
PUSHPANJALI FLORICULTURE LIMITED

4TH ANNUAL REPORT

1998-99

BOARD OF DIRECTORS

MR. D. B. KURAY - DIRECTOR
MR. G. K. SHAH - DIRECTOR
MR. G. I. AJWANI - DIRECTOR

BANKERS

BANK OF INDIA
STATE BANK OF INDIA

AUDITORS

KHESE ASSOCIATES
CHARTERED ACCOUNTANT
AHMEDABAD

REGISTERED OFFICE :
PEOPLES PLAZA COMPLEX,
NAVRANGPURA,
AHMEDABAD.

PUSHPANJALI FLORICULTURE LIMITED

ANNEXURE

Referred to in paragraph one of the Auditor's report on the Accounts of PUSHPANJALI FLORICULTURE LIMITED for the year ended March 31, 1999.

- (1) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. Based on the programme of Physical verification, fixed assets have been physically verified by the management during the year and as explained to us no serious discrepancy have been noticed on such physical verification.
- (2) None of the fixed assets have been revalued during the year.
- (3) As the Company's project is under implementation stage, the requirement of reporting on physical verification of stocks of finished/semi-finished goods and raw materials, stores and spare parts by the Management and material discrepancies in such physical verification and also the requirement of valuation of stock in our opinion does not arise.
Hence, clause (iii), (iv), (v), (vi) of MAOCARO, 1988 are not applicable.
- (4) The Company has not taken loans from Companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956. As informed to us, there are no Companies under the same Management as defined under sub-section (1B) of Section 370 of the said Act.
- (5) The Company has not granted any loans to Companies, firm or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. As stated in paragraph 4 above there is no company under the same management as defined under Section 370(1-B) of the Companies Act, 1956.
- (6) In our opinion and according to the explanations given to us, the transactions of purchase of goods and materials and sale of goods (not applicable), materials and services made in pursuance of contract 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 have been made at price which are reasonable having regard to the prevailing market price for such goods, materials and services or the prices at which transactions for similar goods, materials or services have been made with other parties.
- (7) The Company has not accepted any deposit from the public to which the provisions of the Section 58-A of the Companies Act, 1956 and the rules made there under would apply.
- (8) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 209 (1)(d) of the Companies Act, 1956 for any products manufactured for the Company.
- (9) Provisions of Employees State Insurance and Employees Provident Fund Act and Rules made there under are not applicable to the Company.
- (10) According to information and explanation given to us, no undisputed amounts payable in respect of Income-tax, Sales-tax, Wealth-tax, Custom-duty and Excise duty were outstanding as at March 31, 1999 for a period of more than six months from the date they become payable.
- (11) On the basis of the examination of the books of account carried out by us in accordance with generally accepted auditing practices and according to the information and explanations given to us, no personal expenses of employees/directors been charged to the profit & loss account, other than these payable under contractual obligation or accepted business practice.
- (12) The Company is not a Sick Industrial Company within the meaning of Clause (o) of section 3(i) of the Sick Industrial Companies (Special Provisions) Act, 1985.

For Khese Associates
Chartered Accountants
(Umesh Khese)
Proprietor

Place : Ahmedabad
Date : 07-08-1999.

PUSHPANJALI FLORICULTURE LIMITED

BALANCE SHEET AS AT 31-03-1999

| | SCHEDULE | As At 31-03-1999 Rs. | As At 31-03-1998 Rs. |
|--|----------|----------------------------|----------------------------|
| <u>SOURCES OF FUNDS</u> | | | |
| Shareholders' Fund | | | |
| Share Capital | I | 6,85,96,000 | 6,85,96,000 |
| Reserves & Surplus | | Nil | Nil |
| | | 6,85,96,000 | 6,85,96,000 |
| <u>LOAN FUNDS</u> | | | |
| Secured Loans | II | NIL | 10,22,643 |
| Unsecured Loans | III | 9,67,815 | 10,05,136 |
| | | 9,67,815 | 20,27,779 |
| TOTAL | | 6,95,63,815 | 7,06,23,779 |
| <u>APPLICATION OF FUNDS</u> | | | |
| Fixed Assets | | | |
| Gross Block | IV | 11,56,891 | 11,54,196 |
| Less : Depreciation | | 29,239 | 19,292 |
| Net Block | | 11,27,652 | 11,34,904 |
| Capital Work in Progress | | 4,31,35,000 | 4,29,95,000 |
| | | 4,42,62,652 | 4,41,29,904 |
| <u>INVESTMENTS</u> | | | |
| | V | 25,000 | 25,000 |
| <u>CURRENT ASSETS, LOANS & ADVANCES</u> | | | |
| Inventories | | Nil | Nil |
| Sundry Debtors | | Nil | Nil |
| Cash & Bank Balances | | 1,33,453 | 2,22,38,068 |
| Advances & Deposits | | 2,23,10,699 | 15,90,826 |
| Gross Current Assets | | 2,24,44,152 | 2,38,28,894 |
| Less : | | | |
| <u>CURRENT LIABILITIES & PROVISIONS</u> | | | |
| Liabilities | VII | 1,98,030 | 1,72,044 |
| Provisions | | 2,750 | 6,102 |
| | | 2,00,780 | 1,78,146 |
| Net Current Assets | | 2,22,43,372 | 2,36,50,748 |
| <u>MISCELLANEOUS EXPENDITURE</u> | | | |
| (to the extent not w/o.) | | | |
| Preliminary Expenses | | 30,32,791 | 28,18,127 |
| TOTAL | | 6,95,63,815 | 7,06,23,779 |
| Accounting Policies | VIII | | |

