

# **SEAX GLOBAL VENTURES LIMITED**

## **FOURTEENTH ANNUAL REPORT**

**2008 - 2009**

Report  Junction.com

### **REGISTERED OFFICE**

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

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### BOARD OF DIRECTORS

MR. V.RAMASESHAN  
Managing Director

MR. S.ARVID  
I.A.S.

MR. R.KANNAN

MR.V.MEENAKSHI SUNDARAM

### AUDITOR

MR. N.SUBRAMANIAN  
Chartered Accountant  
No.81, MNO Complex,  
Greens Road,  
Chennai - 600 006.

### BANKERS

AXIS BANK  
Dr. Radhakrishnan Salai,  
Mylapore,  
Chennai - 600 004.

### REGISTERED OFFICE

M.N.O. Complex  
No.81, Greens Road,  
Chennai - 600 006.  
Website : [www.seaxlexpo.net](http://www.seaxlexpo.net)

### REGISTRARS

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

**NOTICE TO MEMBERS**

Notice is hereby given that the 14<sup>th</sup> Annual General Meeting of the members of the company will be held on Thursday the 12<sup>th</sup> Day of November 2009 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 for the year ended 31<sup>st</sup> March 2009, the Profit & Loss account as on that date and the Report of the Directors and Auditors thereon;
2. To appoint a director in place of retiring Director.
3. To appoint auditors and to fix their remuneration

**SPECIAL BUSINESS:**

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

RESOLVED THAT Mr.G.Balasubramani, be and is hereby appointed as a Director of the Company, whose period of office shall be subject to retirement of Directors by rotation.

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

RESOLVED THAT Mr.R.Kannan be and is hereby appointed as a Director of the Company, whose period of office shall be subject to retirement of Directors by rotation.

By order of the Board  
For Seax Global Ventures Limited

Date: 19-10-2009

Place: Chennai

**RAMASESHAN**  
Managing Director

**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 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 10<sup>th</sup> November 2009 to Thursday the 12<sup>th</sup> November 2009 (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 appointment/re-appointment of Directors:

## SEAX GLOBAL VENTURES LIMITED

1. Mr.G.Balasubramani, M.B.A aged 27 years has got tremendous exposure in Steel Fabricating and handling infrastructure projects. He holds 468,186 Equity Shares in the Company. He is also a director in Aries Ventures Private Limited.
2. Mr. R.Kannan B.Sc., aged 35 years has also got considerable experience in the field of fabrication of iron & steel. He doesn't hold any shares in the company. He is also a Director in Sweadi Marketing Private Limited.

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

##### Item No. 4

The company has received notices from two Promoter members, pursuant to the provisions of section 257 of the companies Act, 1956, signifying their intention to propose the names of Mr.G.Balasubramani, belonging to Promoter's group and R.Kannan for the post of directors, along with the deposit of Rs.500/- each. Accordingly, the resolutions under item no.4 & 5 of the Notice is being placed before the shareholders for the approval.

None of the Directors of the company other than G.Balasubramani and R.Kannan are interested in their respective resolution.

#### DIRECTORS' REPORT

Your Directors have pleasure in presenting the Fourteenth Annual Report of your Company along with the Audited Statement of Accounts for the financial year ended March 31, 2009.

#### FINANCIAL RESULTS

The financial results of the Company are briefly indicated below:

	Year ended 31.3.2009 Rs.	Year ended 31.03.2008 Rs.
<b>INCOME</b>		
Sales Less Return	46,238,150.00	60,531,321.00
Other Income	4,891,125.00	3,033,468.00
<b>EXPENDITURE</b>	60,353,521.61	54,465,204.77
Net Profit/(Loss) before Tax	2,374,509.39	6,046,634.23
Less: Provision for Taxation	700,000.00	1,381,000.00
Less: Provision for Fringe Benefit Tax	83,000.00	80,000.00
	<b>1,591,509.39</b>	<b>4,585,634.23</b>
Add: Excess Provision relating to Income tax for earlier years written back	1,250,000.00	-
Add: Transfer to/(from) Deferred Tax Asset	371,225.00	(118,945.00)
Add: Balance brought forward	6,531,926.53	2,065,237.30
Balance carried to Balance Sheet	9,744,660.92	6,531,926.53

#### REVIEW OF OPERATIONS

Though your Company had successfully carrying out various trading activities, due to the global recession and restructuring process carried out by the company, the profitability of the company has been reduced considerably as mentioned above.

