

4TH ANNUAL REPORT

**4TH ANNUAL
REPORT**

1997 - 98

ADINATH EXIM RESOURCES LIMITED

ADINATH EXIM

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REPORT
1997 - 98**

ADINATH EXIM RESOURCES LIMITED

FOURTH ANNUAL REPORT

4TH ANNUAL REPORT

1997-98

BOARD OF DIRECTORS

Shri Shantilal M. Savla
Shri Paras S. Savla
Shri Manoj S. Savla
Shri Mukesh M. Savla

Chairman
Managing Director
Director
Director

AUDITORS

Shailesh C. Parikh & Co.
Chartered Accountants
Ahmedabad

BANKERS

Corporation Bank
Bank of Baroda

REGISTERED OFFICE

1, Super Bazar,
Naranpura Cross Road,
Ahmedabad - 13.

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ADINATH EXIM RESOURCES LIMITED

NOTICE

Notice is hereby given that the Fourth Annual General Meeting of the Shareholders of Adinath Exim Resources Limited will be held at Milan Mandir Hall, Dharmanagar Society, Ahmedabad - 380 005 on Wednesday, the 15th day of July, 1998 at 11.00 A.M. for the purpose of transacting the following business :-

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 1998 and the Profit and Loss Account for the year ended on that date and Auditors' and Directors' Report thereon.
2. To appoint a director in place of Shri Shantilal Savla who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

Registered Office :

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

Date : 01-06-98

By order of the Board
Shantilal M. Savla
Chairman

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 THE PROXY NEED NOT BE A MEMBER.
2. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday the 1st July, 1998 to Wednesday the 15th July, 1998 (Both days inclusive).

Registered Office :

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

Date : 29-08-98

By order of the Board
Shantilal M. Savla
Chairman

FOURTH ANNUAL REPORT

DIRECTORS' REPORT

To
The Members
ADINATH EXIM RESOURCES LTD.
Ahmedabad.

Your Directors take pleasure in presenting the Third Annual Report and Statement of Accounts of the Company for the year ended 31st March, 1998.

FINANCIAL RESULTS (Rs. in Lacs)

	1997-98	1996-97
Total Income	69.89	130.93
Profit Before Tax	5.02	6.26
Provision for Taxation	2.50	3.30
Profit After Tax	2.52	2.96
Balance brought forward from last year	3.06	0.10
Balance carried forward	5.58	3.06

DIVIDEND

In order to conserve the resources of the Company, Your Directors do not recommend any dividend for the year under review.

OPERATIONS

During the year under review the Company has earned total income of Rs. 69.89 lacs and net profit of Rs. 2.52 lacs. The Company hopes to achieve better results in the current year.

BOARD

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Shri Shantilal Savla is due to retire by rotation at the Annual General Meeting and being eligible offers himself for re-appointment.

PARTICULARS OF EMPLOYEES

There were no employees drawing remuneration of Rs. 3,00,000 or more, employed through out the year or Rs. 25,000 or more per month employed for a part of the year and hence particulars pursuant to Section 217 (2A) of the Companies Act, 1956 are not required to be given.

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

The Company has no activities relating to conservation of energy or technology absorption. The Company has no foreign exchange earnings and outgo.

AUDITORS

M/s Shailesh C. Parikh Co., Chartered Accountants, Ahmedabad, retire at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

ACKNOWLEDGMENT

Your Directors take this opportunity to express appreciation of efforts put in by the employees of the Company.

Registered Office :

1, Super Bazar,
Naranpura Cross Road,
Ahmedabad - 380 013.
Date : 01-06-98

By order of the Board
Shantilal M. Savla
Chairman

FOURTH ANNUAL REPORT

DIRECTORS' REPORT

To The Members
The Members I am glad to inform you that we have been able to make a profit of Rs. 2.52 lacs during the year.
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Ahmedabad.

