

ADINATH EXIM RESOURCES LIMITED

AHMEDABAD

**9th Annual Report
2002-2003**

NOTICE

NOTICE is hereby given that the 9th Annual General Meeting of the members of Adinath Exim Resources Limited will be held on Saturday, 2nd Day of September, 2003, at 11.00 a.m., at 2nd Floor, Super Bazar, Naranpura Cross Road, Ahmedabad-380013 for transacting the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Profit & Loss Account for the year ended on 31st March, 2003 and Balance Sheet as on that date and Auditors' and Directors' report thereon.
2. To appoint a Director in place of Mr. Manoj Savla, who retires by rotation and being eligible for re-appointment offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration.

BY ORDER OF THE BOARD OF DIRECTORS

Place: Ahmedabad

Mr. Paras Savla

Date: 20.08.2003

Chairman

Notes :

1. MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER.
2. THE REGISTER OF MEMBERS AND SHARE TRANSFER BOOKS OF THE COMPANY WILL REMAIN CLOSED FROM THURSDAY, THE 15TH DAY OF SEPTEMBER, 2003 TO THE 29TH DAY OF SEPTEMBER, 2003 (BOTH DAYS INCLUSIVE).
3. THE MEMBERS ARE REQUESTED TO NOTIFY IMMEDIATELY THE CHANGE OF ADDRESS IF ANY, TO THE COMPANY.

DIRECTORS REPORT

To,
The Members
Adinath Exim Resources Limited
Ahmedabad

Your Directors are pleased to present the Ninth Annual Report of your Company together with the Audited Statement of Accounts for the year ended on 31st March 2003.

(1) FINANCIAL RESULTS

	2002-03 (Rs. in Lacs)	2001-2002 (Rs. in Lacs)
INCOME	11.61	12.50
EXPENDITURE	6.45	6.37
PROFIT BEFORE PROVISION FOR TAX & AFTER PRIOR PERIOD EXPENDITURE	5.16	6.37
PROVISION FOR TAXATION	2.29	2.60
ADD : DEFERRED TAX CREDIT	0.09	0.00
PROFIT AFTER PROVISION FOR TAX	2.95	3.53

2. PERFORMANCE :

During the period under review the Company has earned gross income of Rs. 1161116/- and earned Net Profit of rs. 295666/-. The Company expects to perform better in the current year.

3. DIRECTORS :

Pursuant to provisions of Section 256 of the Companies Act, 1956 Shri Manoj Savla retire by rotation and being eligible offers himself for re-appointment.

4. DIVIDEND :

Looking to the current money market stringency, higher cost of funds and slumpness in the capital market your directors think it better to plough back entire profit.

5. PARTICULARS OF EMPLOYEES :

No employee is drawing remuneration more than the specified limit prescribed u/s.217(2A) of the Companies Act, 1956, (Particulars of Employees) Rules, 1975. Hence, the information required in terms of Section 217(2A) of the Companies Act, 1956 (Particulars of Employees) Rules, 1975 is not applicable to us.

6. AUDITORS :

The retiring Auditors SHAILESH C. PARIKH & CO. Chartered Accountants, Ahmedabad are eligible for re-appointment and offer themselves for re-appointment. The Auditors have furnished a certificate to the effect that if reappointed, their appointment shall be within the limits prescribed under Section 224 (1-B) of the Companies Act, 1956.

7. FOREIGN EXCHANGE EARNING/OUTGO :

There is no foreign exchange earning or outgo during the period under review.

8. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION :

The Company has no activities relating to conservation of energy or technology absorption.

9. NBFC COMPLIANCE WITH RBI :

Your Company has been registered as a Non-Banking Financial Company with the Reserve Bank of India and the Company has complied with all the necessary formalities.

10. PUBLIC DEPOSIT :

During the year under review your Company has not accepted any deposits from the public.

11. MANAGEMENT DISCUSSION AND ANALYSIS :

INDUSTRY STRUCTURE & DEVELOPMENT

THE increased penetration of the banking sector in all segment of the financial services, industries and reduced direct cost of borrowing from high quality borrowers have greatly reduced business

opportunity of NBFCs.

Opportunity :

The India economy provide attractive growth opportunities with GDP growth forecast at 5% to 6% per annum over the next several years, Growth in major infrastructure re such as road and port sector and other infrastructure are likely to provide significant business opportunity in future.

CHALLENGES

The entire NBFC sector faces competitive pressure from banking sector which enjoys access to lower cost financing. The spreads in the lending business have also narrowed considerably.

RISK AND CONCERNS

The company is exposed to specific risks that are particular to its business such as interest rate volatility, economic cycle, market risk and credit risk. The Company manage this risk any maintaining a conservative financial profile and by following prudent and business risk management practices.

