

## **NOTICE**

NOTICE is hereby given that the 30th Annual General Meeting of the Members of Safari Industries (India) Limited will be convened on Monday, 26<sup>th</sup> day of July, 2010, at Walchand Hirachand Hall, 4<sup>th</sup> Floor,, Indian Merchants' Chamber, IMC Building, IMC Marg, Churchgate, Mumbai 400-020 at 4.30p..m, .to transact the following business :

### **ORDINARY BUSINESS :**

1. To consider and adopt Balance Sheet as at 31st March,2010, Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on equity shares
3. To appoint a Director in place of Shri Jagdish N Sheth , who retires by rotation, but being eligible, offers himself for reappointment.
4. To appoint a Director in place of Shri Shailesh J Mehta , who retires by rotation, but being eligible, offers himself for reappointment.
5. To appoint Auditors and to fix their remuneration.

### **BY ORDER OF THE BOARD OF DIRECTORS**

#### **REGISTERED OFFICE:**

7, Jayalaxmi Industrial Premises  
Co-op.Society Ltd.  
Khetani Textile Compound, Kurla,  
Mumbai 400 070.

SAFARI INDUSTRIES (INDIA) LIMITED.

Dated:15.05.2010.

A. S. MEHTA  
CHAIRMAN.

**NOTES :**

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.
2. Proxies in order to be effective should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the meeting.
3. Pursuant to Section 154 of the Companies Act, 1956, the Register of Members and Share Transfer Books of the Company will remain closed from 13<sup>th</sup> July, 2010 to 26<sup>th</sup> July, 2010 (both days inclusive).
4. Members who hold shares in dematerialised form are requested to bring their clients ID and DPID number for easy identification for attendance at the meeting.
5. Members desirous of obtaining any information as regards Accounts and operations of the Company are requested to write to the Company at least one week before the meeting to enable the Company to make available the required information at the meeting.
6. Members are requested to intimate the change in their addresses, if any, immediately to the company's Registrar and Transfer Agents.
7. The unclaimed dividends up to the company's financial year 1994-95 have been transferred to the General Revenue Account of the Central Government. Members who have not encashed their dividend warrants for the said period are requested to claim the amount from the Registrar of Companies, Maharashtra, Mumbai.

- . Consequent upon the amendment of Section 205A of the Companies Act, 1956, and the insertion of Section 205C by the Companies (Amendment) Act, 1999, the amount remaining unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account of the Company shall be transferred to the Investor Education and Protection Fund (the Fund) set up by the Government of India and no payments shall be made in respect of any such claims by the Fund. Members who have not yet en cashed their dividend warrants for the years 2004-2005 are requested to make their claims to the Company accordingly, without any delay.

ON BEHALF OF THE BOARD OF DIRECTORS.

MUMBAI  
DATED: 15<sup>th</sup> May, 2010.

A.S.MEHTA  
Chairman.

## DIRECTOR'S REPORT

To the Members,

Your Directors present the 30th Annual Report together with Audited Statement of Accounts of the company for the year ended 31st March, 2010.

### 1. FINANCIAL RESULTS

	YEAR ENDED 31.03.2010 Rupees	YEAR ENDED 31.03.2009 Rupees
Gross Operating Profit	4,00,31,379	1,02,45,134
Less Depreciation	42,93,618	62,39,704
Less VRS Expenses of the Current Year	51,97,292	11,66,333
<b>Operating Profit for the year</b>	<b>3,05,40,469</b>	<b>28,39,097</b>
Less Deferred Revenue Expenditure earlier years w/off	59,84,865	14,03,292
<b>Profit Before Tax</b>	<b>2,45,55,604</b>	<b>14,35,805</b>
<b>PROVISION FOR TAXATION :</b>		
Current Tax	81,80,467	19,13,182
Fringe Benefit Tax	--	5,79,090
Deferred Tax	(24,98,342)	(12,90,085)
Taxes of earlier years	4,29,647	97,315
<b>Profit After Tax</b>	<b>1,93,03,126</b>	<b>1,36,303</b>
Profit B/f from previous year	2,65,28,634	2,63,92,331
<b>Profit available for Appropriation</b>	<b>4,58,31,760</b>	<b>2,65,28,634</b>
<b>APPROPRIATIONS:</b>		
Transfer to General Reserve	19,30,313	--
Proposed Dividend	59,80,000	--
Tax on Proposed Dividend	10,16,301	--
Balance Carried to B/Sheet	3,69,05,146	2,65,28,634
<b>Total</b>	<b>4,58,31,760</b>	<b>2,65,28,634</b>

### 2. DIVIDEND :

Directors recommend a dividend of Rs.2/- per share of Rs.10/-each for the year ended 31.03.2010,subject to approval of the share holders at the forth coming Annual General Meeting.