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Registered Office :

1, Super Bazar,
Naranpura Cross Road,
Ahmedabad - 380 013.
Date : 01-06-98

By order of the Board
Shantilal M. Savla
Chairman

ADINATH EXIM RESOURCES LIMITED

AUDITOR'S REPORT

TO,
THE MEMBERS
ADINATH EXIM RESOURCES LIMITED, Ahmedabad.

We have Audited the attached Balance Sheet of Adinath Exim Resources Limited, Ahmedabad as at 31st March, 1998 and also the Profit & Loss Account of the Company for the year ended on that date annexed thereto. we report as follows :

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956, we enclose our comments on the matters specified in paragraphs 4 and 5 of the said order to the extent applicable to the Company as under.
2. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
3. 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 the books.
4. The Balance Sheet and Profit and Loss Account dealt with by the report are in agreement with the books of accounts.
5. In our opinion and to the best of our information and according to the explanations given to us the accounts subject to notes thereon gives the information as required by the Companies Act 1956, in the manner so required and give a true and fair view:-
 - (a) In the case of Balance Sheet of the state of affairs of the Company as at 31st March, 1998
 - (b) In the case of Profit and Loss Account of the Profit for the year ended on that date.

Place : Ahmedabad
Date : 1-06-98

For Shailesh C. Parikh & Co
Chartered Accountants

Shailesh C. 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, 1998 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. The stock of finished goods have been physically verified by the management at reasonable intervals during the year.
4. As explained to us, the procedures of physical verification of stocks referred to in (2) 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. According to the records produced to us for our verification, there were no material discrepancies noticed on physical verification of stocks referred to in above, as compared to book records.
6. On the basis of our examination of stock records, we are of the opinion that the valuation of stocks is fair and proper in accordance with the normally accepted accounting principles.
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.

ADINATH EXIM RESOURCES LIMITED

AUDITOR'S REPORT

TO,

THE MEMBERS

ADINATH EXIM RESOURCES LIMITED

AHMEDABAD.

We have Audited the attached Balance Sheet of Adinath Exim Resources Limited, Ahmedabad as at 31st March, 1998 and also the Profit & Loss Account of the Company for the year ended on that date annexed thereto. we report as follows :

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 - (a) In the case of Balance Sheet of the state of affairs of the Company as at 31st March, 1998
 - (b) In the case of Profit and Loss Account of the Profit for the year ended on that date.

And

**For Shailesh C. Parikh & Co
Chartered Accountants**

Place : Ahmedabad

Date : 1-06-98

**Shailesh C. Parikh
Proprietor**

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6. On the basis of our examination of stock records, we are of the opinion that the valuation of stocks is fair and proper in accordance with the normally accepted accounting principles.
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.

FOURTH ANNUAL REPORT

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 repayment of loan as well as in payment of interest.
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 transactions of purchase of goods and materials made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and aggregating during the year to Rs. 50,000 or more in respect of each party. There is no transaction of sale of goods, materials & services covered under this clause.
12. Since the Company is not engaged in the manufacturing activities the question of maintenance of records for the sale and disposal of realisable scrapes 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, 1998 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) (O) 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.

For Shailesh C. Parikh & Co
Chartered Accountants

Place : Ahmedabad
Date : 1-06-98

Shailesh C. Parikh
Proprietor

ADINATH EXIM RESOURCES LIMITED

BALANCE SHEET AS ON 31ST MARCH 1998

Particulars	Sch. No.	As On 31-03-98	As On 31-03-97
		Amount Rs.	Amount Rs.
A. SOURCES OF FUNDS			
1 Share holder's funds			
A. Share Capital	1	45522500	43843000
B. Reserves & Surplus	2	558744	306446
			46081244
			44149446
2 Loan Funds			
A. Secured Loans	3	2601247	0
B. Unsecured Loans		0	0
			2601247
			48682491
			44149446
TOTAL			
B. APPLICATION OF FUNDS			
1. Fixed Assets	4		
A. Gross Block		1594439	1246322
B. Less : Depreciation		500717	245443
			1093722
			7390543
			10475000
2. Investment	5		
3. Current Assets, Loans and Advances :	6		
A. Inventories		2151300	0
B. Cash & Bank Balances		612056	3252891
C. Debtors		0	2953397
D. Loans & Advances		36383715	28037871
			39147071
Less : Current Liabilities & Provisions	7	389111	3217663
NET CURRENT ASSETS			38757960
			31026496
4. Miscellaneous Expenditure to the extent not written off	8		
		1440266	1647071
TOTAL			48682491
			44149446
Significant Accounting Policies and Notes on accounts	9		