The Share holders are well aware from the financial year 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 stocks, during the year under review, in order to bring real intrinsic value to the company.

Further, during the year under review, M/s. Paro Enterprises Ltd a Company with enormous potential & having all the assets & business which your company is presently carrying on, has been amalgamated with your company after obtaining the approval of the Hon'ble High Court, Madras vide its order dated 06.04.2009.

M/s.Paro Enterprises Ltd, is 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.

Your directors are confident that such a restructuring process had given a good platform

to improve the scalability of business and to have more visibility.

Your Board of Directors, after carefully considering the value of land, opportunities available and the business prospects, proposes to launch various major infrastructure projects in various parts of India including Hyderabad, Cochin, Bangalore, Mumbai, Delhi and Ahamadabad and the company also proposes to setup corporate offices, in the above cities.

### **DIVIDEND**

To conserve the funds for future development and expansion the board directories do not recommend any dividend to be paid on equity shares for the year 2008-2009.

### **DEPOSITS**

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

### **DIRECTORS**

Mr. V.Meenakshi Sundaram, retires by rotation at the ensuing Fourteenth Annual General Meeting and is eligible for reappointment. As the company has not received till date, any letter from Mr.V.Meenakshi Sundaram, signifying his intention for the proposed re-appointment, the casual vacancy, if any, caused by the non – reappointment of Mr.V.Meenakshi Sundaram need not be filled in at present.

The company has received notices from two Promoter members, pursuant to the provisions of section 257 of the companies Act, 1956, signifying their intention to propose the names of Mr.G.Balasubramani, belonging to Promoter's group and R.Kannan for the post of

directors, along with the deposit of Rs.500/- each. Accordingly, the resolutions under item no.4 & 5 of the Notice is being placed before the shareholders for the approval.

Mr.D.Srinivasan and Mr.K.Shiraj have tendered their resignation from the office of directors and the board placed on record their sincere appreciation for the services rendered by them during their tenure.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors confirm:

- i) that in the preparation of final accounts, the applicable accounting standards had been followed for the year 2008 – 09 along with proper explanation relating to material departures;
- ii) that they had selected such accounting policies and applied them consistently and made judgments 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 2008 – 09 on a going concern basis.

### **PARTICULARS AS REQUIRED UNDER 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**

#### ***Conservation of Energy***

The Company had taken steps to conserve energy in its office use, consequent to which energy consumption has been minimized. No additional Proposals/Investments were made to conserve energy. Since the company has not carried on industrial activities, disclosures regarding impact of measures on cost of production of goods, total energy consumption, etc., are not applicable.

#### ***Technology Absorption:-***

The company has not adopted / intend to adopt any technology for its business and hence no reporting is required to be furnished under this heading.

#### ***Foreign Exchange Inflow & Outgo:-***

Foreign Exchange inflow during the year :- Nil  
Foreign Exchange outgo during the year :- Nil

### **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.

## 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**

**V.RAMASESHAN**  
Managing Director

**R.KANNAN**  
Director

Place: Chennai  
Date: 19-10-2009

## 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 comprised of one executive and four non-executive Independent Directors during the period 1.4.2008 to 31.03.2009. During the financial year 1<sup>st</sup> April 2008 to 31<sup>st</sup> March 2009, eight Board Meetings were held on the following dates: 11.04.2008, 29.04.2008, 30.04.2008, 31.07.2008, 14.08.2008, 23.09.2008, 31.10.2008 and 31.01.2009. The Annual General Meeting was held on 20.09.2008. 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 1.4.2008 to 31.3.2009 and the last AGM held on 20.09.2008 are given below:

Name of the Director	Category	Attendance Particulars		Number of other Directorships and Committee Memberships/ Chairmanships (excluding Private Ltd. companies & Sec 25 companies)		
		Board Meeting	Last AGM	Other Directorships	Committee Memberships	Committee Chairmanships
Mr.K. Shiraj	Managing Director-Executive	8	Yes	Nil	Nil	Nil
Mr.D. Srinivasan	Independent Non-executive Director	8	Yes	Nil	Nil	Nil
Mr.V.Meenakshi Sundaram	Independent Non-executive Director	8	Yes	Nil	Nil	Nil
Mr.S.Arvind	Independent-Non Executive Director	8	Yes	2	1	1
Mr.V.Ramaseshan	Independent - Non Executive Director	8	Yes	1	Nil	Nil