**3. PERFORMANCE :**

- Net Sales and other income has increased from Rs. 61.06 crores to Rs. 62.01 crores. Improvement in profitability in Moulded Luggage is mainly on account of lower raw material cost, interest and staff cost and in Soft Luggage has been mainly due to better sourcing and rupee appreciation.

The net profit is Rs.193.03 lakhs after providing depreciation of Rs.42.93 lakhs and provisions of tax including deferred tax liability of Rs.52.52 lakhs and deferred revenue expenditure of Rs.59.84 lakhs.

**4. OUTLOOK FOR THE CURRENT YEAR :**

The Outlook is positive as demand for travel goods remains robust. The Company hopes to achieve improvement in Production, Sales and Profitability in the current year, barring unforeseen circumstances.

**5. FIXED DEPOSITS :**

Fixed Deposits from public and shareholders as on 31st March 2010, aggregated to Rs.345.80 lakhs. The Company has paid interest on all fixed deposits due and claimed.

**6. DIRECTORS :**

In accordance of provisions of the Companies Act, 1956, and Articles of Association of the Company, Shri Jagdish N Sheth and Shri Shailesh J Mehta, Directors of the Company, retire by rotation at the ensuing Annual General Meeting, but being eligible, offer themselves for reappointment.

**7. AUDITORS :**

M/s. Bansi S. Mehta & Co., Chartered Accountants, Mumbai, Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting The Company has received certificate from Auditors to the effect that their reappointment, if made, would be within the prescribed limit under Section 224 (1B) of the Companies Act, 1956.

**8. COMMENT ON AUDITORS' REMARK :**

Notes contained in Schedule No.12 of the Accounts and referred to in the Auditors' Report are self explanatory and do not call for further explanations and may be treated as adequate compliance of Section 217 (3) of the Companies Act, 1956.

**9. SECRETARIAL COMPLIANCE CERTIFICATE :**

Secretarial Compliance Certificate pursuant to Section 383A of the Companies Act, 1956, is attached herewith.

**10. ACKNOWLEDGEMENT :**

Your Directors would like to thank the customers for their confidence in company's products and services, employees for their dedication and teamwork and Company's bankers for their co-operation and the trust reposed by them in the Company.

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

The Directors hereby confirm :

- a) that in the preparation of the annual accounts, the applicable accounting standards has been followed along with proper explanation relating to material departures.
- b) that the directors had 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 or loss of the company for that period.
- c) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safe guarding the assets of the company and for preventing and detecting fraud and other irregularities.
- d) that the directors had prepared the annual accounts on a going concern basis.

## **12. STATEMENT U/S 217 (2A) OF THE COMPANIES ACT, 1956 :**

Information as per Section 217(2A) of the Companies Act, 1956 ('the Act') read with the Companies (Particulars of Employees) Rules, 1975 forms part of this Report for the financial year ended 31.03.2010.

### **Employed throughout the year :-**

Name	Mr. Amul S Mehta
Remuneration Received	Rs. 33,48,000/-
Nature of Employment	Contractual
Other Terms & Conditions	As per service rule of the Co.
Designation/Nature of Duties	Chairman & Managing Director
Qualification & Experience	B.Sc. (Tech) – 35 Years
Date of Commencement of Employment	01.05.2008
Age (Years)	57 Years
Last Employment held	-

### **NOTES:**

1. Gross Remuneration includes Salary, Allowances, Provident Fund and Superannuation scheme with LIC and value of perquisites.
2. The appointment is contractual and terminable by notice on either side.
3. Mr. Y.S. Mehta, Director of the Company is a relative of Mr.A.S.Mehta.