As per our report attached herewith
Khese Associates
Chartered Accountants
(Umesh Khese)
Proprietor
Place : Ahmedabad
Date : 07-08-1999

For & On Behalf of Board of Directors

(G. K. Shah)
Director
(D. B. Kuray)
Director

PUSHPANJALI FLORICULTURE LIMITED

| SCHEDULE | As At 31-03-1999 Rs. | As At 31-03-1998 Rs. |
|--|----------------------------|----------------------------|
| <u>SCHEDULE I</u> | | |
| Share Capital Authorised | | |
| 1,50,00,000 Equity Shares | <u>15,00,00,000</u> | <u>15,00,00,000</u> |
| Issued Capital | | |
| Issued, Subscribed and Called-up Share Capital | <u>12,99,93,000</u> | <u>12,99,93,000</u> |
| Less : Calls in Arrears | <u>6,13,97,000</u> | <u>6,13,97,000</u> |
| | <u>6,85,96,000</u> | <u>6,85,96,000</u> |
| <u>SCHEDULE II</u> | | |
| Secured Loans | | |
| From Gujarat Ind. Co-op. Bank (against security of the fixed deposit.) | Nil | 10,03,198 |
| From Other (against security of Maruti Car) | Nil | 19,445 |
| | <u>Nil</u> | <u>10,22,643</u> |
| <u>SCHEDULE III</u> | | |
| Unsecured Loans | | |
| From Corporate Bodies | 9,67,815 | 7,96,461 |
| From Others | Nil | 2,08,675 |
| | <u>9,67,815</u> | <u>10,05,136</u> |

SCHEDULE IV

Fixed Assets

| Particulars | GROSS BLOCK | | | DEPRECIATION | | | | NET BLOCK | | |
|----------------------|------------------|--------------------------------|----------------------------------|------------------|-----------------|-------------------------|-------------------------|------------------|------------------|------------------|
| | As at 1-4-98 | Addition during the year | Sales/Adj. during the year | As at 31-3-99 | Up to 1-4-98 | For the year 1998 | On Sales/ Adjustment | Up to 31-3-99 | As at 31-3-99 | As at 31-3-98 |
| Land | 7,33,170 | — | — | 7,33,170 | — | — | — | — | 7,33,170 | 7,33,170 |
| Office Building | 1,25,000 | — | — | 1,25,000 | 4,076 | 2,038 | — | 6,114 | 1,18,886 | 1,20,924 |
| Furniture & Fixtures | 1,39,106 | — | — | 1,39,106 | 15,216 | 7,909 | — | 23,125 | 1,15,981 | 1,23,890 |
| Vehicle | 1,56,920 | 2,695 | — | 1,59,615 | — | — | — | — | 1,59,615 | 1,56,920 |
| Total | <u>11,54,196</u> | <u>2,695</u> | <u>—</u> | <u>11,56,891</u> | <u>19,292</u> | <u>9,947</u> | <u>—</u> | <u>29,239</u> | <u>11,27,652</u> | <u>11,34,904</u> |

PUSHPANJALI FLORICULTURE LIMITED

SCHEDULE V

| | | |
|--|---------------|---------------|
| Investments | 25,000 | 25,000 |
| Sinner Energy India Ltd. 2,500 Shares of Rs.10/- each Quoted Shown at Cost Price | <u>25,000</u> | <u>25,000</u> |

SCHEDULE VI

Current Assets,
Loans and Advances

Inventories :

(As taken, valued and certified by Management) Nil Nil

Sundry Debtors :

(Unsecured; Considered doubtful)

Over Six Months Nil Nil

Others Nil Nil

Cash & Bank Balances :