As per our report of even date attached herewith

For, Shailesh C. Parikh and Co.

Chartered Accountants

Shailesh C. Parikh

Proprietor

Place : Ahmedabad

Date : 1-06-98

For and on behalf of the Board

Shri Shantilal M. Savla Chairman

Shri Paras Savla Managing Director

Shri Manoj S. Savla Director

Shri Mukesh M. Savla Director

Place : Ahmedabad

Date : 1-06-98

FOURTH ANNUAL REPORT

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1998.

Particulars	Sch. No.	For The Year Ended 31-03-98	For The Year Ended 31-03-97
		Rs.	Rs.
A. INCOME			
Sales		2957673	9366631
Interest from Bank, Bills Discounting, Deposits (Gross) [T D S Rs.315688 Previous Year Rs.339900]		4001004	3726095
Other Income		30000	0
Closing Stock		2151300	0
TOTAL		9139977	13092726
B. EXPENDITURE			
Purchase		6250828	10027977
Freight		31898	0
Cold Storage Charges		193493	0
Packing Charges		45559	0
Donation		500	0
Payment to and provision for employees		602595	609900
Electricity & Electrical Exp.		36307	6131
Brokerage Expenses		12500	46833
Insurance		11459	10947
Stationery and Printing		15017	75682
Membership and Subscriptions		780	3372
Postage and Telephone Exp.		162016	99080
Conveyance & Petrol Exp.		84791	76228
Share Transfer Agent Fees		43618	43959
Office Lease Rent		46220	24000
Office & Misc. Exp.		4726	4177
Office & Other Repairs Exp.		152000	531708
SEBI and Stock Exchange Fees		40230	8000
Legal & Professional Fees		48500	17707
Bank Charges		16145	93395
Auditor's Remuneration			
Audit Fees		10000	
Tax Audit Fees		5000	
Taxation Matters		5000	20000
Loss of Cash in Transit		200000	0
Short Term Loss on Redemption of Tisco Premium Notes		52072	0
Depreciation		255274	104646
Advertisement Exp.		1700	24030
Conference Expenses		9000	109000
Travelling Exp.		68756	244174
Sales Promotion Exp		24890	78965
Preliminary and Public Issue Expenses W/Off		206805	206805
TOTAL		8637679	12466716
Profit/(-)Loss Before Taxation		502298	626010
Provision for Taxation		250000	330000
Profit/(-)Loss After Taxation		252298	296010
Balance of Profit & Loss A/c Brought Forward		306446	10436
Balance Carried to Balance Sheet		558744	306446

Significant Accounting Policies and Notes on accounts

8

As per our report of even date attached herewith
For, Shailesh C. Parikh and Co.
Chartered Accountants
Shailesh C. Parikh
Proprietor

Place : Ahmedabad
Date : 1-06-98

For and on behalf of the Board
Shri Shantilal M. Savla *Chairman*
Shri Paras Savla *Managing Director*
Shri Manoj S. Savla *Director*
Shri Mukesh M. Savla *Director*