## **13. LISTING OF SHARES :**

The Equity shares of the Company are listed on the Bombay Stock Exchange, situated at Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001.

The Company has paid necessary listing fees to the said The Bombay Stock Exchange as prescribed as per listing agreement.

## **14. CONSERVATION OF ENERGY, ETC. :**

As required by the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, the Report on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, etc. Is given in the annexure forming part of this Report.

ON BEHALF OF THE BOARD OF DIRECTORS

Mumbai

Dated: 15.05.2010.

A. S. MEHTA  
CHAIRMAN.

## **ANNEXURE TO THE DIRECTORS' REPORT**

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS REQUIRED UNDER COMPANIES (DISCLOSURE OF PARTICULARS IN THE BOARD OF DIRECTORS REPORT) RULES, 1988.

### **(A) CONSERVATION OF ENERGY :**

- (a) Energy conservation measures taken:  
Power is not a major input in the manufacturing process. Therefore, no substantial conservation of energy is possible. However, efforts have been made to install energy saving devices and greater awareness have been brought about among the employees at the company's manufacturing unit to induce conservation of energy and in particular to avoid wastage.
- (b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy.  
Please refer to the explanation provided in (a) above.
- (c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods.  
Not applicable.
- (d) Total energy consumption and energy consumption per unit of production

Form "A" of the annexure to the Companies (Disclosure of particulars in the Board of Directors Report) Rules, 1988 , is not applicable.

### **(B) TECHNOLOGY ABSORPTION :**

#### **1. RESEARCH AND DEVELOPMENT (R & D) :**

- (a) Existing products are continuously evaluated for possible improvement in their design, etc. The process of manufacture is under constant review for improvement in methods, quality and cost reduction.



- (b) Benefits derived as a result of above R & D :  
Introduction of new and better models.
- Improvement in Cycle Time, Machine Performance and reduction in down time.
- (c) Future plan of action :  
Automation in Frame Bending and Luggage Assembly.
- (d) Expenditure on R & D :  
Expenditure on normal R & D is insignificant. Hence not allocated separately.

**2. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION :**

- (a) Efforts taken for technology absorption and innovation :  
Company's manufacturing process is based mainly on indigenous technology.
- (b) Benefits derived as a result of the above efforts.  
Not applicable.
- (c) Information regarding technology imported during the last five years.  
Not applicable.

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

- (a) Total foreign exchange used and earned during the year.

Amount (Rs. In lacs)

Used 876.87

Earned Nil

**ON BEHALF OF THE BOARD OF DIRECTORS**

MUMBAI  
DATED: 15.05.2010.

A. S. MEHTA  
CHAIRMAN.

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# KEYUL M. DEDHIA & ASSOCIATES

## COMPANY SECRETARIES

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*Keyul M. Dedhia*

*B. Com, A. C. S., LL.B (Gen)*

### COMPLIANCE CERTIFICATE

[under rule 3 of the Companies (Compliance Certificate) Rules, 2001]

To,  
The Members  
**SAFARI INDUSTRIES (INDIA) LIMITED**  
Mumbai

We have examined the necessary registers, records, books, papers of **SAFARI INDUSTRIES LIMITED** as required to be maintained under the Companies Act, 1956 ("the Act"), and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the year ended on 31<sup>st</sup> March, 2010. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure "A" to this certificate, as per the provisions of the Act and the rules made there under, and wherever required all entries therein have been recorded.
2. The Company has duly filed the forms and returns as stated in Annexure "B" to this certificate, with the Registrar of the Companies, Mumbai, Maharashtra or such other authorities as required under the Act and the rules made there under with additional filing fees in case of delay *(Subject to notes mentioned)*.
3. The status of the Company being Public Limited Company, comments are not required.
4. The Board of Directors duly met 5 (Five) times for meetings held on 25.04.2009, 30.05.2009, 25.07.2009, 29.10.2009 and 22.01.2010 respectively, in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members and Share Transfer of Register from 10.07.2009 to 25.07.2009 (both days inclusive) and necessary compliance of Section 154 of the Companies Act, 1956 has been made in respect of the same. *However, Advertisement in Navshakti edition dt. 15th June, 2009 in English Language instead of Marathi Language.*