

ANNUAL REPORT
2009 – 2010

ADARSH PLANT PROTECT LIMITED

18TH ANNUAL REPORT & ACCOUNTS
2009 - 2010

BOARD OF DIRECTORS

SHRI NAISHADBHAI PATEL	CHAIRMAN & MANAGING DIRECTOR
SHRI ATISH PATEL	EXECUTIVE DIRECTOR
SHRI KIRITBHAI PATEL	NON-EXECUTIVE DIRECTOR
SHRI DIKULBHAI PATEL	NON-EXECUTIVE DIRECTOR
SHRI KIRANBHAI PATEL	NON-EXECUTIVE DIRECTOR
SHRI ARVINDBHAI SHAH	NON-EXECUTIVE DIRECTOR
MS. JYOTIBEN PATEL	NON-EXECUTIVE DIRECTOR
SHRI HARIHARBHAI PATEL	NON-EXECUTIVE DIRECTOR

AUDITORS

M/S MUKUND & ROHIT
CHARTERED ACCOUNTANTS, VADODARA

BANKERS

BANK OF BARODA
VALLABH VIDYANAGR BRANCH

COMPANY LAW CONSULTANTS

D. G. BHIMANI & ASSOCIATES

REGISTERED OFFICE & WORKS

604, G.I.D.C., VITHAL UDYOGNAGAR
ANAND – 388 121 (GUJARAT), INDIA

NOTICE

Notice is hereby given that the 18th Annual General Meeting of the Shareholders of ADARSH PLANT PROTECT LIMITED, will be held at Plot No. 604, G.I.D.C. Estate, Vithal Udyognagar on Saturday, 25th September, 2010 at 11:00 A. M. to transact the following ordinary and special business:

ORDINARY BUSINESS:

- 1] To receive, consider and adopt the Audited Balance Sheet and Profit and Loss Account for the year ended on 31st March, 2010 together with Director's Report and Auditors' Report thereon.
- 2] To appoint a Director in place of Mr. Hariharbhai Patel who retire by rotation and being eligible, offers himself for re-appointment.
- 3] To appoint a Director in place of Mrs. Jyotiben Patel who retire by rotation and being eligible, offers herself for re-appointment.
- 4] To appoint Auditors and fix their Remuneration

By order of the Board of Directors
ADARSH PLANT PROTECT LIMITED

Date: 27th July, 2010
Place: Vithal Udyognagar

(NAISHADBHAI PATEL)
Chairman & Mg. Director

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. A PROXY IN ORDER TO BE EFFECTIVE, MUST BE LOGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF THE MEETING.
 2. The Register of Members and the Share Transfer Books will remain closed from Thursday, 23rd September, 2010 to Saturday, 25th September, 2010 (both days inclusive).
 3. Members are requested to:
 - (a) Intimate to the Company change, if any, in their address immediately.
 - (b) Quote their Registered Folio No. or Demat Account No. on all correspondence with the Company.
 - (c) Members who are holding physical Shares in more than one Folio are requested to intimate to the Company / Registrar & Share Transfer Agents and the details of all their Folio Numbers for consolidation in to a single Folio.
 - (d) Members who hold Shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the Meeting.
 - (e) In view of the high cost of the paper and printing, the practice of handing out copies of Annual Report has been discontinued. Shareholders are therefore requested to bring their copies of the Report to the Meeting.
 - (f) The relative explanatory statements pursuant to Section 173(2) of the Companies Act, 1956 attached herewith and form part of this Notice.
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DIRECTOR'S REPORT

Dear Members,

Your Directors have pleasure in presenting this 18th ANNUAL REPORT together with the Audited Accounts of the Company for the year ended on 31st March 2010.

