


SEAX GLOBAL VENTURES LIMITED

(formerly known as Seax Leather Exports Limited)

THIRTEENTH ANNUAL REPORT 2007-2008

For SEAX GLOBAL VENTURES LIMITED


Managing Director

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

SEAX GLOBAL VENTURES LIMITED**CONTENTS**

NOTICE	4
DIRECTOR'S REPORT	6
CORPORATE GOVERNANCE	9
AUDITOR'S REPORT	15
BALANCE SHEET	18
PROFIT & LOSS ACCOUNT	19
SCHEDULES	20
BALANCE SHEET ABSTRACT	27
CASH FLOW STATEMENT	28

BOARD OF DIRECTORS

Mr. K. SHIRAJ
Managing Director

Mr. D. SRINIVASAN
MR. V. MEENAKSHI SUNDARAM
MR. S. ARVIND
MR. V. RAMASESHAN

AUDITOR

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 13th Annual General Meeting of the members of the company will be held on Saturday, the 20th Day of September 2008 at Asha Nivas, 9 Rutland Gate, 5th Street, Chennai - 600 006 at 10.00 A.M to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at 31st March 2008 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.D.Srinivasan, who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint auditor and to fix his remuneration.

SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary :

"RESOLVED THAT Mr. S. Arvind, be and is hereby appointed as Director of the Company, whose period of office shall be subject to retirement by rotation."

5. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. V. Ramaseshan, be and is hereby appointed as Director of the Company, whose period of office shall be subject to retirement by rotation."

By order of the Board
For Seax Global Ventures Limited

Place: Chennai
Date: 14.08.2008

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 Tuesday, 16th September 2008 to Saturday, 20th September 2008 (Both days inclusive).
4. The equity shares of the Company have been admitted for dematerialization with National Securities Depository Limited and Central Depository Services Limited. The ISIN No. is INE590F01011. Members are requested to approach a Depository Participant (DP) for dematerialization of their shares.
5. Information pursuant to Clause 49 of the Listing Agreement for re-appointment of Directors:

Re-appointment of Mr. D. Srinivasan, retiring by rotation:-

Mr. D. Srinivasan, aged 44 years, is a B.A. Graduate and has about 15 years experience in the leather industry. His organizational skills have contributed to the growth of the company. He is a member of the Audit Committee, Remuneration Committee and Shareholders/Investors Grievance and Share Transfer Committee. He does not hold any other directorships.

Appointment of Mr. S. Arvind:

Mr. S. Arvind, I.A.S (Retd)., M.A, aged 64

SEAX GLOBAL VENTURES LIMITED

years has excellent administrative skills honed by 30 years of work experience in Indian Administrative Service and exposure to operations of multi-lateral funding agencies like World Bank, Asian Development Bank, etc., and also skilled in corporate financial matters. He has assisted in the promotion of large number of joint venture industrial projects in Tamilnadu. His Directorships in other Companies is given below:

- Innvol Medical India Limited
- Wholistic Breads Private Limited
- Honeycomb Technologies Private Limited
- Omsakthi Fire Realty Private Limited
- Edserve Softsystems Limited

He does not hold any shares in M/s. Seax Global Ventures Limited. The details of other Chairmanship/Membership in Committees is given below:

M/s. Edserve Softsystems Limited:

- Chairman of Audit Committee
- Member of Remuneration Committee

Appointment of Mr V. Ramaseshan:

Mr. V. Ramaseshan, M.Com, LLB, CAIIB, ACS, aged 66 years started his career as Accountant with UCO Bank in 1958 and sought voluntary retirement in 1996. During the tenure of 38 years, he was the Chief Manager, Mount Road Branch, Chennai and Chief Officer, Zonal Office and was deputed to various departments. During training, got exposure to various corporate activities and specialized in servicing to Banking Sector by providing analytical study and report on borrowing powers, issue of corporate guarantee and solvency of the company. He has been instrumental in enlarging the scope of services extended to the banking sector by providing revised report as required by Banks. He does not hold any other directorships. He does not hold any shares in M/s Seax Global Ventures Limited.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956:

Item No. 4:

Mr. S. Arvind was appointed as an Additional Director of the Company at the Board Meeting held on 21.11.2007 and he holds office only up to the date of this Annual General Meeting. Notice in writing under Section 257 of the Companies Act, 1956 has been received from a Shareholder of the Company signifying his intention to propose Mr. S. Arvind as a candidate for the office of Director.

