Limited. The company has paid listing fees to both the Stock Exchanges for the year 2009-10.

**DIRECTORS**

Mr. Jeetendra Wala was appointed as Additional Director of the Company on 12th December, 2008. He holds office upto the date of the ensuing Annual General Meeting. A notice has been received from a member signifying his intention to propose the appointment of Mr. Jeetendra Wala as a Director liable to retire by rotation.

In accordance with the Articles of Association of the Company, Shri Deepinder Mohan and Shri Mihir Shah of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offer themselves for reappointment.