FINANCIAL RESULTS

The Summary of the financial performance of the Company for the year ended 31st March, 2010 compared to the previous year is as below:

(Rs. in Lacs)

		<u>2009-2010</u>	<u>2008-2009</u>
1	Turnover	596.19	446.88
2	Other Income	3.21	02.36
3	Total Income	599.40	449.24
4	Profit/(Loss) Before Depreciation, Interest and Tax	63.58	01.48
	Less/Add : Interest	44.09	44.84
	Depreciation	18.05	17.70
5	Profit/(Loss) Before Taxation	1.44	(61.06)
6	Income Tax & F. B. T.	0.00	00.50
7	Profit /(Loss) After Taxation	1.44	(61.56)
8	Prior year's Expenses	0.22	0.00
9	Profit/(Loss) for the year	1.22	(61.56)

During the year under review there is a marginal increase in the turnover to Rs.596.19 lacs from Rs. 446.88 lacs in the previous year and it is mainly because of non finalization of orders from Company's customers who are mainly various State Governments and subsidies given to farmers in the respective States. Other income has increased marginally to Rs. 3.21 lacs from Rs. 02.36 lacs in the previous year.

DIVIDEND

In view of the continued accumulated losses incurred by the Company in previous years your Directors do not recommend dividend on Equity Shares for the year ended on 31st March, 2010.

CURRENT PERFORMANCE

Your Directors are please to inform the Shareholders that, the Company has successfully supplied 55913 Nos. of Knapsack Sprayers out of the total quantity of order received.

Your Directors are also pleased to inform the Shareholders that, once again the Company has received opportunity to supply Seed Dressing Drums to Punjab State Government under Rate Contract for current year 2010-11 and have obtained valued order of 6144 Nos. worth Rs. 200 lacs.

The Company has obtained approval of Seed Dressing Drums and various Agriculture Plant Protection Equipments from majority States in India and hope to receive sizable orders from these States.

NEW AND RENEWABLE ENERGY

The Shareholders are aware that atmospheric global warming is picking up very fast and all of us need to be eco friendly for survival. The Company also felt that it would be advisable and profitable to venture in to renewable energy sector and become most efficient eco friendly by dealing in Solar based LED lights and Home products and there by serve mankind. The Company has developed infrastructure to produce components of Wind Mills and non-renewable Energy Equipments and continuously trying to obtain orders in competitive Market.

DIRECTORS

Mr. Hariharbhai Patel and Mrs. Jyotiben Patel, Directors of the Company, retire by rotation as per the Articles of Association of the Company and they are eligible for re-appointment. Resolutions seeking approval of the Shareholders for their re-appointment have been incorporated in the Notice of the ensuing Annual General Meeting.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Board of Directors of your Company State that:

1. in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. 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 true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
3. the Directors have taken proper and sufficient care of 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;
4. the directors have prepared the Annual Accounts on a going concern basis.

INSURANCE

The whole of the properties of the Company have been suitably insured and your Directors have taken care to take all necessary general insurances.

FIXED DEPOSITS

The Company has not accepted any deposits from the Public within the meaning of Section 58A of the Companies Act, 1956 and Rules made there under.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed review of the operations, performance and future outlook of the Company is given in the Management's Discussion and Analysis appearing as Annexure - 1 to this Report.

PARTICULARS OF EMPLOYEES

None of the employee is in receipt of remuneration in excess of the limits prescribed under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

CORPORATE GOVERNANCE REPORT

Your Company has always striven to incorporate standards for Good Corporate Governance. It has taken adequate steps to ensure that the provisions of Corporate Governance as prescribed pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges are complied with.

A detailed report on the Corporate Governance is appearing as Annexure - 2 to this report.

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

As required by the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, the relevant data pertaining to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are given in Annexure - 3 to this report.

AUDITORS

The Company's Auditors M/S Mukund & Rohit, Chartered Accountants, Vadodara retires at the ensuing Annual General Meeting and being eligible offers themselves for re-appointment. The members are requested to appoint Statutory Auditors for the current year and fix their remuneration.

ACKNOWLEDGEMENT

Your Directors wish to place on record their sincere appreciation for the whole-hearted support and the cooperation extended to the Company by its Vendors, Traders, Customers, Bankers and Financial Institutions, Central and State Government Authorities, Advisors, Auditors, Shareholders and the society at large.

Your Directors also place on record their appreciation for the contribution and hard work of employees across all levels, including sub-vendors and sub-contractors entire teams and their commitment, inspiration and hard work to put your Company in its present position.