Mr. S. Arvind holds Masters Degree in Public Administration with about 30 years of work experience in Indian Administrative Service and many years of experience as Chief Executive and is well versed in Corporate Governance. His rich and varied experience will benefit the company in many ways. Hence the Board recommends the above appointment of Mr. S. Arvind.

Except Mr. S. Arvind, none of the Directors are concerned or interested in the passing of this resolution.

Item No.5:

Mr. V. Ramaseshan was appointed as an Additional Director of the Company at the Board Meeting held on 21.11.2007 and he holds office only up to the date of this Annual General Meeting. Notice in writing under Section 257 of the Companies Act, 1956 has been received from a Shareholder of the Company signifying his intention to propose Mr. V. Ramaseshan as a candidate for the office of Director.

Mr. V. Ramaseshan is a retired Chief Officer (Central Audit), UCO Bank, Kolkata, with about 38 years of work experience in Corporate Activities and specialized in making analytical study and providing report on borrowing powers, issue of corporate guarantee and solvency of the company. He has rich and wide experience that would be beneficial to the company in various ways. Thus the Board recommends the above appointment of Mr. V. Ramaseshan.

Except Mr. V. Ramaseshan, none of the Directors are concerned or interested in the passing of this resolution.

SEAX GLOBAL VENTURES LIMITED**DIRECTORS' REPORT**

Your Directors have pleasure in presenting the Thirteenth Annual Report of your company along with the Audited Statement of Accounts for the year ended March 31, 2008.

FINANCIAL RESULTS:

The Financial Results of the Company are briefly indicated below:

	(Amount Rs. In Lakhs)	
	Year ended	Year ended
	31.3.2008	31.12.2007
Net Sales	605.31	601.29
Other Income	30.33	29.10
Profit before Depreciation and		
Non-cash Expenses	76.81	130.03
Net Profit/(Loss) before tax	60.47	118.71
Net Profit after Tax	44.67	121.07
Balance b/f from previous Year	20.65	(100.42)
Balance carried to Balance sheet	65.32	20.65

REVIEW OF OPERATIONS:

Your Company had successfully entered into various trading activities and as mentioned above, your company had made a profit more than 3 times the previous year.

From 2004-05 your company (SGVL) started to concentrate on infrastructure projects like steel trading and industrial structuring on turnkey basis like telecom tower building and civil construction etc., and also in trading of many ancillary profitable items like textiles and other commodities.

With a complete turnaround of the company from the year 2006-07 through trading activities, the old assets like stocks, debtors were becoming a burden to the company. The inventories and stock were so obsolete that it could not even be sold as scrap based on expert's opinion.

Considering all the situations it was decided by your Board to write off the dead assets to bring real intrinsic value to the company. Hence the capital reduction is an inevitable one in business strategy as well as for survival of the company. Otherwise good money will be wasted for dead assets.

Your directors have identified M/s. Paro Enterprises Ltd with enormous potential having all the assets, business which your company is presently carrying on. An amalgamation of your company with it would be extremely beneficial to your company.

