

# **SEAX GLOBAL VENTURES LIMITED**

(formerly known as Seax Leather Exports Limited)

**TWELTH ANNUAL REPORT  
FOR THE FIFTEEN MONTHS PERIOD ENDING 31.3.2007**

**REGISTERED OFFICE**  
M.N.O. Complex, No. 81, Greams Road  
Chennai - 600 006.

## SEAX GLOBAL VENTURES LIMITED

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**BOARD OF DIRECTORS**

Mr. KAZIM ALI  
Chairman

Mr. K. SHIRAJ  
Managing Director

Mrs. TAJ SULTANA

Mr. D. SRINIVASAN

MR. V. MEENAKSHI SUNDARAM

**AUDITORS**

Mr. N. SUBRAMANIAN  
Chartered Accountant  
81, MNO Complex,  
Greens Road,  
Chennai - 600 006.

**BANKERS**

UTI BANK  
Dr. Radhakrishnan Salai  
Mylapore  
Chennai - 600 004.

**REGISTERED OFFICE**

M.N.O. Complex  
No. 81, Greens Road  
Chennai - 600 006.  
Web site : www.seaxlexpo.net

**REGISTRARS**

CAMEO CORPORATE SERVICES LTD  
"Subramanian Building",  
1, Club House Road,  
Chennai - 600 002.

**SEAX GLOBAL VENTURES LIMITED****NOTICE**

NOTICE is hereby given that the 12<sup>th</sup> Annual General Meeting of the members of the company will be held on Monday, the 24<sup>th</sup> Day of September 2007 at Asha Nivas, 9 Rutland Gate, 5th Street, Chennai - 600 006 at 9.30 A.M to transact the following business:-

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Balance Sheet as at 31<sup>st</sup> March 2007 the Profit & Loss Account for the year ended on that date and the Report of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Kazim Ali, who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. V. Meenakshi Sundaram, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint auditor and to fix his remuneration.

By order of the Board  
For Seax Global Ventures Limited

Place: Chennai  
Date: 30.07.2007

K. Shiraj  
Managing 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 THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE**

**REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

2. Members are requested to notify immediately their change of address, if any, quoting their folio numbers to the Registrars and Share transfer Agents, M/s. Cameo Corporate Services Ltd, No.1, Club House Road, Chennai 600 006.
3. The Register of Members and the Share Transfer Books will remain closed from September 18<sup>th</sup> 2007 to September 24<sup>th</sup> 2007 (Both days inclusive).
4. Information pursuant to Clause 49 of the Listing Agreement for re-appointment of Director retiring by rotation:
  1. Item No.2: Mr. Kazim Ali:  
Mr. Kazim Ali, aged 54 years, a chemistry graduate hails from a family associated with leather business for two generations. He is in this line of business for more than 25 years and is well experienced with the various facets of the leather industry. He has widely travelled and had established contacts with reputed buyers overseas. He does not hold any directorships in other companies. He does not hold any shares in Seax Global Ventures Ltd.
  2. Item No.3: Mr. V. Meenakshi Sundaram:  
Mr. V. Meenakshi Sundaram, B.Com., C.A, aged 35 years has rich and wide accounting and management experience. He does not hold any shares in M/s. Seax Global Ventures Ltd. He holds directorship as an Independent Director of Saag RR Ltd. He is a member of the Audit Committee and Remuneration Committee in that company.

**SEAX GLOBAL VENTURES LIMITED****DIRECTORS' REPORT**

Your Directors have pleasure in presenting the Twelfth Annual Report of your company along with the Audited Statement of Accounts for the 15 months period ended March 31, 2007.

**FINANCIAL RESULTS:**

The Financial Results of the Company are briefly indicated below:

	(Rs. in Lakhs)	
	Year ended 31.3.2007	Year ended 31.12.2005
Net Sales	601.29	670.86
Other Income	29.10	7.12
Profit before Depreciation &		
Non-cash Expenses	130.03	86.31
Depreciation	34.50	36.59
Net Profit/(Loss) before tax	118.71	67.98
Net Profit after Tax	103.71	67.98
Balance b/f from previous Year	(100.42)	(168.40)
Balance carried to Balance sheet	3.29	(100.42)

**REVIEW OF OPERATIONS:**

During the year under review, your Company has entered into a M.O.U with a U.A.E based Company for job agreement of structural fabrication and engineering. This is in line with existing steel trading business. Both Leather and Steel trading and Fabrication had increased the profit of your company thus wiping off the entire accumulated losses. Your directors of hope that this is only a beginning to a bright future of your company in the coming years. The accounting year was changed from December to March ending to coincide with uniform accounting year and the turnover of the Company.