ON BEHALF OF THE BOARD OF DIRECTORS

Date: 27th July, 2010
Place: VITHAL UDYOGNAGAR

ATISH PATEL
EXECUTIVE DIRECTOR

NAISHADBHAI PATEL
CHAIRMAN & MG. DIRECTOR

To be read together with Annexure 1 to 3 attached

ANNEXURES TO THE REPORT OF BOARD OF DIRECTORS

ANNEXURE – 1: MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

(a) Industry structure and development.

The Company is engaged in manufacturing of Plant Protection Equipments and future of the Company largely depends on Country's Agriculture growth. The Company is continuously upgrading competencies in its products and faster product development, improved quality of manufacturing. Special focus is always given to improve upon the quality of Sprayers manufactured and keeping the goal to the need and the farmers the ultimate users of the Products with BIS Mark.

(b) Opportunities and Threats

As the Members know that your Company is manufacturing Agriculture Plant Protection Equipments, which are used for Spraying and Dusting of various Plant Protection Chemicals. Any increase in input cost, failure of monsoon and higher levied components sourced from open market may affect demand of Company's products. The demand of the Products also depends upon the production and market scenario of pesticides being consumed by the Farmers the ultimate users of the Company's Products. The Company continues to face competition from un-organized sector and the challenge before your Company is to accelerate market growth, maintaining margins, which are under pressure in the current year due to increase in input cost of the materials used for manufacturing of Sprayer Pumps.

(c) Segment wise performance

The operations of the Company are in manufacturing of Plant Protection Equipments and also in the business of Windmill Frames and trading in Solar Energy Items.

(d) Material development in Human Resources

There has not been any major material development in 12 months period under review than those reported last year except that the Company has appointed qualified Engineers to improve upon the quality of the Products and follow up After Sales Service to the Customers.

(e) Outlook on threat, risks and concerns

- i) With the single product – the Plant Protection Equipments and with the income from the sale of only these Products, the margins are always under pressure; however the management continues to put best efforts to improve the overall performance of the Company and has developed Seed Dressing Drums and this new product has received good response. Overall slow down of the performance is to some extent due to late receipt of payment and thereby Company's working capital is affected and it becomes difficult to timely rotate the fund, however, rigorous efforts to collect over due payment continue through field officers and the distributors and thereby improve liquidity of funds and manage the business successfully.
- ii) Your Directors are now rigorously looking for measures to pursue all available infrastructural, manufacturing and financial resources to the fullest extent and in the best interest of the Shareholders of the Company. Your Directors are also planning to enter into the field of manufacturing of LED Lighting and Alternate Energy Systems in addition to existing product line of manufacturing of Agriculture Plant Protection Equipments and thereby earn more revenue for the Company and in turn reflect the overall improved performance of the Company and reduce pressure on the margins which are always under pressure and it is a cause of concern to the Directors of the Company.
- iii) Your Directors have developed, created and coordinated an efficient organizational system that could deliver high growth and progressive profit building business and all these initiatives have been put in to system which has been executed in the last quarter and will surely get reflected in the working of the current year.

(f) Internal control systems and their adequacy

The Company has adequate internal control systems commensurate with its size. Internal Auditors of the Company is entrusted the work of reviewing adequacy of internal control system and frequency of Audit compliance with the existing Accounting Standards. The duty of the Internal Auditors is to report to the Board of Directors and Audit Committee and place its report at every Board Meeting and also remain present to interact with Board and Audit Committee for any suggestion of improvement in the Internal Control / Audit Systems and steps to be taken thereon to improve the internal control system.

(g) Cautionary Statement

The report of the Board of Directors, Management Discussions and Analysis Report are forward looking and affirmative statements within the meaning of the applicable securities and regulations. The actual performance in the coming years could differ from what is expressed or implied. The factors that could affect the Company's performance are the economic and other factors that affect the demand-supply balance in the domestic market, changes in governmental regulations, policies, and tax laws and other statutes and host of other incidental factors.