ADEQUACY OF INTERNAL; CONTROL

The company has adequate internal control system commensurate with its size and nature of business and suitable internal control procedures, optimum resources utilization and compliances with the various statutes is ensured.

HUMAN RESOURCES

The company's strength lies in the human resources, The company recognises the fact that the human resources represent the most valuable capital of the company. The company constantly review its organisation structure and carries out changes to make it learn and flexible, Industrial relations climate continue to be cordial and the company believes in resolving any outstanding issued through discussions.

12. DIRECTORS' RESPONSIBILITY STATEMENT :

Pursuant to Section 217 (2AA) of the Companies Act, 1956, your Directors state that -

- In the presentation of Annual Accounts, the applicable accounting standard had been followed along with proper explanation relating to material departure.
- The Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of financial year and the profit or loss of the Company for the period.
- The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for preventing and detecting fraud and other irregularities.
- The Directors had prepared the annual accounts on a going concern basis.
- As per information furnished to us, none of the directors of the company is disqualified from being appointed as a director under clause (g) of sub-section (1) of section 274 of the companies act, 1956,

13. ACKNOWLEDGMENT :

Your Directors take this opportunity to express their grateful appreciation for the willing assistance and co-operation received from the bankers, shareholders and the employees of the Company.

FOR AND ON BEHALF OF THE BOARD
For Adinath Exim Resources Limited

Place: Ahmedabad
Date: 20.08.2003

Mr. Paras Savla
Chairman

COMPLIANCE REPORT ON CORPORATE GOVERNANCE : (Annexure to Directors' Report)

Pursuant to clause 49 of Listing Agreement your directors present below a complete report on corporate governance :

1. COMPANY'S PHILOSOPHY :

Your Company is committed to good Corporate Governance and has adhered to the prescribed standards. The Company's philosophy on code of Governance is aimed at efficient conduct of business in compliance with the prescribed Acts and Rules on Corporate Governance.

2. BOARD OF DIRECTORS :

Composition of Board of Directors

Name of Directors	Executive/ Non-executive/ Independent	No. of other Directorship in public Ltd. Companies	No. of other Board Committee of which member/Chairman
Paras Savla	Executive - Non independent	Nil	Nil
Manoj Savla	Non-executive Non independent	Nil	Nil
Mukesh Savla	Non-executive Non independent	Nil	Nil

ATTENDANCE OF EACH DIRECTORS AS BOARD MEETING AND LAST ANNUAL GENERAL MEETING

Sr. No.	Name of Director	Category of Directorship	No. of Board Meeting Held	No. of Board Meeting attended	Attendance at last AGM
1.	Paras Savla	Chairman	6	6	Yes
2.	Manoj Savla	Director	6	6	Yes
3.	Mukesh Savla	Director	6	6	Yes

NUMBER OF BOARD MEETING HELD DURING THE YEAR 2002-03 AND THE DATES OF BOARD MEETINGS :

Board Meeting	Date	Board Meeting	Date
1	30/04/2002	4	30/10/2002
2	20/07/2002	5	30/01/2003
3	29/07/2002	6	30/03/20053

3. AUDIT COMMITTEE :

The Audit Committee was formed by the Board of Directors of the Company on 29th day of March, 2002. Brief description of terms of reference are :

1. To look into the adequacy and compliance of internal control system.
2. To review the quarterly, half-yearly and annual financial statements before submission to the Board
3. To recommend the appointment and removal of external auditors, fixation of audit fee and also approval for payment to the external auditors for any other services.
4. To undertake the periodical review of internal control system and appraise and update the range and scope of Internal Audit Programme from time to time.
5. To interact actively with the External Auditors from time to time and discuss about finalization of annual financial statements.

6. To look into any other matter which may be referred to it by the Board.

COMPOSITION, NAME OF MEMBERS AND CHAIRMAN :

The Committee consists of the following directors :

1. Mr. Paras Savla
2. Mr. Manoj Savla
3. Mr. Mukesh Savla

The Audit Committee in its meeting held on 19/07/2002 approved the annual accounts for the year ended on 31st day of March, 2002. The Audit Committee met four times during the year ended on 31st of March, 2003 viz. on 30/05/02, 19/07/2002, 24/10/2002 and 23/01/2003. All members of the Committee attended these meetings.

4. SHAREHOLDERS' COMMITTEE :

- a) The Board of Directors constituted a shareholders' committee consisting of Mr. Paras Savla, Mr. Manoj Savla and Mr. Mukesh Savla, as the Chairman of the committee.
- b) The Company did not received any complaint during the year under review.
- c) The name of the Compliance officer is Mr. Anoop Belani.
- d) There were no pending share transfers as on 20th August, 2003 which were received more than one month prior to that date.
- e) There were no pending cases of dematerialisation requests exceeding 30 days as on 20th August, 2003.