Place : Ahmedabad
Date : 1-06-98

ADINATH EXIM RESOURCES LIMITED

SCHEDULES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 1998

		As On 31-03-98	As On 31-03-97
		Rs.	Rs.
SCHEDULE - 1 : SHARE CAPITAL			
A. AUTHORISED SHARE CAPITAL			
5500000 Equity Shares of Rs. 10/- Each		<u>55000000</u>	<u>55000000</u>
(Previous Year 5500000 Equity Shares of Rs. 10 each)			
B. ISSUED & SUBSCRIBED SHARE CAPITAL			
50,00,400 Equity Shares of Rs.10/- Each		<u>50004000</u>	<u>50004000</u>
C. CALLED UP SHARE CAPITAL			
50,00,400 Equity Shared of Rs.10/- Each		<u>50004000</u>	<u>50004000</u>
D. PAID UP SHARE CAPITAL			
50,00,400 Equity Shares of Rs.10/- Each		<u>50004000</u>	<u>50004000</u>
Less : Calls in Arrears			
From Others		<u>4481500</u>	<u>6161000</u>
TOTAL	→	<u>45522500</u>	<u>43843000</u>

SCHEDULE - 2 : RESERVES AND SURPLUS

A. Profit & Loss Account:

Balance as per Annexed Account

TOTAL →

<u>558744</u>	<u>306446</u>
<u>558744</u>	<u>306446</u>

SCHEDULE - 3 : SECURED LOANS

Kalupur Commercial Co.Op. Bank O.D Account
(Secured against personal assets of the Directors)

TOTAL →

<u>2601247</u>	<u>0</u>
<u>2601247</u>	<u>0</u>

SCHEDULE - 4 : FIXED ASSETS

Particulars	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	Op. Bal. as at 01-04-97	Addition during the year	Deduction during the year	Total as at 31-03-98	Op.Bal. as at 01-04-97	For the year	Deduction during the year	Total as at 31-03-98	As at 31-03-98	
	Rs.	Rs.	Rs.	Rs.		Rs.	Rs.	Rs.	Rs.	
A.C. machine	22000	74332	0	96322	5097	12238	0	17335	78997	16903
Fax machine	24625	0	0	24625	6742	2488	0	9230	15395	17883
Refrigerator	6000	0	0	6000	897	710	0	1607	4393	5103
Furniture	675205	79970	0	755175	0	135133	0	135133	620042	675205
Pager	11495	0	0	11495	2615	1235	0	3850	7645	8880
Car	453997	0	0	453997	212394	60401	0	272795	181202	241603
Computer	36000	157815	0	193815	15155	36463	0	51618	142197	20845
Water Coolér	17000	0	0	17000	2543	2011	0	4554	12446	14457
EPABX	0	36000	0	36000	0	4596	0	4596	31404	0
TOTAL ...	1246322	348117	0	1594439	245443	255274	0	500717	1093722	1000879
Previous Year...	571117	675205	0	1246322	140797	104646	0	245443	1000879	430320

FOURTH ANNUAL REPORT

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	As On 31-03-98	As On 31-03-97
	Rs.	Rs.
SCHEDULE - 5 : INVESTMENTS		
Equity Shares (Unquoted) (Nontrade) (At Cost)		
A. 27500 Shares of Rs.10/- Each Fully Paid Up of Visat Oil Tech Ltd.	275000	275000
B. 640000 Shares of Rs.10/- Each Fully Paid Up of Deep Industries Ltd.	6400000	6400000
C. NIL (Previous Year 380000 Shares) of Rs.10/- Each Fully paid Up of Rayson Capital Services Pvt. Ltd.	0	3800000
D. 2500 Shares (Previous Year Nil Shares) of Rs.10/- Each Fully paid Up of Saket Projects Ltd.	25000	0
Units (Quoted) (At Cost)		
E. 1000 Tisco Secured Premium Notes (Previous Year Nil) of Rs.150 Each Fully Paid Up of Tata Iron & Steel Co. Ltd.	254143	0
F. 220 Units (Previous Year Nil) of Rs. 100/- Each Fully Paid up of Magnum Tripple Plus (S.B.I. Mutual Fund)	45133	0
G. 1720 Units (Previous Year Nil) of Rs. 100 Each Fully Paid up of B.O.I. D.2 + B (Bank of India)	391267	0
TOTAL →	7390543	10475000
(Aggregate Market Value of Quoted Investments as on 31st March, 1998 Rs. 767230/-)		
(Aggregate Cost of Quoted Investments Rs. 690543/-)		