ANNEXURE – 2: CORPORATE GOVERNANCE REPORT

Company's Philosophy on Code of Governance

Your Company has been practicing the principles of good Corporate Governance, disclosure and transparency in all its activities. The Company believes that sound Corporate Governance is critical to enhance and retain investor confidence and trust and the management believes that it is the trustee of the Shareholders' capital and not the owner. Your Company has been greatly benefiting from the invaluable inputs provided by the Non-Executive Independent Professional Directors, and all Members possess strong knowledge of accounting and financial management with vast experience, expertise and wisdom.

Board of Directors

The Board has optimum combination of Executive and Non-Executive Directors and is in conformity with Clause 49 of the Listing Agreement entered in to with the Stock Exchanges, in which the Equity Shares of the Company are listed. The composition of the Board is as under:

3	Promoters (2 Executive Directors)
3	Non-Executive Independent Professional Directors
1	Non-Executive Independent Director
1	Non-Executive Director

None of the Directors hold Directorships in more than 15 Public Limited Companies.

None of the Directors received any loans and advances from the Company during the year.

No Director holds memberships of more than 10 Committees of Board or as any Director / Chairman of more than 5 Committee of Board.

Category and Attendance of Directors

Name of Directors	Category of Directorship	No. of Meetings Attended	Attended at Last AGM	Other Company		
				Directorship held	Members in Committee	Chairman in Committee
Naishadbhai Patel	Promoter & Managing Director	4	Yes	4	0	0
Atish Patel	Promoter & Executive Director	4	Yes	4	0	0
Kiritbhai Patel	Promoter & Non Executive Director	Nil	Yes	3	0	0
Jyotiben Patel	Non executive Director	4	No	1	0	0
Dikulbhai Patel	Non executive Professional Director	4	Yes	3	1	0
Kiranbhai Patel	Non executive Professional Director	4	No	0	1	1
Arvindbhai Shah	Non-executive Professional Director	4	No	0	1	0
Hariharbhai Patel	Non executive Director	0	No	0	0	0

Mr. Atish Patel and Mrs. Jyotiben Patel are related to Mr. Naishadbhai Patel, the Chairman & Mg. Director of the Company and none of the other Directors are related to any other Director.

The Audit Committee of the Company comprises of Non-Executive Professional Independent Directors viz., Mr. Kiranbhai M. Patel, as Chairman, Mr. Arvindbhai V. Shah and Mr. Dikulbhai Patel as Director Members of the Committee.

BOARD MEETINGS

During the year 4 Meetings of the Board of Directors were held on 28th June, 2009, 29th July, 2009, 26th October, 2009 and 29th January, 2010. Sufficient notice is given to all the Directors before the Board Meeting and an Agenda of the subject matter is being circulated to all the Directors with the notice convening the Meeting.

Sitting Fees

The Company pays Rs.2500/- as sitting fees to Non-Executive Directors for attending Board Meetings.

SHAREHOLDERS'/INVESTORS' COMMITTEE

The Shareholders' / Investors' Grievance Committee comprises of 3 Directors and Mr. Naishadbhai Patel, Chairman & Mg. Director has been appointed as the Compliance Officer overseeing the investors' grievances and strengthening of investor relation. Shareholders'/ Investors' Grievance Committee headed by the Chairman of the Company was formed to review the status of investors' grievances and redressale mechanism and to suggest measures to improve the level of investor services.

Details of remuneration paid to the Executive Director during the Financial Year 2009-2010

The remuneration paid to Mr. Naishadbhai Patel, Chairman & Mg. Director and to Mr. Atish Patel, Executive Director during the year ended on 31st March 2010 is as under:

Mr. Naishadbhai Patel	Rs.3,60,000/-
Mr. Atish Patel	Rs.3,60,000/-

AUDIT COMMITTEE

The Audit Committee consists of 3 Independent Professional Directors and the composition of the Audit Committee is in conformity with Clause 49 (IIA) of the Listing Agreement.