5. GENERAL BODY MEETING :

- a) The details of the location and time of the last three Annual General Meeting of the Company :

Financial year	Date	Time	Venue
31/03/2001	26/09/2001	11.00 a.m.	2nd Floor, Super Bazar, Naranpura, Cross Roads, Ahmedabad-13.
31/03/2002	21/09/2002	11.00 a.m.	2nd Floor, Super Bazar, Naranpura, Cross Roads, Ahmedabad-13.
31/03/2003	29/09/2003	11.00 a.m.	2nd Floor, Super Bazar, Naranpura, Cross Roads, Ahmedabad-13.

No postal ballot were used or required for voting at these meetings in respect of special resolution passed.

6. DISCLOSURES :

- a) Disclosures on materially significant related party transaction. i.e. transactions of the Company of material nature with its promoters, the directors or the management, their subsidiaries or relatives etc., that may have potential conflict with the interest of the company at large :

None of the transactions with any of the related parties were in conflict with the interest of the Company.

- b) Details of non-compliance by the Company, penalties strictures imposed on the Company by stock exchanges or SEBI, or any statutory authority, on any matter related to capital markets, during the last three years.

Trading of Company's securities has been suspended by the Bombay Stock Exchange Ltd. due to non-compliances of certain listing requirements.

7. MEANS OF COMMUNICATION :

- a) Quarterly Result are normally published in Western Times (English & Gujarati) Newspapers.
- b) Management discussion and Analysis Report is a part of the Director Report.
- c) The Company does not have website.

8. GENERAL SHAREHOLDERS INFORMATION :

1. Annual General Meeting date, time & Venue :

29/09/2003
at 11.00 a.m.
ADINATH EXIM RESOURCES LTD.
2nd Floor, Super Bazar, Naranpura Cross Roads, Ahmedabad-380 013.

2. Financial calendar :
Financial reporting for the quarter ending on 30/06/2003
For the quarter ending September, 2003
For the quarter ending December, 2003
For the quarter ending March, 2003
AGM for the year ended March, 31, 2003.

End of July, 2003.
End of October, 2003
End of January, 2004
End of April, 2004
End of September, 2004

3. Dates of Book Closure (Both days inclusive)
15/09/2003 to 29/09/2003

4. Listing on Stock Exchange
1. The Stock Exchange, Ahmedabad.
2. The Stock Exchange, Mumbai.

Paid to all stock exchanges up to financial year 2003-04
532056

5. Listing Fees
NONE

6. Scrip Code
Not Applicable

7. ISIN
Not Applicable

8. Registrar for Electronic & Physical Mode
Not Applicable

9. (A) Shareholding pattern as on 31/03/2004

Sr. No.	Category	No. of shares held	Percentage of shareholding
1.	Promoters	2089200	50.90 %
2.	Mutual Fund	250000	6.09 %
3.	Banks, Financial Insti., Insu. Companies	NIL	NIL
4.	(Central/State Govt. Institution, Non-Government Institution)	NIL	NIL
5.	Foreign Institutional Investors	98900	2.41 %
6.	Private Corporate Bodies	1666000	40.60 %
7.	Indian Public	NIL	NIL
8.	NRIs/OCB	NIL	NIL
9.	GDR	NIL	NIL
	Clearing Member	NIL	NIL
	GRAND TOTAL	4104800	100 %

(B) DISTRIBUTION OF ALL (IN AMOUNT) AS ON 31-03-2003

SHARE OF DEBENTURE HOLDING OF NOMINAL VALUE OF	SHARES/DEBENTURES HOLDERS		SHARES / DEBENTURES AMOUNT	
	Rs.	Number	In Rs. Total	% To Total
UPTO 5,000	5,000	2085	87.97	6832000.00 16.64
5001 10,000	10,000	206	8.69	1336000.00 3.25
10,001 20,000	20,000	21	0.89	372000.00 0.91
20,001 30,000	30,000	6	0.25	142000.00 0.35
30,001 40,000	40,000	3	0.13	117000.00 0.29
40,001 50,000	50,000	5	0.21	228000.00 0.56
50,001 1,00,000	1,00,000	11	0.46	866000.00 2.11
1,00,000 & ABOVE	ABOVE	33	1.39	3115500.00 75.90
TOTAL		2370	100.00	41048000.00 100.00

FOR AND ON BEHALF OF THE BOARD

For Adinath Exim Resources Limited

Mr. Paras Savla
Chairman

Place: Ahmedabad
Date: 20.08.2003

To,
The Members,
Adinath Exim Resources Limited
Ahmedabad

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

Shailesh C. Parikh & Co.
Chartered Accountants

We have examined the compliance of the conditions of Corporate Governance Adinath Exim Resources Limited (the Company) for the year ended on March 31st 2003 as stipulated in clause 49 of the Listing Agreement of the said company with Stock Exchanges in India.