M/s. Paro Enterprises Ltd. is engaged in similar activities like our company, specialized in infrastructure business and having huge business orders for Rs.34 crores, 7 warehouses opposite Madras port fetching rental income of Rs. 4.2 lacs per month and ownership rights of about 2 warehouses of 10000 sq.ft. and also in possession of landed property extending to 80.35 acres worth Rs.16 crores and also with quarry deposits more than Rs.30 crores worth. This is based on the valuation certificate of Chartered Engineer and net worth certificate of Statutory auditors. Such an amalgamation will be required today to increase the net worth of the company and use the available business orders in hand. All the dead assets like long standing disputed debtors, valueless inventories belonging to Leather manufacturing line and unrecoverable advances totally aggregating to Rs. 287.50 lacs, have been written off the books, resulting in 50% erosion of networth of your company. In order to immediately increase the networth that was eroded and adding more than Rs. 35 crores networth to the company, your Board in principle approved a combined scheme of restructuring and amalgamation under Section 391 to 394 read with Section 100 of the Companies Act, 1956, and further action is to be taken in compliance with all statutory regulations, Acts and procedures. This is however subject to your approval and confirmation from Honourable High Court at Madras.

SEAX GLOBAL VENTURES LIMITED**DIVIDEND**

Due to the corporate restructuring, the Board of Directors have decided not to recommend any dividend for the year 2007-2008.

DEPOSITS

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

DIRECTORS

Mr. S. Arvind and Mr. V. Ramaseshan were appointed as Additional Directors with effect from 21.11.2007. The company has received notices under Section 257 of the Companies Act, 1956 alongwith the requisite deposit, in respect of the above persons, proposing their appointment as Directors of the company.

Mr. D. Srinivasan, retires by rotation at the ensuing Thirteenth Annual General Meeting and being eligible offers himself for re-appointment.

Mr. Kazim Ali and Mrs. Taj Sultana, resigned from the Board of Directors with effect from 21.11.2007. The Board place on record their invaluable contribution to the growth of the company.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors confirm:

- i) that in the preparation of final accounts, the applicable accounting standards had been followed for the year 2007 -08 along with proper explanation relating to material departures;
- 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 2007-08 on a going concern basis.

CONSERVATION OF ENERGY/RESEARCH AND DEVELOPMENT/TECHNOLOGY ABSORPTION

Since your Company has not carried out any manufacturing activity during the financial year under review, the compliance of provisions of Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 with respect to Conservation of Energy, research and development and technology absorption does not arise.

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 Thirteenth Annual General Meeting and had confirmed his eligibility for re-appointment.

REPLY TO AUDITORS QUALIFICATION:

POINT NO IV (f) OF AUDITORS' REPORT READ WITH POINT NO.2 OF NOTES ON ACCOUNTS: CONFIRMATION OF BALANCES FROM DEBTORS, CREDITORS AND OTHER PARTIES

SEAX GLOBAL VENTURES LIMITED

The board of directors of your company is continuously striving hard to obtain confirmation of balances from debtors, creditors and other parties.

**POINT NO IV (f) OF AUDITORS' REPORT
READ WITH POINT NO.3 OF NOTES ON
ACCOUNTS: ADVANCE FOR PURCHASE OF
TANNERY:**

With regard to the qualification made by the Auditor with regard to non-recovery of advance made for factory land situated in Thirumudivakkam, to whom the tannery advance was given, to the tune of Rs.45 lacs, went into liquidation consequent to the petition filed by its creditors with the Hon'ble High Court, Madras. Left with no other options in hand, the company was forced to vacate the said premises with great difficulties. The stocks, which have been removed from the said premises, have also become obsolete and waste. Hence the Directors have no hope of recovery of its advance and action is being taken by your Board.

**POINT NO IV (f) OF AUDITORS' REPORT
READ WITH POINT NO.3 OF NOTES ON
ACCOUNTS: RENT ADVANCE AT PERIAMET
PROPERTY:**

The Company originally had its registered office in Sydenhams Road, where basic facilities and maintenance was not done and hence company stopped paying its lease rent and shifted its office to Grems Road. The company had entered into a compromise agreement for settling the dues amicably between the parties before Court, by which the lease rent payable by the company has been adjusted against the entire lease advance and hence the lease advance shown in the books has also need to be written off in due course.

