

# **SALORA FINANCE LIMITED**



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**23<sup>rd</sup> ANNUAL REPORT  
2006-2007**

## ***SALORA FINANCE LIMITED***

### **BOARD OF DIRECTORS.**

<i>Mr. S.K. Jiwarajka</i>	<i>- Director</i>
<i>Mr. M.L. Tulsyan</i>	<i>- Director</i>
<i>Mr. Tushar Jiwarajka</i>	<i>- Director</i>
<i>Mr Deba Prasad Roy</i>	<i>- Director</i>

### **Bankers**

Canara Bank

### **Registered Office:**

201, Sumer Kendra,  
Pandurang Budhkar Marg,  
Worli, Mumbai- 400018.

**SALORA FINANCE LIMITED**

**NOTICE**

Notice is hereby given that the Twenty Third Annual General Meeting of the Members of the Company will be held

At : 201, Sumer Kendra, Pandurang Budhkar Marg, Worli, Mumbai 400018.

On: Thursday, 27th September, 2007 at 16.00 hrs

To transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider & adopt the audited Balance Sheet as at 31.03.2007 and the Profit & Loss Account for the year ended on that date and the Directors' & Auditors' Reports thereon.
2. To appoint a Director in place of Mr. Sushil K. Jiwarajka who retires by rotation, but being eligible offers himself for re-appointment.
3. To consider and if thought fit to pass with or without modification, the following resolution as an Ordinary Resolution :

"RESOLVED THAT M/s. V. Parekh & Associates, Chartered Accountants be and are hereby appointed as Auditors of the Company in place of M/s. K. C. Sanghvi & Co., Chartered Accountants to hold office until the conclusion of the next Annual General Meeting of the Company at a remuneration as may be decided by the Board of Directors in consultation with the Auditors plus out of-pocket expenses, if any."

**SPECIAL BUSINESS:**

4. To consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution

"RESOLVED THAT Mr. Deba Prasad Roy, who was appointed as an Additional Director of the Company by the Board of Directors and who holds office upto the date of this Annual General Meeting in accordance with Section 260 of the Companies Act, 1956, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director be and is hereby appointed as a Director of the Company."

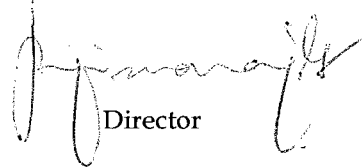
5. To consider and if thought fit to pass with or without modification, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 21 and other applicable provisions, if any, of the Companies Act, 1956, and subject to the approval of the Central Government the name of the Company be changed from "SALORA FINANCE LIMITED" to "ARTHEON FINANCE LIMITED" and that the name "SALORA FINANCE LIMITED" wherever it appears in the Memorandum of Association and Articles of Association of the Company be substituted by the new name."

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
2. The Explanatory statement under section 173 (2) of the Companies Act, 1956 in respect of item no. 3, 4 & 5 of the notice is annexed hereto.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday 26<sup>th</sup> September, 2007 to Thursday 27<sup>th</sup> September, 2007 (both days inclusive).
4. Members are requested to bring their copies of the Annual Report at the time of attending the Annual General Meeting.

**BY ORDER OF THE BOARD**

  
Director

**REGISTERED OFFICE:**

201, Sumer Kendra,  
Pandurang Budhkar Marg,  
Worli, Mumbai 400018

Dated: 3<sup>rd</sup> September, 2007.



## ANNEXURE TO NOTICE

**EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173 OF THE COMPANIES ACT, 1956****Item No. 3**

M/s. K. C. Sanghvi & Co., Chartered Accountants, Auditors of the Company, have expressed their unwillingness to be reappointed as auditors of the company.

The Company has also received a letter from a member of the Company proposing the name of M/s V Parekh & Associates, Chartered Accountants, to be appointed as Auditors of the Company.

Your Directors there recommend the appointment of M/s V Parekh & Associates, Chartered Accountants as new Auditors of the Company for approval by the members of the Company.

M/s. V Parekh & Associates, Chartered Accountants, have in terms section 224 (1B) of the Companies Act, 1956, consented to act as Statutory Auditors of the Company if appointed.

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

**Item no. 4**

Mr. Deba Prasad Roy was appointed as Additional Director of the Company by the Board of Directors effective from May 7, 2007. By virtue of Section 260 of the Companies Act, 1956 he will hold office upto the date of this Annual General Meeting and is eligible for appointment. The Company has received notice under Section 257 of the Companies Act, 1956 alongwith requisite deposit from member of the Company proposing his candidature for the office of Director.