The Compliance of the conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to the procedure and implementation there of adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanation given to us the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement. Except conditions of Board of Directors, composition of Audit Committee and appointment of common agency i.e. Registrar and share Transfer agent.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

Place : Ahmedabad
Date : 20-08-2003

For, Shailesh C. Parikh & Co.
Chartered Accountants
(Shailesh Parikh)
Proprietor

Auditor's Report

To,
The Members,
Adinath Exim Resources Ltd.,
Ahmedabad.

We have audited the attached Balance Sheet of Adinath Exim Resources Ltd. as at 31st March, 2003 and also the Profit and Loss Account for the year ended on that date annexed thereto.

These financial statement are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the central government of India in terms of sub-section (4a) of section 227 of the Companies Act, 1956, we enclose in the Annexure A statement on the matters specified in paragraphs 4 and 5 of the said order.

Further to our comments in the annexure referred to above, we report that :

- (i) We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (ii) In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examination of those books
- (iii) The balance sheet and profit and loss account dealt with by this report are in agreement with the books of account of the company;
- (iv) In our opinion, the balance sheet and profit & loss account dealt with by this report comply with the accounting standard referred to in section 211(3c) of the companies act, 1956 to the extent applicable.
- (v) On the basis of written representation received from directors and taken on record by the board of directors, we report that none of the directors is disqualified as on 31st March, 2002 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the companies act, 1956,
- (vi) In our opinion and to the best of our information and according to the explanations given to us the said accounts read with the notes thereon, give the information required by the companies act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :

- (i) in the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2003 and,
- (ii) in the case of Profit and Loss Account of the Profit for the year ended on that date.
- (iii) in the case of Cash Flow Statement, of the cash flow for the year ended on that date.

For, Shailesh C. Parikh & Co.
Chartered Accountants

Place : Ahmedabad
Date : 20-08-2003

(Shailesh Parikh)
Proprietor

ANNEXURE REFERRED TO IN PARAGRAPH 1 OF OUR AUDITOR'S REPORT OF EVEN DATE ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2003 OF ADINATH EXIM RESOURCES LTD.

1. The Company has maintained proper records to show full particulars including quantitative details and situation of its Fixed Assets. During the year, the management has carried out physical verification of these assets and we are informed that no significant discrepancy with respect to book records were noticed on such verification.
2. There has been no revaluation of any of the fixed Assets during the year.
3. As there is no stock of finished goods, the question of its physical verification by the management does not arise.
4. As explained to us, the procedures of physical verification of stocks referred to in (3) above, followed by the management are, in our opinion, reasonable and adequate in relation to the size of the Company and the nature of its business.
5. As there is no closing stock the question of discrepancies noticed on physical verification of stocks referred to in above, as compared to book records does not arise.
6. As there is no Closing stock valuation of stocks is not required.
7. We have been informed that the Company has not taken any loans from, Companies, Firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.
8. The terms and conditions of Loans Secured or Unsecured, granted by the Company to Companies, Firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 are not prima facie prejudicial to the interest of the Company. There are no companies under the same management as defined under sub-section (1B) of section 370 of the Companies Act, 1956.
9. The parties to whom Loans and Advances were given are regular in payment of interest. However there is no stipulation as regards its repayment schedule.
10. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of finished goods, other assets and for the sale of goods.
11. In our opinion and according to the information and explanations given to us, there are no transaction of purchase of goods and materials and sale of goods, materials and service made in pursuance of contract or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 aggregating during the period to Rs. 50000 (fifty thousand only) or more in respect of each party.
12. Since the Company is not engaged in the manufacturing activities the question of maintenance of records for the sale and disposal of realisable scrap does not arise.
13. The Company has not accepted any deposit from public.
14. We have been informed that the Company is in the process of setting up an internal audit system. However the company is having adequate internal control procedures commensurate with the nature of its business and size of the Company.
15. We are informed that the Central Government has not prescribed maintenance of cost records under Section 209(1) (d) of the Companies Act, 1956 for any of the products of the Company.
16. According to the information given to us, Provident Fund Rules are not applicable to the Company during the year.
17. According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Custom Duty were outstanding as on 31st March, 2003 for a period of more than six months from the date they became payable.
18. On the basis of (i) the examination of the books of account; (ii) the vouchers produced to us for our verification; (iii) the explanations given and representation made to us on our inquiries and (iv) the check and control relating to authorising the expenditure on the basis of contractual obligations to the employees, accepted business practices having regard to the Company's needs and exigencies, we have not come across any expenses charged to revenue which, in our opinion, and judgement and to the best of our knowledge and belief could be regarded as personal expense.
19. The Company is not a Sick Industrial Company within the meaning of Section 3(1) (i) of the Sick Industrial Companies (Special Provisions) Act, 1985.
20. In respect of trading activities of the Company, we are informed that there were no damaged goods during the year.
21. We have been informed that the provisions of special statutes applicable to chit fund, nidhi and mutual benefit society are not applicable to the Company.
22. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other similar securities.
23. The Company has maintained proper records of the transactions and contracts made for dealing or trading in shares, securities and other investments. The shares, securities and other investments are held by the Company in its own name.