**POINT NO IV (f) OF AUDITORS' REPORT
READ WITH POINT NO.3 OF NOTES ON
ACCOUNTS: VEHICLE ADVANCE & STAFF
ADVANCE:**

Consequent to the above downfall in the business as well as the financial position of the company

the most of the employees of the company have left their service without any intimation and hence the vehicle advance and staff advance made to them has been unrecoverable. However, the company has adjusted the salary payable to some of the employees against their Vehicle/salary advance. Hence the company has to write off the balance amount due from its employees, inspite of its sincere efforts to recover the dues from its employees.

**POINT NO IV (f) OF AUDITORS' REPORT
READ WITH POINT NO.3 OF NOTES ON
ACCOUNTS: SUNDRY DEBTORS**

As far as the debtors were concerned legal cases were filed in various levels of courts. But since most of the debtors were firms & corporates engaged in leather business have also become sick due to the recession in the leather industry and are in the verge of filing insolvency or liquidation in the court, the company is hardly having the scope of recovery. Trials are being conducted before various Courts. Further no much improvement was observed, except to dodge the proceeding. However, very serious and sincere attempts are being made to recover the debts by filing various cases against the debtors before various legal forums.

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

K. SHIRAJ
Managing Director

V. RAMASESHAN
Director

Place: Chennai
Date: 14.08.2008

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 four non-executive Independent Directors. During the financial year 1st April 2007 to 31st March 2008, six Board Meetings were held on the following dates: 29.6.2007, 30.7.2007, 31.10.2007, 21.11.2007, 31.01.2008 and 18.2.2008. The Annual General Meeting was held on 24.9.2007. No Director is related to each other in the company.

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 1.4.2007 to 31.3.2008 and the last AGM held on 24.09.2007 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 (up to 21.11.2007)	Chairman Non Executive Director	3	Yes	Nil	Nil	Nil
Mr. K. Shiraj	Managing Director-Executive	6	Yes	Nil	Nil	Nil
Mrs. Taj Sultana (up to 21.11.2007)	Director-Non Executive	3	Yes	Nil	Nil	Nil
Mr. D. Srinivasan	Independent Non Executive Director	6	Yes	Nil	Nil	Nil
Mr. V. Meenakshi Sundaram	Independent Non Executive Director	6	Yes	1	2	Nil
Mr. S. Arvind (From 21.11.2007)	Independent Non Executive Director	3	—	5	1	1
Mr. V. Ramaseshan (From 21.11.2007)	Independent Non Executive Director	3	—	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.seaxglobal.com.

3. Audit Committee:

During the year ended 31st March 2008, four meetings were held on the following dates: 29.6.2007, 30.7.2007, 31.10.2007 and 31.1.2008. 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. Kazim Ali, Director, the audit committee consisting of Mr. V. Meenakshi Sundaram, Chairman, Mr. D. Srinivasan, Member and Mr. Kazim Ali, member was reconstituted on 21.11.2007 and consist of the following Members:

Name of the Director	Category of Membership
Mr. S. Arvind	Chairman
Mr. D. Srinivasan	Member
Mr. V. Meenakshi Sundaram	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	4	4
Mr. D. Srinivasan	4	4
Mr. Kazim Ali (upto 21.11.2007)	4	3
Mr. S. Arvind (w.e.f 21.11.2007)	4	1

4. Remuneration Committee:

The Remuneration Committee comprising Mr. V. Meenakshi Sundaram, Mr. D. Srinivasan, and Mr. Kazim Ali, was reconstituted consequent to the resignation of Mr. Kazim Ali, Director on 21.11.2007 and presently comprises of the following three Directors viz:

Name of the Director	Category of Membership
Mr. V. Meenakshi Sundaram	Chairman
Mr. D. Srinivasan	Member
Mr. S. Arvind	Member