## SEAX GLOBAL VENTURES LIMITED

**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.net](http://www.seaxglobal.net).

### 3. Audit Committee:

During the year ended 31<sup>st</sup> March 2009, audit committee meetings were held on the following dates: 29.04.2008, 30.04.2008, 31.07.2008, 14.08.2008, 31.10.2008 and 31.01.2009. The terms of reference of the Audit Committee are as per the guidelines set out in the Listing Agreement with the stock exchanges.

The audit committee comprised of the following Directors:

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.S.Arvind	6	6
Mr.D.Srinivasan	6	6
Mr.V.Meenakshi Sundaram	6	6

### 4. Remuneration Committee:

The Remuneration Committee comprised 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

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.

No meeting of the Remuneration Committee was held during the year ended 31<sup>st</sup> March 2009. The details of the remuneration paid to the Directors during the financial year 1.4.2008 to 31.3.2009 are given below:

Names of Directors	Basic Salary (Rs.)	Allowances (HRA) (Rs.)	Sitting Fees (Rs.)	As on 31.3.2009	
				No. of Shares Held	% of Holding
Mr.K.Shiraj	6,00,000	1,80,000	-	575070	10%
Mr.D.Srinivasan	Nil	Nil	4000	Nil	Nil
Mr.V.Meenakshi Sundaram	Nil	Nil	4000	Nil	Nil
Mr.S.Arvind	Nil	Nil	4000	Nil	Nil
Mr.V.Ramaseshan	Nil	Nil	4000	Nil	Nil

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

The Shareholders / Investors Grievance and Share Transfer Committee comprised of the following Directors:

Name of the Director	Category of Membership
Mr. V. Ramaseshan	Chairman
Mr. K. Shiraj	Member
Mr. D. Srinivasan	Member

The shareholders/investor grievance and share transfer committee specifically looks into redressing of shareholder's and investor's complaints such as transfer of shares, non-receipt of shares, non-receipt of declared

dividend, non-receipt of annual report and to ensure expeditious share transfers. The said Committee met 17 times during the year ended 31<sup>st</sup> March 2009. Mr. Sundar, Company Secretary is the Compliance officer.

During the Financial Year ended 31<sup>st</sup> March 2009, five 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 e-mail : info@seaxglobal.net

## 6. General Body Meetings:

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

Year	Date and Time	Venue
2005	27 <sup>th</sup> March 2006 at 11.00 A.M.	Asha Nivas, 9 Rutland Gate, 5 <sup>th</sup> Street, Chennai - 600 006
2006-2007	24 <sup>th</sup> September 2007 at 10.00 A.M.	Asha Nivas, 9 Rutland Gate, 5 <sup>th</sup> Street, Chennai - 600 006
2007-2008	20 <sup>th</sup> September 2008 at 10.00 A.M.	Asha Nivas, 9 Rutland Gate, 5 <sup>th</sup> Street, Chennai - 600 006

➤ Court convened meeting of the equity shareholders held on 29<sup>th</sup> January 2009 at 10.00 a.m. at "Asha Nivas", No.9, Rutland Gate, 5<sup>th</sup> Street, Chennai – 600 006 for approving the composite Scheme of Reduction/Arrangement & Amalgamation of Paro Enterprises Limited with Seax Global Ventures Limited.

➤ No resolutions have been put through postal ballot so far.

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

## 2005 - 2006 :

- 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 372A of the Companies Act, 1956 in all Bodies Corporate whether subsidiary or not and whether in India or abroad.

2006-2007: No special resolutions were passed in this annual general meeting.

2007-2008: No special resolutions were passed in this annual general meeting.

➤ Special resolution passed at the Court convened meeting of the equity shareholders:

- Special resolution for approving the composite Scheme of Reduction/Arrangement & Amalgamation of Paro Enterprises Limited with Seax Global Ventures Limited

## 7. Disclosures:

a. Related Party Transactions: The Company has not entered into any transactions of 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.