Place : Ahmedabad
Date : 20-08-2003

For, Shailesh C. Parikh & Co.,
Chartered Accountants
(Shailesh Parikh)
Proprietor

BALANCE SHEET AS AT 31ST MARCH, 2003

Particulars	Schedule	Amount Rs.	31/3/2003 Amount Rs.	31/3/2002 Amount Rs.
SOURCES OF FUND :				
1. Share Holder's Fund				
a. Share Capital	1	45523000	45523000	
b. Reserve & surplus	2	3541329	3220743	
			49064329	48743743
2. Loan Funds :				
a. Secured Loan	3	00	00	
b. Unsecured Loan		00	00	00
			49064329	48743743
APPLICATION OF FUNDS				
1. Fixed Assets :	4			
a. Gross Block		1201442	1261872	
b. Less : Depreciation		864272	819762	442110
			337170	
2. INVESTMENT	5		27165000	27665000
3. Current Assets : Loan & Advances	6			
a. Inventories		0	0	
b. Cash & Bank Balance		503608	26250	
c. Debtors		0	0	
d. Loan & Advances		21125117	2063476	
		21628725	20661126	
Less : Current Liabilities		506150	637540	
Net Current Assets	7		21122575	20023586
4. Net Deferred Tax Assets/Liability			21519063	0
5. Miscellaneous Expenditure (To the extent not written off)	8		565399	613047
			28142674	48743743

In terms of our attached report of even date

For Adinath Exim Resources Limited

For, Shailesh C. Parikh & CO.,

Paras Savla

CHAIRMAN

Chartered Accountant

Manoj Savla

DIRECTOR

(Shailesh Parikh)
Proprietor

Date : 20-08-2003
Place : Ahmedabad

Date : 20-08-2003
Place : Ahmedabad

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2003.

Particulars	Schedule	31/3/2003	31/3/2002
A. INCOME			
Interest from Bank Bills Discounting, Deposits (Gross)		1149081	1237591
Income Tax Refund/Provision W/back		1381	3820
Other Income		10654	9144
		<u>1161116</u>	<u>1250575</u>
B. EXPENDITURE :			
Gift & Presentation Exp.		7875	0
Professional Charges		0	5200
Staff Welfare		11960	0
Professional Tax		1000	0
Payment to end Provisions for Employees		179500	168753
Electricity & Electrical Exp.		18955	22497
Insurance		0	1412
Stationery & Printing		30261	268
Postage & Telephone Exp.		14250	4200
Filing Fees		2500	0
Office Lease Rent		52207	51007
Income Tax Exp.		4475	0
Office & Computer Exp.		1850	25893
Office & Other Repairs Exp.		0	3100
SEBI and Stock Exchange Fees		30000	29750
Bank Charges & Interest		130	25
Auditor's Remuneration			
Audit Fees		5000	
Taxation Matte		2500	
Service Tax		400	
Depreciation		7900	13000
Preliminary & Public Issue Expn W/O.		75205	105526
		<u>206805</u>	<u>206805</u>
		<u>644873</u>	<u>637436</u>
		<u>21964</u>	<u>-254330</u>
Net Profit/Loss for the year			
Less: Provision for Taxation		Nil	Nil
Provision for NPA		217361	1838657
		-195397	-2092987
		-5205604	-3112617
		-5401001	-5205604
		516243	613139
		229000	260000
		8243	0
		<u>295666</u>	<u>353139</u>
		<u>3220743</u>	<u>2867603</u>
		<u>3516409</u>	<u>3220742</u>
		<u>24920</u>	<u>0</u>
		<u>3541329</u>	<u>3220742</u>
Tax Adjustment of Previous year		644148	0
Profit(-) Loss Available for Appropriation		69133	0
Transfer to Reserve Fund (for previous years)		2338048	3220742
Profit Transferred to Reserve Fund		0.07	0.09
Balance carried to Balance Sheet			
Basic and Diluted Earning per Share for Rs. 10 each (in R)			