**DIVIDEND**

In view of the insufficiency of the Profits earned by the company during the year, your Directors have not recommended any dividend on the Equity Shares and thus retained surplus for future operations.

**LISTING STATUS:**

Company's application for revocation of suspension of trading of the securities is being processed by Bombay stock exchange and your Directors hope that the suspension will be revoked shortly.

**CHANGE OF NAME**

The name of your company has changed from "SEAX LEATHER EXPORTS LIMITED" to "SEAX GLOBAL VENTURES LIMITED" with the approval of the Registrar of Companies, Chennai vide its letter No. 18-27216/S-21/2006 dated 7.4.2006.

**DEPOSITS**

Your company has not accepted any Deposits from public during the year under review.

**DIRECTORS**

Mr. Kazim Ali, retires by rotation at the ensuing Twelfth Annual General Meeting and being eligible offers himself for re-appointment.

**DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors confirm:

- that in the preparation of annual accounts, the applicable accounting standards had been followed for the year 2006-07 along with proper explanation relating to material departures;

**SEAX GLOBAL VENTURES LIMITED**

- ii) that they had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period;
- iii) that they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) that they had prepared the annual accounts for the year 2006-07 on a going concern basis.

**RESEARCH AND DEVELOPMENT/ TECHNOLOGY ABSORPTION**

Your Company has not carried on any activity relating to Research and Development during the year under review. The technology followed by the Company is well established in the Indian Leather Industry and hence the absorption of technology does not arise. There is no information to be provided for usage of power or action taken for reduction of power consumption as the activities are not power oriented.

**FOREIGN EXCHANGE EARNINGS & OUTGO**

Your company had not incurred any expenditure nor earned any income in foreign exchange during the year under review.

**EMPLOYEES**

During the year no employee of the company received remuneration in excess of the limits fixed under Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

**AUDITOR**

Mr. N. Subramanian, Chartered Accountant, Chennai, Auditor of the Company retires at the ensuing Annual General Meeting and had confirmed his eligibility and willingness to accept office, if re-appointed.

**ACKNOWLEDGEMENT**

Your Directors place on record the valuable assistance extended by all the employees of the Company and various department and agencies of Central and State Governments during the year under review with out which all round growth and prosperity of the Company could not have been possible.

For and behalf of the Board  
FOR SEAX GLOBAL VENTURES LIMITED

Place: Chennai  
Date: 30.07.2007

**KAZIM ALI**  
Chairman

## SEAX GLOBAL VENTURES LIMITED

## REPORT ON CORPORATE GOVERNANCE

## 1. Company's Philosophy on code of Governance

The Company's Philosophy is to aim at the highest levels of quality management through transparency and commitment to all the stakeholders viz. its shareholders, employees, Government, lenders and the promoters.

## 2. Board of Directors

The Board of Directors of the company comprises of one executive and two Non-Executive Directors and two Independent Directors. During the financial year 1<sup>st</sup> January-2006 to 31<sup>st</sup> March 2007, eight Board Meetings were held on the following dates: 18.2.2006, 23.2.2006, 29.4.2006, 31.7.2006, 30.10.2006, 18.11.2006, 18.1.2007 and 29.1.2007.

The Annual General Meeting was held on 27<sup>th</sup> March 2006. Mr. Kazim Ali is the elected Chairman of the Board.

The composition and membership on other Boards, Committees of Directors and attendance of Directors at the Board of Directors Meetings held during the Financial Year 1.1.2006 to 31.3.2007 and the last AGM held on 27.3.2006 are given below:

Name of the Director	Category	Attendance Particulars		Number of other Directorships and Committee Members/ Chairmanships		
		Board Meeting	Last AGM	Other Directorships	Committee Memberships	Committee Chairmanships
Mr. Kazim Ali	Chairman	8	Yes	Nil	Nil	Nil
Mr. K. Shiraj	Non Executive Director	8	Yes	Nil	Nil	Nil
Mrs. Taj Sultana	Managing Director-Executive	8	Yes	Nil	Nil	Nil
Mr. D. Srinivasan	Director-Non Executive	8	Yes	Nil	Nil	Nil
Mr. V. Meenakshi Sundaram	Independent Non Executive Director	6	Yes	1	2	Nil
Mr. Peethala Venkata Nageshwara Rao (Resigned)	Independent Non Executive Director	1	No	Nil	Nil	Nil

## Code of Conduct:

The code of Conduct for all the members of the Board and senior management of the Company has been posted on the website of the Company: [www.seaxlexpo.net](http://www.seaxlexpo.net).