The Board commends your approval to the said appointment.

Mr. Deba Prasad Roy is concerned or interested in the resolution as it relates to his own appointment.

**Item no. 5**

It is proposed to change the name of the company from Salora Finance Limited to Artheon Finance Limited.

The company's main activity is financing and investment. The name ARTHEON is derived from a combination of "Artha" and "Eon".

"Artha" literally means "Money" in Sanskrit. But it is more inclined to the idea of material prosperity. It also has the connotation of "Meaning".

In Hinduism, artha is one of the four goals of life, known as purusharthas. It is considered to be a noble goal as long as it follows the dictates of Vedic morality. The concept includes achieving widespread fame, garnering wealth, and having an elevated social standing.

"Eon" signifies an indefinitely long period of time, or an age. It represents longevity and timelessness.

"Artheon" has global as well as Indian connotations, which represents how we operate. It combines the gravity of Sanskrit with the sharpness of technology. It is a symbol for us and it combines deep Indian roots with its sharp eyesight for innovative high-technology investments.

Artheon is what gives meaning to a new age - an age of prosperity and wealth with appropriate social responsibility.

The Brand "ARTHEON" is owned by Artheon Emerging Technologies Private Limited and they have permitted us to use the brand for furthering our business for a consideration.

It is therefore proposed to change the name of the Company from 'Salora Finance Limited to Artheon Finance Limited.' Necessary resolution for change of name is proposed at item no. 5 of the accompanying notice. The Directors commend the approval by the members of the said special resolution.

A printed copy of the Memorandum and Articles of Association of the Company and proposed amended copy of the Memorandum of Association are open for inspection by the Members at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on any working day.

The Registrar of Companies, Maharashtra, Mumbai has vide its reference no. A18859181 dated July 27, 2007 made the name 'ARTHEON FINANCE LIMITED' available for change of name of the Company. The said Letter of Registrar of Companies, Maharashtra, Mumbai is open for inspection by the members at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on any working day.

The Board commends the approval by the shareholders of the said resolution.

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



BY ORDER OF THE BOARD

Director

**REGISTERED OFFICE:**  
201, Sumer Kendra,  
Pandurang Budhkar Marg,  
Worli, Mumbai 400018

Dated: 3<sup>rd</sup> September, 2007

**DIRECTORS' REPORT TO THE MEMBERS -**

Your Directors have pleasure in presenting the 23<sup>rd</sup> Annual Report together with the Audited Accounts for the financial year ended 31<sup>st</sup> March 2007

**Financial Results**

The financial results of the Company for the year ended March 31, 2007 are summarized below:

	Current year 2006-2007 (Rs. in Lacs)	Previous Year 2005-2006 (Rs. in Lacs)
Income from operations and other income	264.87	239.51
Profit before Depreciation & Tax	191.50	193.57
Less: Depreciation	1.47	1.32
Profit/ (Loss) before Tax	190.03	192.26
Less: Provision for Taxation & Deferred Tax	13.17	35.05
Net Profit/ (Loss) after Tax	176.85	157.20
Add: Balance brought forward from last year	303.21	146.01
Balance carried to Balance Sheet	480.07	303.21

**Economic Scenario**

The Indian economy registered good growth of over 9% in GDP for the year ending 31<sup>st</sup> March 2007. The growth was mainly driven by manufacturing and services sector of the economy. Similar buoyancy was reflected in the Capital Market, measured by sensx rise of nearly 16% over the previous year.

**Review of Operations**

A growing economy and a buoyant Capital market helped the Company register good growth in income and profits. During the year under review, the Company continued its focus on fee based advisory services and investment activity. The upswing in Indian Capital Market gave ample opportunity for the company to improve its profitability.

Income for the year ended 31<sup>st</sup> March 2007 is Rs. 264.87 lacs as against the previous year's Rs. 239.51 lacs, thereby registering a growth of 10.50%. Net profit after Tax jumped from Rs. 157.20 lacs in the previous year to Rs. 176.85 lacs in the current year (increase of 12.34% over 2005-06 figures)

The economy is expected to grow at over 9% in 2007-2008, which augurs well for the Indian Capital Market. The robust capital market being the prime focus of Company's activity a good performance may be anticipated for the year ending 31.03.2008

### **Change of Name**

It is proposed to change the name of the company from 'Salora Finance Limited to Artheon Finance Limited.' Necessary resolution for change of name is proposed at the ensuing Annual General Meeting.