Cash on hand 50,046 1,84,188

Balance with Schedule Bank
in Current Account 83,407 2,11,42,866

in Fixed Deposit Nil 10,00,000

1,33,453 2,22,38,068

Loans & Advances

(Unsecured; Considered good)

Advances recoverable in cash or in kind or for value to be received 2,14,44,099 7,24,226

Deposits 8,66,600 8,66,600

2,23,10,699 15,90,826

2,24,44,152 2,38,28,894

SCHEDULE VII

Current Liabilities and Provisions

Current Liabilities :

Other Liabilities 1,98,030 1,72,044

1,98,030 1,72,044

Provisions

Provision for Expenses 2,750 6,102

2,00,780 1,78,146

PUSHPANJALI FLORICULTURE LIMITED

SCHEDULE VIII

1. Notes to Accounts

- (1) **Recognition of Income & Expenditure :-**
The financial statements are prepared on mercantile basis and are in accordance with the historical cost convention.
- (2) **Fixed Assets :-**
Fixed Assets are capitalised at cost inclusive of inward freight, duties, taxes and installation charges. Since the plants were under construction/installation/trial run, no depreciation has been charged on the assets pertentent to factory. Similarly depreciation has also been not provided on the Maruti Van. However, Depreciation has been provided on Assets actually put to use under straight line method on pro-rata basis at the rates specified in Schedule XIV to the Companies Act, 1956.
- (3) **Expenditure During Construction Period :-**
Expenditure during construction (Project Implementation) have been carried forward as Preliminary & Pre-operative expenditure.
- (4) **Profit & Loss Account :-**
As the Company's project is under implementation stage and the manufacturing activities had not started at the balance sheet date, no Profit & Loss Account has been prepared. All the revenue expenses incurred during the year have been accounted for under Preliminary & Pre-operative Expenses and will be capitalised in due course.
- (5) **Work In Progress :-**
All the expenditure including the advances given during the period for acquisition or creation of the assets are accumulated as Capital Work in Progress until the assets are completely created and commissioned for the business. It has been informed to us that during the year under review none of the block has been completed and hence the same could not be transferred to fixed assets.
- (6) **Investments :-**
Investments are shown at their cost of acquisition. Any increase or decrease in the value of the same will be accounted for at the time of its ultimate realisation.
- (7) **Foreign Currency Transaction :-**
The Company is not engaged in any foreign currency transaction.
- (8) **Contingent Liabilities :-**
Estimated amount of contracts remaining to be executed on Capital Account not provided for Rs. 4,31,35,000/- (Previous Year Rs. 4,29,95,000/-)
- (9) No provision for gratuity has been made as no employee has yet put in the qualifying period of service for entitlement in this benefit.
- (10) In the opinion of Board of director the Current Assets, Loans & Advances are approximately of the value stated, if relised in the ordinary course of business. All known and ascertained liabilities are adequate & just in excess of the amount and reasonably necessary.
- (11) The balance in the accounts of various banks are subject to reconciliation and confirmation.
- (12) It is not possible for the company to state the amounts owed to the Small Scale Industrial Units, as a Data Base identifying the same has not been maintained.
- (13) Previous period figures have been regrouped and/or rearranged wherever necessary so as to confirm current year's groupings.
- (14) C. I. F. Value of Imports Rs. Nil.
- (15) As the Company's project is under implementation stage, the informations relating to licensed, installed capacity and actual production are not provided.
- (16) Pending the settlement of account, advances paid to companies/parties towards capital purchase/services are shown by way of advance for capital purchase/work-in-progress.
- (17) Since the Company has not started commercial production, the provision of paragraph 3 & 4 (C) & (D) of Part II of Schedule VI to Companies Act are not applicable so far they relates to :
 - a. Capacities, production and stocks.
 - b. Raw-material consumption.
 - c. Value of imported raw-materials and spare parts consumed.

For KHESE ASSOCIATES
Chartered Accountants

Place : Ahmedabad
Date : 07-08-1999.