SCHEDULE - 6 : CURRENT ASSETS, LOANS & Advances

SCHEDULE - 6 : CURRENT ASSETS, LOANS & ADVANCES		
A. INVENTORIES : Stock of Shares & Securities (Valued at Cost) (Taken, Valued and Certified by Management)		2151300
B. DEBTORS : (Unsecured Considered Good)		0
(i) For More than Six Months	0	0
(ii) For Less than Six Months	0	0
C. CASH & BANK BALANCE:		2953397
(a) Cash Balance	64605	103009
(b) Balance with Scheduled Banks :		
In Current Accounts	547451	1076520
In Fixed Deposit Accounts	0	0
D. LOANS AND ADVANCES :(Unsecured Considered Good)	612056	2073362
(a) Advances Recoverable in Cash or in Kind or for value to be received	4806221	18785946
(b) Deposits	1501183	1342503
(c) Inter Corporate Deposits	29614021	7355820
(d) T.D.S. Receivables	462290	553602
TOTAL	39147071	34244159

SCHEDULE - 7 : CURRENT LIABILITIES & PROVISIONS

SCHEDULE - 8 : MISCELLANEOUS EXPENDITURE TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED

A. PRELIMINARY EXPENSES	1000	6432	0000	51590	58960
Less : Written off During the Year	884	0	3000	<u>7370</u>	<u>7370</u>
B. PUBLIC ISSUE EXPENSES	1000	6432	0000	44220	51590
Less : Written off During the year	884	0	3000	<u>199435</u>	<u>199435</u>
TOTAL	1000	6432	0000	<u>1440266</u>	<u>1647071</u>

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ADINATH EXIM RESOURCES LIMITED

SCHEDULE : 9 SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS FOR THE YEAR ENDED ON 31-03-1998

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 expenses are written off over a period of 10 years.

(h) Inventories :

Inventories are valued at cost.

2. NOTES ON ACCOUNTS :

- (a) Figures have been rounded off upto the nearest Rupee.
- (b) Balances are subject to confirmation.
- (c) None of the employees have completed five years of service and hence liability of gratuity does not arise.
- (d) In the opinion of the Board, the Current Assets, Loans & Advances are approximately of the value stated if realised in the ordinary course of business. Provisions of all known liabilities are adequate and not in excess of the amount reasonably necessary.
- (e) The previous years figures have been regrouped and rearranged wherever necessary.

(f) Managing Director's Remuneration

Salaries

Rs. 2,40,000

- (g) 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.
Yash Polymers	Advances	2730635
Visat Automobile	Advances	916735
Yash Industries	Advances	550000
Deep Industries Ltd.	I.C.D.	16114556
Visat Oil Tech Ltd.	I.C.D.	11083465
Yash organics Ltd.	I.C.D.	2416000

FOURTH ANNUAL REPORT

Additional information pursuant to the provisions of paragraph 3 & 4 of Schedule VI of the Company Act, 1956 to the extent applicable is given as under

PARTICULARS OF TRADING ACTIVITIES :

SR. NO.	DESCRIPTION	UNIT	OPENING STOCK		PURCHASES		SALES		CLOSING STOCK	
			QTY	VALUE	QTY	VALUE	QTY	VALUE	QTY	VALUE
1.	POTATO	KG	---	---	199350	491233	199350	446570	---	---
2.	GREY COTTON CLOTH	MTR	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)
3.	M G G (CHEMICAL)	KG	(--)	(--)	128658	2084115	128658	2154742	---	---
4.	SHARES	NOS.	(--)	(--)	(577934)	(10027977)	(577934)	(9366631)	(--)	(--)
	TOTAL....				480	17280	480	17760	---	---
					334000	3658200	138000	338600	196000	2151300
					(--)	(--)	(--)	(--)	(--)	(--)
					662488	6250828	466488	2957672	196000	2151300
					(577934)	(10027977)	(577934)	(9366631)	(--)	(--)

(i) Expenses in Foreign Currency

Rs. Nil

(ii) Earning in Foreign Exchange

Rs. Nil

As per our report of even date attached herewith

For, Shailesh C. Parikh and Co.