During the year 4 Meetings of the Audit Committee were held on 28th June, 2009, 29th July, 2009, 26th October, 2009 and 29th January, 2010 and the attendance of the Members at the meetings was as follows:

Name of Member	Status	Category	No. of Meetings Attended
Kiranbhai Patel	Chairman	Independent director	2
Arvindbhai Shah	Member	Independent Director	4
Dikulbhai Patel	Member	Independent Director	2

GENERAL BODY MEETINGS

The previous 3 General Body Meetings were held as under:

<u>Annual General Meeting</u>	<u>Day, Date & Time</u>	<u>Venue</u>
15 th Annual General Meeting	Friday, 31.08.2007 at 10.00 A. M.	Registered Office
16 th Annual General Meeting	Saturday, 20.09.2008 at 10.30 A. M.	Registered Office
17 th Annual General Meeting	Friday, 25.09.2009 at 11.00 A. M.	Registered Office

DISCLOSURES

The Company has not entered into any contract or transaction of material nature that may have a potential conflict with the interest of the Company with any of the Directors or their relatives or Promoters of the Company during the year.

The Company has paid Listing Fees for the year 2010 – 2011 to the Bombay, Ahmedabad and Jaipur Stock Exchanges where the Company's Shares are listed.

The Company has complied with the requirements of the Stock Exchanges, SEBI and Statutory Authorities and all Returns / Reports were filed within stipulated time with Stock Exchanges / other authorities.

No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any other statutory authority on any matter related to Capital Markets during the last 3 years.

MEANS OF COMMUNICATION

The Quarterly Results and Half Yearly Results of the Company are sent to the Stock Exchanges immediately after the approval of the Board of Directors and publish Quarterly Results within 48 hours of its approval. The Stock Exchange should be in a position to put it on its website.

The Annual Report of the Company contains inter alia, Audited Accounts, Directors' Report, Auditors' Report, Report on Corporate Governance and other important information and is circulated to the Members.

The Company also informs by way of intimation to the Stock Exchanges all price sensitive matters or such other matters which in its opinion are material and of relevance to the Shareholders.

GENERAL SHAREHOLDERS INFORMATION

Date of Book Closure: Thursday, 23rd September, 2010 to Saturday, 25th September, 2010 (Both days inclusive)

Listing of Equity Shares Mumbai, Ahmedabad and Jaipur Stock Exchanges

Adarsh's Stock Exchange Codes

ISIN No.	INE627D01016
Mumbai Stock Code	526711
Ahmedabad Stock Code	01013
Jaipur Stock Code	0485

Publication of Quarterly Financial Results

First Quarter Results	end of July
Second Quarter Results	end of October
Third Quarter Results	end of January
Fourth Quarter Results	end of April

MARKET PRICE DATA

The High & Low market prices of the shares at The Stock Exchange, Mumbai are as under

Month	Share Price	BSE SENSEX			
		Corresponding to Share Price			
		High	Low	High	Low
April, 2009		05.50	03.33	11403.25	9901.99
May, 2009		05.82	03.98	14625.25	11682.99
June, 2009		08.60	06.11	15466.81	14265.53
July, 2009		08.55	05.95	15670.31	13400.32
August, 2009		05.90	05.00	15924.23	14784.92
September, 2009		15.06	06.19	17126.84	15398.33
October, 2009		19.10	13.05	17326.01	15896.28
November, 2009		17.20	11.81	17198.95	15404.94
December, 2009		14.50	12.27	17464.81	16601.20
January, 2010		13.49	11.14	17701.13	16289.62
February, 2010		12.55	10.32	16496.05	15790.93
March, 2010		12.18	09.70	17711.35	16772.56

DISTRIBUTION OF SHARE HOLDING AS ON 30TH JUNE, 2010

No. of Shares held	No. of Shareholder	No. of Shares Shareholding	Percentage of Shareholding
1 - 500	3723	6, 35,058	06.41
501 - 1000	218	1, 82,348	01.84
1001 - 2000	121	1, 84,934	01.87
2001 - 3000	40	97,600	00.98
3001 - 4000	15	54,675	00.55
4001 - 5000	14	66,217	00.67
5001 - 10000	39	2, 85,934	02.88
10001 and above	62	84, 04,734	84.80
TOTAL:	4232	99, 11,500	100.00