(Umesh Khese)
Proprietor

PUSHPANJALI FLORICULTURE LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE :

1. REGISTRATION DETAILS:

| | |
|----------------------|------------------|
| Registration No.: | 04-27519 |
| State Code : | 04 |
| Balance Sheet Date : | 31st March, 1999 |

2. CAPITAL RAISED DURING THE YEAR (Amount in Rs. thousand)

| | | |
|----------------------------|---|-----|
| Public Issue | : | NIL |
| Right Issue | : | NIL |
| Bonus Shares | : | NIL |
| Private Placement | : | NIL |
| Naked Warrants Pref. Offer | : | NIL |

3. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS. (Amount in Rs. thousand)

| | | |
|---------------------------------|--------------------|--------|
| SOURCE OF FUNDS | Total liabilities | 69,564 |
| | Total Assets | 69,564 |
| | Paid-up Capital | 68,596 |
| | Reserves & Surplus | NIL |
| | Secured Loans | NIL |
| | Unsecured Loans | 968 |
| APPLICATION OF FUNDS | Net Fixed Assets | 1,128 |
| | Work-in-progress | 43,135 |
| | Investments | 25 |
| | Net Current Assets | 22,243 |
| | Misc. Expenditure | 3,030 |
| | Accumulated Losses | NIL |

PERFORMANCE OF COMPANY

(Amount in Rs. thousand)

| | |
|--------------------------|------|
| Turnover (Gross Revenue) | N.A. |
| Total Expenditure | N.A. |
| Profit/Loss before tax | N.A. |
| Profit/Loss after tax | N.A. |
| Earning per share in Rs. | N.A. |

(Weighted Average)

Dividend rate % Not applicable

GENERIC NAME OF THREE PRINCIPAL PRODUCTS/SERVICES OF COMPANY

(as per monitory terms)

| | | |
|--------------------------|----------|---|
| Item Code No. (ITC Code) | 06031000 | |
| Products Description | | Cut flowers of manufacture |
| | | flowering plants of manufacture |
| Item Code No. (ITC Code) | 06029901 | |
| Product Description | | Bulbs, Horticulture of manufacture |
| Item Code No. (ITC Code) | 06012001 | |
| Product Description | | Fruit Trees of manufacture |
| Item Code No. (ITC Code) | 06022001 | |
| Product Description | | Edible Fruit or Nut Trees, grafted or not |

PUSHPANJALI FLORICULTURE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-1999

| Particulars | For the Year ended 31-03-1999 | | For the Year ended 31-03-1998 | |
|--|----------------------------------|----------------|----------------------------------|-------------|
| | Rupees | Rupees | Rupees | Rupees |
| A. CASH FLOW FROM OPERATING ACTIVITIES | | | | |
| Net Profit before tax & extra ordinary items | | Nil | | Nil |
| Adjustments for : | | | | |
| Depreciation | | Nil | | Nil |
| Pre. & Pre.Op.Exp.written off | | Nil | | Nil |
| Foreign Exchange | | Nil | | Nil |
| Investments | | Nil | | Nil |
| Interest/Dividend | | Nil | | Nil |
| | | Nil | | Nil |
| Operating Profit/Loss before working capital changes | | Nil | | Nil |
| Adjustments for : | | | | |
| Advances & Deposits | (-)2,07,19,873 | | (-)4,29,225 | |
| Inventories | Nil | | Nil | |
| Liabilities & Provisions | 22,634 | | (-)3,70,574 | |
| | | (-)2,06,97,239 | | (-)7,99,799 |
| CASH GENERATION FROM OPERATION | | (-)2,06,97,239 | | (-)7,99,799 |
| Interest paid | | Nil | | Nil |
| Direct taxes paid | | Nil | | Nil |
| | | Nil | | Nil |
| CASH FLOW BEFORE EXTRA-ORDINARY ITEMS | | (-)2,06,97,239 | | (-)7,99,799 |
| Extra ordinary items | | Nil | | Nil |
| | | (-)2,06,97,239 | | (-)7,99,799 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | | | |
| Purchase of Fixed Assets | (-)2,695 | | (-)1,60,070 | |
| Sale of Fixed Assets | Nil | | Nil | |
| Capital work in progress | (-)1,40,000 | | 1,04,169 | |
| Purchase of Investments | Nil | | Nil | |

PUSHPANJALI FLORICULTURE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-1999

| Particulars | For the Year ended 31-03-1999 | | For the Year ended 31-03-1998 | |
|---------------------|----------------------------------|-----------------------|----------------------------------|--------------------|
| | Rupees | Rupees | Rupees | Rupees |
| Sale of Investments | Nil | | Nil | |
| Interest received | Nil | | Nil | |
| Dividend received | Nil | | Nil | |
| | | (-)1,42,695 | | (-)55,901 |
| | | <u>(-)2,08,39,934</u> | | <u>(-)8,55,700</u> |

C. CASH FLOW FROM FINANCING ACTIVITIES

| | | |
|---|---------------------|--------------------|
| Proceeds from Issue of share capital | Nil | 2,19,29,000 |
| Proceeds from loan fund | Nil | 11,93,243 |
| Repayment of loan fund | (-)10,59,964 | Nil |
| Preliminary & Issue exps. | (-)2,04,717 | (-)5,43,154 |
| | <u>(-)12,64,681</u> | <u>2,25,79,089</u> |
| Net increase(decrease) in cash & cash equivalents | (-)2,21,04,615 | 2,17,23,389 |
| Opening Cash & Cash equivalents | 2,22,38,068 | 5,14,679 |
| Closing Cash & Cash equivalents | 1,33,453 | 2,22,38,068 |

AUDITORS CERTIFICATE

TO,

The Board of Directors,
PUSHPANJALI FLORICULTURE LTD.