As per our report of even date attached herewith

For Adinath Exim Resources Limited

For, Shailesh C. Parikh & CO.,

Paras Savla

CHAIRMAN

Chartered Accountant

Manoj Savla

DIRECTOR

(Shailesh Parikh)

Proprietor

Date : 20-08-2003

Date : 20-08-2003

Place : Ahmedabad

Place : Ahmedabad

SCHEDULE ATTACHED TO & FORMING PART OF BALANCE-SHEET

Particulars	31/3/2003	31/3/2002
SCHEDULE : 1: SHARE CAPITAL		
A. Authorised :		
55,00,000 Equity Shares each of Rs. 10/-	55000000	55000000
32,00,000 Shares each of Rs. 10/-		
B. Issued & Subscribed :		
50,00,000 Equity Shares of Each of Rs. 10/-	50000000	50000000
C. Called up Share Capital :		
50,00,000 Equity Shares of Each of Rs. 10/-	50000000	50000000
D. Paid up Share Capital:		
41,04,100 Equity Shares of Each of Rs. 10/- Each	41041000	41041000
Less : Calls in Arrears from Others	0	0
Add : forfeited shares (Originally paid up)	4482000	4482000
Total	45523000	45523000
SCHEDULE : 2: Reserve & Surplus		
A. RESERVE FUND		
Opening Balance (Provision for Previous years)	644148	0
Add : Appropriated from Profit & Loss	703281	0
B. Profit & Loss Account		
As per account	2838048	3220742
	3541329	3220743

SCHEDULE : 4 :

Sr. No.	Particulars	Op. Bal. 1-4-02	Add. 04-04	Ded. 31-3-03	Total Op. Bal. 1-4-02	For the Yr. 31-3-03	Depreciation	Total 31-3-03	As at 31-3-02	Net Block
1	A.C. MACHINE	96332	0	0	96332	52938	6036	0	58974	37358
2	FAX MACHINE	24625	0	0	24625	16168	1176	0	17344	7281
3	REFRIGERATOR	6000	0	0	6000	3587	328	0	3915	2085
4	FURNITURE	755175	0	0	755175	476206	50493	0	526699	228476
5	PAGER	11495	0	0	11495	7296	584	0	7860	3615
6	MOTOR CYCLE	60438	0	0	60438	0	30696	0	0	29734
7	COMPUTER	215315	0	0	215315	191695	9448	0	201143	14172
8	WATER COOLER	17000	0	0	17000	10163	951	0	11114	5886
9	EPABX	75500	0	0	75500	??	6188	0	37202	30298
	TOTAL	1261872	0	0	604301281442	819763	75205	30696	864272	337170
	Previous Year	1261872	0	0	01261872	714236	105526	0	819762	442111

SCHEDULE ATTACHED TO & FORMING PART OF BALANCE-SHEET		
Particulars	31/3/2003	31/3/2002
SCHEDULE : 5 : Investment		
Equity Shares Unquoted Shares (Not Trade) (At Cost)		
A. 1775000 Shares of Rs. 10 Each fully paid up of Visat Oil Tech Ltd.	1775000	1775000
B. 1940000 Shares of Rs. Each Fully paid up of Deep Industries Ltd.	19400000	19400000
C. 24000 Shares of Rs. 10/- Each Fully paid up of Yash Organics Pvt. Ltd.	240000	240000
D. Nil Shares of Rs. 10/- each Fully paid up of Yash Organics Pvt. Ltd. Previous year 50000 Shares of Rs. 10/- each	0	500000
E. 51750 Fully Paid up of Savla Electronics Pvt. Ltd. Of Rs. 100/- each	5175000	5175000
F. 2500 Shares of Rs. 10/- each Fully Paid up of Saket Projects Ltd.	25000	25000
Investment in Mutual Funds	550000	550000
Total	27165000	27665000
SCHEDULE : 6 : Current Assets & Loan & Advances:		
A. debtors : (Unsecured Considered Good)		
(i) for More than Six Months	0	0
(ii) For Less than Six Months	0	0
B. Cash & Bank Balance		
(a) Cash Balance	204092	6307
(b) Balance with Schedule Banks In Current Accounts	483116	19943
In Fixed Deposit Accounts	0	0
C. Loans & Advances : (Unsecured Considered Good)	503608	0
(a) Advances Recoverable in Cash or in Kind or for value to be received		12292879
(b) Deposits	1501184	1501184
(c) Inter Corporate Deposits	0	6234078
(d) TDS Receivables	491054	606735
Total	21125117	20661126
SCHEDULE : 7		
CURRENT LIABILITIES & PROVISIONS :		
Current Liabilities :		
Sundry Creditors for Goods Expenses	17150	60040