Chartered Accountants

Shailesh C. Parikh

Proprietor

Place : Ahmedabad

Date : 1-06-98

For and on behalf of the Board

Shri Shantilal M. Savla

Chairman

Shri Paras Savla

Managing Director

Shri Manoj S. Savla

Director

Shri Mukesh M. Savla

Director

Place : Ahmedabad

Date : 1-06-98

FOURTH ANNUAL REPORT

(h) Additional information pursuant to the provisions of paragraph 3 & 4 of Schedule VI of the Company Act, 1956 to the extent applicable is given as under

PARTICULARS OF TRADING ACTIVITIES :

SR. NO.	DESCRIPTION	UNIT	OPENING STOCK		PURCHASES		SALES		CLOSING STOCK	
			QTY	VALUE	QTY	VALUE	QTY	VALUE	QTY	VALUE
1.	POTATO	KG	---	---	199350	491233	199350	446570	---	---
2.	GREY COTTON CLOTH	MTR	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)
3.	M G G (CHEMICAL)	KG	(--)	(--)	480	17280	480	17760	---	---
4.	SHARES	NOS.	(--)	(--)	334000	3658200	138000	338600	196000	2151300
TOTAL....					662488	6250828	466488	2957672	196000	2151300
					(577934)	(10027977)	(577934)	(9366631)	(--)	(--)

(i) Expenses in Foreign Currency

Rs. Nil

(j) Earning in Foreign Exchange

Rs. Nil

As per our report of even date attached herewith

For, Shailesh C. Parikh and Co.

Chartered Accountants

Shailesh C. Parikh

Proprietor

Place : Ahmedabad

Date : 1-06-98

For and on behalf of the Board

Shri Shantilal M. Savla Chairman

Shri Paras Savla Managing Director

Shri Manoj S. Savla Director

Shri Mukesh M. Savla Director

Place : Ahmedabad

Date : 1-06-98

ADINATH EXIM RESOURCES LIMITED

BALANCE SHEET ABSTRACT AND A COMPANY'S GENERAL BUSINESS PROFILE :-

I.	Registration Details :-	Registration No. 24300 State Code 4
	Balance Sheet Date	31st March, 1998
II. Capital Raised During The Year (Amt. In Rs. Thousands)		
Public Issue	NIL	Rights Issue NIL
Bonus Issue	NIL	Private Placement NIL
III. Position of Mobilisation and Deployment of Funds (Amt. in Rs. Thousands)		
Total Liabilities	48682	Total Assets 48682
SOURCES OF FUNDS		
Paid-up Capital	45523	Call in Advance NIL
Share Capital Pending Issue & Allotment	NIL	Reserves & Surplus 559
Secured Loans	2601	Unsecured Loans NIL
APPLICATION OF FUNDS		
Net Fixed Assets	1094	Investments 7391
Net Current Assets	38758	Misc. Expenditure 1440
Accumulated Losses	NIL	
IV. Performance of Company (Amt. in Rs. Thousands)		
Sale and Other Income	9140	Total Expenditure 8638
Profit / Loss Before Tax (+/-)	502	Profit / Loss After Tax (+/-) 252
Earning Per Shares in Rs.	0	Dividend @ % NIL
V. Generic Names of Three Principal Products/Services of Company		
Product Description	Trading & Loans & Investment Company	
Item Code No.	Not Applicable	
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FOURTH ANNUAL REPORT