We have examined the attached Cash Flow Statement of Pushpanjali Floriculture Limited for the year ended 31.03.1999. The statement has been prepared by the Company in accordance with the requirements of listing agreement with the Regional Stock Exchange being the Ahmedabad Stock Exchange and is based on and in agreement with the corresponding Balance Sheet of the Company covered by our report of even date to the members of the Company.

For **KHESE ASSOCIATES**
Chartered Accountants

Place : Ahmedabad
Date : 07-08-1999.

(Umesh Khese)
Proprietor

PUSHPANJALI FLORICULTURE LIMITED

AUDITORS' REPORT

To,
The Members of
PUSHPANJALI FLORICULTURE LIMITED

We have audited the attached Balance Sheet of **PUSHPANJALI FLORICULTURE LTD.** as at 31-03-1999 annexed thereto and report that :-

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 annex here to a statement on the matters specified in paragraphs 4 and 5 of the said order.
2. Further to our comments in the annexure referred to in Paragraph 1 above, we report that:-
 - (a) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) In our opinion, proper books of accounts and records as required by law have been kept so far as appears from our examination of such books.
 - (c) The Balance Sheet referred to in this report is in agreement with the books of accounts.
 - (d) In our opinion, the Balance Sheet and Profit and Loss Account comply with the accounting standards referred to in Sub-Section (3C) of Section 211 of the Companies Act, 1956.
 - (e) In our opinion and to the best of our information and according to the explanation given to us, the accounts read with the notes thereon, give the information as required by the Companies Act, 1956 in the manner so required and give a true and fair view :-
 - i) In the case of the Balance Sheet of the state of affairs of the Company as at March 31, 1999 and
 - ii) In the case of Profit and Loss Account : As the Company's project is in implementation stage and the manufacturing activities has not commenced, no profit & loss account has been prepared for the year.

For Khese Associates
Chartered Accountants

(Umesh Khese)
Proprietor

Place : Ahmedabad
Date : 07-08-1999

PUSHPANJALI FLORICULTURE LIMITED

NOTICE

NOTICE is hereby given that the 4th Annual General Meeting of the members of the Company will be held on Wednesday 29th day of September 1999 at 11.30 A.M. at the People's Plaza Complex, Navrangpura, Ahmedabad, to transact the following business :

ORDINARY BUSINESS

1. To consider and adopt the Audited Balance Sheet as at 31st March, 1999 together with Auditors and Directors Report thereon.
2. To appoint a Director in place of Mr. Dhananjay Kuray, who retires by rotation and being eligible offer himself for reappointment.
3. To appoint Auditors and to fix their remuneration.

BY ORDER OF THE BOARD

Place : Ahmedabad

Date : 07-08-1999

D.B. KURAY

Director

NOTE :

A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.

DIRECTORS REPORT

To the Members,

Your Director present herewith the forth Annual Report of the Company together with the Audited Accounts for the period ended on 31st March, 1999

OPERATIONAL ACTIVITIES

The project is under implementation stage and the commercial activities has not yet commenced.

DIVIDEND

Due to no profits, the Company does not recommend any Dividend.

DIRECTORS

Mr. Dhananjay Kuray, Director of the Company retires by rotation. Being eligible, offer himself for re-appointment.

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

The Company is not a manufacturing unit, Hence the Company is not required to furnish the information as required under Companies Disclosure of Particulars in the report of the Board of the Directors, Rule 1988.

Y2K COMPLIANCE

The Company has made necessary arrangements to meet Y2K bugs.

PARTICULARS OF EMPLOYEES

There is no employee drawing gross remuneration exceeding the limits prescribed under Section 217 (2A) of the Companies Act, 1956.

FIXED DEPOSIT

The Company does not hold any fixed deposit.

REAPPOINTMENT OF AUDITORS

M/s. Khese Associates, Chartered Accountants, Ahmedabad, will retire at the conclusion of Annual General Meeting. Being eligible they offer themselves for re-appointment.

The Board recommends the same at the ensuing Annual General Meeting.

FOR AND ON BEHALF OF THE BOARD

Place : Ahmedabad

Date : 07-08-1999

D.B. KURAY

Director