SCHEDULE ATTACHED TO & FORMING PART OF BALANCE-SHEET		
Particulars	31/3/2003	31/3/2002
Provision		
for Taxation Acco. Year 2000-01	0	317500
Provision for Taxation Acco. Year 2001-00	260000	260000
Provision for Taxation Acco. Year 2002-03	229000	0
Total	506150	637540
SCHEDULE : 8		
MISC. EXPENDITURE		
(TO THE EXTEND NOT WRITTEN OF OR ADJUSTED)		
(1) Preliminary Expenses	14740	22110
Less : Written off During the year	7370	7370
	7370	14740
(2) Public Issue Expenses	598306	797741
Less : Written off During the year	199435	199435
Total	398871	598306
SCHEDULE : 9		
Other Income		
Dividend Income	8098	9144
Profit on sale of Motorcycle	1766	0
Misc. Income	790	0
Total	10654	9144
Schedule : 10		
Significant accounting policies and notes on accounts for the year ended on 31-03-2003		
1. Significant Accounting Policies :		
(a) System of Accounting.		
The company adopts the accrual basis in the preparation of the accounts.		
(b) Income From Operations.		
Income from operations which comprises sales and other income are all accounted for on accrual basis.		
(c) Expenses :		
The Company provides for all expenses comprising of administrative and others on accrual basis.		
(d) Fixed Assets :		
Fixed Assets are capitalised at cost inclusive of expenses.		
(e) Depreciation :		
Depreciation on Fixed assets is provided as per Written Down Value method in terms of Section 350 of the Companies Act, 1956 at the rates prescribed under Schedule XIV of the said Act.		
(f) Investments :		
The Company values the investment at cost.		
(g) Miscellaneous Expenditure :		
Preliminary and Public-Issue expenditure are written off over a period of 10 years.		
(h) Inventories :		
Inventories : Inventorie share value date cost.		
(i) Taxes on Income :		
Tax on income for the current period is determined on the basis of the income tax act, 1961.		
Deferred tax is recognised on timing differences between the accounting income and taxable income		

ADINATH EXIM RESOURCES LIMITED

Annual Report

for the year and quantified using the tax rates and laws enacted or substantively enacted as on the balance sheet date.

Deferred tax assets are recognised and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

2. Notes on Accounts :

- Figures have been rounded off upto the nearest Rupee.
- Balances are subject to confirmation.
- None of the employees have completed five years of service and hence liability of gratuity does not arise.
- In the opinion of the Board, the Current Assets, Loans & Advances are approximately of the value and not in excess of the amount reasonably necessary.
- The previous years figures have been regrouped and rearranged wherever necessary.
- Details of Loans and Advances due by firms or private companies respectively in which any director is a partner or a director or other companies under the same management within the meaning of sub-section (1B) of section 370 is disclosed as under :

Name of Company/Firm	Nature of Loan	Amount Rs.
Shree Saibaba	Petroleum Advances	12422879

- Additional information pursuant to the provisions of paragraph 3 & 4 of Schedule VI of the Company Act, 1956 does not applicable to the company.
- Expenses in Foreign Currency Rs. Nil
- Earning in Foreign Exchange Rs. Nil

- Consequent to the Accounting Standard AS-22 effective from 1st April, 2002 dealing with "Accounting for Taxes on Income", issued by the Institute of Chartered Accountants of India, there is an accumulated Deferred Tax Assets upto 1st April 2002, of Rs. 24920/- which has been added to the Profit & Loss Account.

The significant component and classification of Deferred Tax Assets and Liabilities on account of Timing Differences are :

	AS AT 31ST MARCH, 2003 RS.	AS AT 31ST MARCH, 2002 RS.
A. DEFERRED TAX ASSETS : Diff. between Books & Tax Dep.	33343	24920
B. DEFERRED TAX LIABILITIES :	NIL	NIL
NET DEFERRED TAX ASSETS/LIABILITY	33343	24920
NET DEFERRED TAX DEBIT FOR THE YEAR 8423		

As per our report of even date attached herewith

For, Shailesh C. Parikh & CO.,
Chartered Accountant
(Shailesh Parikh)