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 1998

	31-3-98 RS.	31-3-97 RS.
A CASH FLOW FROM THE OPERATING ACTIVITIES		
Net Profit Before Tax and Extra-Ordinary items	252298	296010
Add : ADJUSTMENTS FOR :		
Depreciation	255274	104646
Misc. Expenses Written Off	206805	206805
	<u>462079</u>	<u>311451</u>
Less : Interest Received	0	0
	<u>462079</u>	<u>311451</u>
Operating Profit Before working Capital Changes	714377	607461
Add: Decrease in Working Capital		
Sundry Debtors Realised	2953397	0
Current Liabilities Increased	0	2569102
Less: Increase in Working Capital	-8345844	-11139869
Loans & Advances Given	-2151300	-2953397
Inventories Increase	-2828552	0
Current Liabilities Decreased	<u>-10372299</u>	<u>-11524164</u>
	<u>-9657922</u>	<u>-10916703</u>
Cash Generated From Operations	0	0
Less : Misc. Expenses Incurred	<u>-9657922</u>	<u>-10916703</u>
Net Cash Flow From Operating Activities (A)		
B CASH FLOW FROM INVESTING ACTIVITIES		
INFLOWS		
Sale of Fixed Assets	0	0
Sale of Investments	3084457	0
Interest Received	0	0
	<u>3084457</u>	<u>0</u>
OUT FLOWS		
Purchase of Fixed Assets	-348117	-675205
Purchase of Investments	0	-10200000
Interest paid	0	0
	<u>-348117</u>	<u>-10875205</u>
	<u>2736340</u>	<u>-10875205</u>
Net Cash used in Investing Activities (B)		
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceed from Issue of Shares Capital	1679500	844000
Increase in Secured Loans	2601247	0
	<u>4280747</u>	<u>844000</u>
Less :		
Repayment of other Borrowing	0	0
Allotment to Application Money	0	0
	<u>4280747</u>	<u>844000</u>
Net Cash Used in Financing Activities (C)		
Net Decrease / Increase in Cash & Cash Equivalents	-2640835	-20947908
Cash & Cash Equivalents (Opening Balance)	3252891	24200799
Cash & Cash Equivalents (Closing Balance)	612056	3582891

Shri Shantilal M. Savla
Chairman

Shri Paras Savla
Managing Director

Shri Manoj S. Savla
Director

Shri Mukesh M. Savla
Director

AUDITORS' CERTIFICATE

We have examined the attached Cash Flow Statement of Adinath Exim Resources Ltd. for the year ended on 31st March, 1998. The Statement has been prepared by the Company in accordance with the requirements of the listing agreement with the stock exchanges of Ahmedabad & Bombay and is based on and is in agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company covered by our report dated 1st day of June, 1998 to the members of the Company.

For Shailesh C. Parikh & Co
Chartered Accountants
Shailesh C. Parikh
Proprietor

ADINATH EXIM RESOURCES LIMITED

ADINATH EXIM RESOURCES LTD.

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

ATTENDANCE SLIP

Please fill Attendance Slip and hand it over at the entrance of the Meeting Hall

Joint Shareholders may obtain additional Slip on request.

Name and Address of the Shareholder

Master Folio No. : _____

No. of Shares held : _____

I hereby record my presence at the Fourth Annual General Meeting of the Company held on Wednesday, the 15th July, 1998 at 11.00 a.m. at Milan Mandir Hall, Dharmanagar, Ahmedabad - 380 005.

Signature of the Shareholder or Proxy

* Strike out whichever is not applicable

-----TEAR HERE-----

ADINATH EXIM RESOURCES LTD.

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

PROXY FORM

Master Folio No. : _____

I/We _____

of _____

being a member/

members of Adinath Exim Resources Limited hereby appoint _____

of _____

or failing him _____ of _____

as my/our proxy to vote for me/us and on my/our behalf at the Fourth Annual General Meeting to be held on Wednesday, the 15th July, 1998 at 11.00 a.m. at any adjournment thereof.

Signed this _____ day of _____ 1998

Affix a
One Rupee
Revenue
Stamp

Note : The Proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The Proxy need not be a member of the Company.