## 3. Audit Committee:

During the year ended 31<sup>st</sup> March 2007, five meetings were held on the following dates: 23.2.2006, 29.4.2006, 31.7.2006, 30.10.2006 and 18.1.2007. The terms of reference of the Audit Committee are as per the guidelines set out in the Listing Agreement with the stock exchanges.

Consequent to the resignation of Mr. Peethala Venkata Nageshwara Rao as Director, the audit committee consisting of Mr. Peethala Venkata Nageshwara Rao, Chairman, Mrs. Taj Sultana, Member and Mr. D. Srinivasan, Member was reconstituted with the following Members:

Name of the Director	Category of Membership
Mr. V. Meenakshi Sundaram	Chairman
Mr. D. Srinivasan	Member
Mr. Kazim Ali	Member

The Attendance of Directors at the Audit Committee Meetings is given below:

Name of the Director	Attendance Particulars	
	Meetings Held	Meetings Attended
Mr. V. Meenakshi Sundaram	5	3
Mr. D. Srinivasan	5	5
Mr. Kazim Ali	5	3
Mrs. Taj Sultana	5	2

## 4. Remuneration Committee:

The Remuneration Committee was reconstituted consequent to the resignation of Mr. Peethala Venkata Nageshwara Rao, Director and comprises of the following three Directors viz:

Name of the Director	Category of Membership
Mr. V. Meenakshi Sundaram	Chairman
Mr. D. Srinivasan	Member
Mr. Kazim Ali	Member



## SEAX GLOBAL VENTURES LIMITED

The terms of reference of the Remuneration Committee are as per the guidelines set out in the Listing Agreement with the stock exchanges that include determination of the Company's policy on specific remuneration packages for Directors.

One meeting of the Remuneration Committee was held on 23.2.2006, to consider and recommend the remuneration payable to Mr. K. Shiraj on his appointment as Managing Director. The details of the remuneration paid to the Directors during the financial year 1.1.2006 to 31.3.2007 are given below:

Name of Directors	Basic Salary (Rs.)	Allowances (HRA) (Rs.)	Sitting Fees	No. of shares held as on 31.3.2007 and % of holding
Mr. K. Shiraj	7,20,000	1,80,000	500	575070
Mr. Kazim Ali	Nil	Nil	1500	Nil
Mrs. Taj Sultana	Nil	Nil	2000	Nil
Mr. Peethala Venkata Nageshwara Rao	Nil	Nil	250	Nil
Mr. D. Srinivasan	Nil	Nil	2000	Nil
Mr. V. Meenakshi Sundaram	Nil	Nil	1500	Nil

#### 5. Shareholders/Investors Grievance and Share Transfer Committee:

The Shareholders/Investors Grievance and Share Transfer Committee comprising of Mr. K. Shiraj, Chairman, Mrs. Taj Sultana, Member and Mr. D. Srinivasan, Member was reconstituted with the following Directors:

Mrs. Taj Sultana	Chairperson
Mr. K. Shiraj	Chairman
Mr. D. Srinivasan	Member

The Committee oversees the performance of share transfer and recommends measures to improve the shareholders/investors service. The said Committee met 7 times during the year ended 31<sup>st</sup> March 2007. Mr. Sundar, Company Secretary is the Compliance officer.

During the Financial Year ended 31<sup>st</sup> March 2007, no investor complaints were received from the shareholders. There are no complaints pending as on date of this report.

Investors are requested to address their complaints if any to the below mentioned email ID:

seaxinvestorcell@yahoo.com

#### 6. General Body Meetings:

Annual General Meetings held during the last three years are as under:

Year	Date	Time	Venue
2003	30 <sup>th</sup> March 2004	10.30 a.m.	41, Sydenhams Road Periamet Chennai - 600 003.
2004	27 <sup>th</sup> April 2005	10.30 a.m.	41, Sydenhams Road Periamet Chennai - 600 003.
2005	27 <sup>th</sup> March 2006	11.00 a.m.	Asha Nivas, 9 Rutland Gate 5th Street Chennai - 600 006.