Date : 20-08-2003
Place : Ahmedabad

For Adinath Exim Resources Limited

Paras Savla
Manoj Savla
CHAIRMAN
DIRECTOR

Proprietor

Date : 20-08-2003
Place : Ahmedabad

ADINATH EXIM RESOURCES LIMITED

Annual Report

CASH FLOW

	31-03-2003	31-03-2002
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and Extra ordinary items	295666	353139
Add. Adjustments for		
Depreciation	75205	105526
Miscellaneous Expenditure W/o	206805	206805
	282010	312331
Less : Profit on Sale of Motor Cycle	1765	0
		312331
Operating Profit Before working Capital Changes	280245	665470
Add : Decrease in Working Capital	575911	
Sundry Debtors Realised	0	0
Current Liabilities Increased	0	0
Loans & Advances Reduced	0	0
Inventories Decreased	0	-725438
		0
Less : Increase in working capital		
Loans & Advances Given	490241	0
Debtors Increased	0	0
Inventories decreased	0	0
Current Liabilities Decreased	0	0
	139813	80750
Cash Generated from Operation	-630054	-806188
	-54143	-140718
Less Misc. expenses Incurred	0	0
Net Cash Flow From Operating Activities (A)	-54143	-140718
Net Cash flow Investing Activities		
Inflows		
Sale of Fixed Assets	31500	0
Sale of Investments	500000	0
Interest Received	0	0
	531500	0
Out Flow		
Purchase of Fixed Assets	0	0
Purchase of Investments	0	0
Interest Paid	0	-275000
	0	0
Net Cash used in Investing Activities (B)	531500	-275000
Cash Flow from financing Activities		
Proceed from Issue of Shares Capital	0	0
Increase in Secured Loans	0	0
	0	0
Less :		
Repayment of Secured Loan	0	0
Allotment of Application Money	0	0
Net Cash used in Financing Activities (C)	0	0
Net Decrease/Increase in cash & cash equivalents	477358	-415718
cash & Cash equivalents (Opening Balance)	26250	441968
cash & Cash equivalents (Closing Balance)	503608	262250

As per our report of even date attached herewith
For, Shailesh C. Parikh & CO.,
Chartered Accountant

(Shailesh Parikh)
Proprietor

Date : 20-08-2003
Place : Ahmedabad

For Adinath Exim Resources Limited
Paras Savla
Manoj Savla
CHAIRMAN
DIRECTOR

Date : 20-08-2003
Place : Ahmedabad

ADINATH EXIM RESOURCES LIMITED

Annual Report

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

1. Registration Details :		State Code : 04
Registration No. :	24300	
Balance sheet Date :	31.03.2003	
2. Capital raised during the year (amount in Rs.Thousands)		
Public Issue	Nil	Rights Issue
Bonus Issue	Nil	Private Placement
3. Position of Mobilisation and Deployment of Funds (Amount in Rs.Thousands)		
Total Liabilities	49064	Total Assets
Source of Funds	49064	49064
paid-up Capital	45523	Reserves & Surplus
Secured Loans	Nil	3341
Unsecured Loans	Nil	Unsecured Loans
Application of Funds	Investment	Nil
Net Fixed assets	337	27165
Net Current Assets	21123	Misc. Expenditure
Accumulated Losses	Nil	406
4. Performance of Company (Amount in Rs.Thousands)		
Sale and other Income	1161	Total Expenditure
Profit / Loss-before tax(+/-)	516	645
Earning Per Share in Rs.	0.00	Profit / Loss after tax(+/-)
		229
		Dividend %
		Nil
5. Generic Names of three principal Products / Services of Company		
Item Code :	Product Description : Investment Company	

As per our Attached report of even date	For Adinath Exim Resources Limited
For, Shailesh C. Parikh & CO.,	Paras Savla
Chartered Accountant	Manoj Savla
(Shailesh Parikh)	
Proprietor	
Date : 20-08-2003	Date : 20-08-2003
Place : Ahmedabad	Place : Ahmedabad

ADINATH EXIM RESOURCES LIMITED

PROXY FORM

Members Folio No. _____
DP ID _____
Client ID _____

I/We _____ of _____
being a Member/Members of ADINATH EXIM RESOURCES LIMITED, hereby appoint
of _____ or failing him
him _____ of _____ as my/our Proxy to attend and vote
for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on
30th day of September 2003 at any adjournment there of.

Signed this _____ Day of _____ 2003.

Signed by the said _____

of _____

Affix
Rs. 1/-
Revenue
Stamp

Note : If a member is unable to attend the Meeting, he may sign this form and send it to
the Company's Registered Office at : 1, Super Bazar, Naranpura Cross Road, Ahmedabad-380 013,
so as to reach them not less than 48 hours before the Meeting

-----TERE HERE-----

ADINATH EXIM RESOURCES LIMITED

1, Super Bazar, Naranpura Cross Road, Ahmedabad-380 013.

ATTENDANCE SLIP

I hereby record my presence at the Eleventh Annual General Meeting convened at 1,
Super Bazar, Naranpura Cross Road, Ahmedabad-380 013, on 30th September'2003.

Members Folio No. _____
DP ID _____
Client ID _____

Name of the Member attending the Meeting

In case of proxy, Name of Proxy

(Signature of Member/Proxy)
(To be signed at the time of
handing over this slip)

Note : Members/Joint members are requested to bring the attendance slip with them.