### **Subsidiary Company**

The company has disinvested its investment from its subsidiary company, Intergrated Documentation Consultants (Private) Ltd during the year.

### **Dividend**

In the absence of adequate profits no dividend is declared for the year 2006-2007.

### **Deposits**

The Company has not accepted any deposits from the public or otherwise as on 31st March 2007

### **Directors**

Mr. Sushil K. Jiwarajka, Director of the Company would retire by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

Mr. Deba Prasad Roy was appointed as Additional Director of the Company by the Board of Directors on May 7, 2007. By virtue of Section 260 of the Companies Act, 1956, he holds office upto the date of the ensuing Annual General Meeting and is eligible for appointment.

### **Directors Responsibility Statement**

The Directors confirm:

- (i) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (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 or loss of the Company for that year;
- (iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) the Directors have prepared the annual accounts on a going concern basis.



**Particulars under Section 217(1)(e) of the Companies Act, 1956.**

Information in accordance with the provisions of Section 217 (1) (e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption etc. is not given in view of the activities of the Company.

During the year, the foreign exchange earnings were Rs. NIL and outgo was Rs. 2514309/-

**Particulars of Employees**

The Company does not have any employees whose particulars are required to be given under the provision of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of employees) Rules, 1975.

**Compliance Certificate**

A Compliance Certificate from a secretary in whole-time practice under section 383A of the Companies Act, 1956 in respect of the financial year ended on March 31, 2007 is attached hereto.

**Listing**

The equity shares of the company are listed on the Bombay Stock Exchange Limited. The Company has paid the Annual Listing fees to the Stock Exchange for the year 2006-2007.

**Auditors**

M/s. K. C. Sanghavi & Co., Chartered Accountants, the Auditors of the company who would retire at the ensuing Annual General Meeting do not offer themselves for reappointment.

The Company has also received a letter from a member of the Company proposing the name of M/s V Parekh & Associates, Chartered Accountants, as Auditors of the Company.

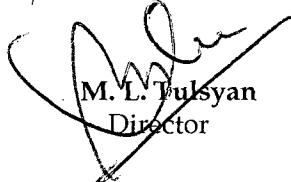
M/s V Parekh & Associates have in terms of section 224 (1B) of the Companies Act, 1956 consented to act as Statutory Auditors of the Company if appointed.

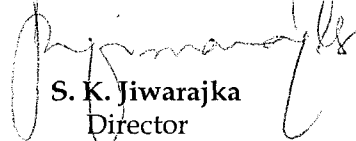
You are requested to appoint Auditors and to fix their remuneration.

**Acknowledgement**

Your Directors convey their gratitude to the Company's valued Clients, Bankers and Shareholders for their continued support. The Directors also record their appreciation of the Company's employees at all levels for their dedication, commitment and hard work.

For and on behalf of the Board of Directors

  
M. L. Tulsyan  
Director

  
S. K. Jiwarajka  
Director

Place: Mumbai

Date : 3<sup>rd</sup> September, 2007.

**JIGYASA SINGHI  
& ASSOCIATES**

Company Secretaries

J-11/16, Jal Mandir Society,  
Bangur Nagar, Goregaon (W),  
Mumbai 400 090.  
Tel : (022) 2872 6089  
E-Mail : jigyasasinghi@yahoo.com

Registration No: L65990MH2003PLC033922

Authorised Capital: Rs. 9,00,00,000/-

## Compliance Certificate

To,  
The Members  
**SALORA FINANCE LIMITED**  
201, Sumer Kendra, Pandurang Budhkar Marg,  
Worli, Mumbai 400018

We have examined the registers, records, books and papers of **SALORA FINANCE LIMITED** as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on March 31, 2007. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The company has kept and maintained the registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made thereunder and the 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 Companies, Regional Director, Central Government, Company Law Board or other authorities within the time mentioned in the said annexure.
3. The Company being a public limited company, comments that a Private Limited Company has minimum prescribed capital, maximum number of members, invitation to public to subscribe for shares and acceptance of deposits from persons other than its members, directors or their relatives, are not required.
4. The Board of Directors duly met 5 (Five) times on 28.04.2006, 26.07.2006, 31.08.2006, 27.10.2006 and 25.01.2007 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. (No circular resolution was passed.)
5. The Company closed its Register of Members from Thursday, 28th September, 2006 to Saturday 30th September, 2006 for the purpose of Annual General Meeting and had complied with the provisions of Section 154 of the Act.
6. The annual general meeting for the year ended on March 31, 2006 was held on 30.09.2006 after giving notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.