No resolutions have been put through postal ballot so far.

Special resolutions passed in the previous three Annual general meetings of the company.

2003: No special resolutions were passed in this annual general meeting.

2004: No special resolutions were passed in this annual general meeting.

2005:

- \* Special resolution under Section 21 of the Companies Act, 1956 for Change of name of the Company from "Seax Leather Exports Limited" to "Seax Global Ventures Limited".
- \* Special resolution under Section 31 of the Companies for alteration of Articles of Association by deletion of the existing regulation numbers 1 to 81 of the Articles of association and insertion of new regulation numbers 1 to 289.
- \* Special resolution for making investments in excess of the limits laid down under Section 372 A of the Companies Act, 1956 in all Bodies Corporate whether subsidiary or not and whether in India or abroad.

#### 7. Disclosures

- a. Related Party Transactions: The company has not entered into any transactions of a material nature with the Promoters, the Directors or the Management, their subsidiaries or relatives, etc, that may have potential conflict with the interests of the Company.

**SEAX GLOBAL VENTURES LIMITED**

- b. There are no instances of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock exchanges or SEBI or any statutory authority on any matter related to Capital Markets during the last three years.
- c. Whistle Blower Policy: Steps are being taken to establish a Whistle Blower Policy for the employees of the Company. However at present, every employee of the Company has the right to report to the management concerns, about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. No employee of the company has been denied access to the audit committee.
- d. The company has complied with all the mandatory requirements of the revised Clause 49 of the Listing agreement and the extent of compliance of the non-mandatory requirements is given in Point no. 11 below.
- e. No money has been raised through Public/right/ Preferential issue during the year.

**8. Means of communication**

Half Yearly results are published in the "Trinity Mirror" and Makkal Kural."

**9. Management Discussion and Analysis Report:**  
Management Discussion and Analysis Report forms a part of the Directors Report.

**10. General Shareholders Information:**

- i. Date of Annual General Meeting : 24<sup>th</sup> September 2007  
(Obtained Extn. from MCA)

Time : 9.30 A.M.  
Venue : "Asha Nivas",  
Social Service Centre,  
9, Rutland Gate 5th Street,  
Chennai - 600 006.

**ii. Financial Calender**

Results for the quarter ending 30 <sup>th</sup> June, 2007	Last week of July 2007
Results for the quarter ending 30 <sup>th</sup> September, 2007	Last week of October 2007
Results for the quarter ending 31 <sup>st</sup> December, 2007	Last week of January 2008
Results for the quarter ending 31 <sup>st</sup> March 2008	Last week of April 2008
Annual General Meeting	Before 3 <sup>rd</sup> /4 <sup>th</sup> week of June 2008

- iii. Book Closure Date Tuesday, 18<sup>th</sup> September 2007 to Monday, 24<sup>th</sup> September 2007 (Both days inclusive)
- iv. Dividend Payment Date No dividend has been recommended by the Board of Directors
- v. Listing on the Stock Exchanges The Equity shares of the Company are listed on the Stock Exchanges at Madras, Bombay, Ahmedabad and Delhi.
- vi. Registrar and Transfer Agents Cameo Corporate Services Ltd  
Address for communication Chennai-600 002.

**vii. Shareholding Pattern as on 31.3.2007:**

Category	No. of shares	Percentage
Promoters and Persons acting in concert	575070	10.00%
Private Corporate Bodies	333100	5.79%
Mutual Funds	297600	5.18%
NRI	105000	1.83%
Public	4439300	77.20%
Total	5750070	100.00%

- viii Dematerialisation of shares: The shares of the Company have been admitted for dematerialisation with NSDL with effect from 23<sup>rd</sup> July 2002. The ISIN No. is INE590F01011.

- ix Stock Code :  
Bombay Stock Exchange Ltd. - 526843

- x Share Transfer System :Presently the share transfer documents which are received by the Company are processed, approved and kept ready for dispatch within 15 days from the date of the receipt.

- xi Address for Correspondence:  
Seax Global Ventures Limited,  
81, MNO Complex, Greaves Road,  
Chennai 600 006  
Ph: 28292272, 73  
Fax: 42142061.