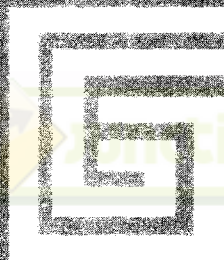


# THE GUYANA TRADING COMPANY LIMITED



1st Annual Report 2003-2004



**GEE GEE GRANITES LIMITED****REGISTERED OFFICE & FACTORY**

23, NOCHIMEDU VILLAGE,  
NEMAM, POONAMALLEE TALUK  
TIRUVALLUR DISTRICT - 602 107

**ADMINISTRATIVE OFFICE**

'GEE GEE MINAR'  
23, COLLEGE ROAD,  
NUNGAMBAKKAM,  
CHENNAI-600 006

**ANNUAL GENERAL MEETING**

Date : 27th August, 2004  
Day : Friday  
Time : 4.35 p.m.  
Place : 23, Nochimedu Village,  
Nemam, Poonamallee Taluk,  
Tiruvallur Dist. 602 107.

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**DIRECTORS**

GOPICHAND IDANDAS

SUNIL G. DUSEJA,  
(Whole time Director)

V. V. NAARAAYAN

SRIRAM VAYER

**AUDIT COMMITTEE & INVESTORS COMMITTEE**

GOPICHAND IDANDAS

V. V. NAARAAYAN

SRIRAM VAYER

**AUDITORS**

M/s B.P. JAIN & CO.,  
Chartered Accountants,  
23, College Road, Chennai - 600 006.

**BANKERS**

STANDARD CHARTERED BANK  
Chennai - 600 001.

**REGISTRARS & TRANSFER AGENTS**

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

**FOR THE ATTENTION OF MEMBERS**

Members are requested to quote their Folio in all correspondence and also to bring with them the Attendance slip which may be surrendered at the entrance duly signed.



## NOTICE TO THE MEMBERS

NOTICE is hereby given that the Fourteenth Annual General Meeting of the Company will be held on Friday, the 27th August, 2004 at 4.35 p.m. at the Registered Office of the Company at 23, Nochimedu Village, Nemam, Poonamallee Taluk, Tiruvallur District, Tamilnadu.602107 to transact the following business:

1. To receive, consider and adopt the Balance Sheet as at 31st March 2004 and the Profit and Loss Account for the year ended on that date together with the schedules and notes attached thereto and the reports of Directors and Auditors.
2. To appoint a Director in place of Mr.V.V.Naaraayan, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mr.Sri Ram V.Ayer, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint auditors and fix their remuneration.The retiring auditors M/s.B.P.Jain & Co., Chartered Accountants, Chennai are eligible for reappointment.

## SPECIAL BUSINESS

5. To consider and pass the following resolution with or without modification as ordinary resolution.

"RESOLVED that Mr.Sunil G.Duseja be and is hereby appointed as the Managing Director of the company for a period of five years with effect from 1.7.2004 and that he be paid the following remuneration.

- |                            |   |   |
|----------------------------|---|---|
| 1. Salary                  | : | Rs.30,000/-p.m.   |
| 2. Perquisites             | : |   |
| a) Housing                 | : | Unfurnished accommodation subject to a ceiling of 60% of the salary, 10% to be recovered from salary or HRA at 50% of salary.               |
| b) Conveyance              | : | Car for official use.   |
| c) Telephone               | : | At residence for Official use.  |
| d) Leave Travel Concession | : | To any place in India by air for self and family once in a year.  |
| e) Medical                 | : | Reimbursement for self and family and medical insurance premium for self and family, total amount not to exceed one month salary per annum. |
| f) Leave                   | : | 30 days leave in a year.  |
| g) Encashment of Leave     | : | Unutilised leave not exceeding 30 days per annum to be encashed at the end of five years.   |
| h) Club membership         | : | Reimbursement of club membership charges in two clubs.  |
| i) Provident fund          | : | As per company's rules.   |
| j) Gratuity                | : | 15 days salary for every year of completed service"   |

BY ORDER OF THE BOARD  
for GEE GEE GRANITES LIMITED

**SUNIL G.DUSEJA**  
WHOLETIME DIRECTOR

Place: Chennai  
Date : 30.6.2004.

**Note:**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member. Proxies to be effective should be deposited at the Registered Office of the Company not less than 48 hours before the meeting.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from 26th and 27th August 2004 (both days inclusive).
3. Members desirous of obtaining any information on the Annual Accounts is to be considered at the meeting are requested to write to the Company at an early date to facilitate compilation of information.
4. Members are requested to intimate change in their address, if any, immediately to the company at its Registered Office quoting their folio numbers.

**EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956.**

Item No.5. : Mr.Sunil G.Duseja was appointed as the Wholetime Director of the company for a period of five years with effect from 4.8.1994 for a period of 5 years at the Annual General Meeting held on 26.9.1994 and was reappointed again at the Annual General Meeting held on 19.5.1999 for a period of 5 years from 4.8.1999. His term as Wholetime Director expires on 3.8.2004. Mr.G.Hareshchand, Managing Director, resigned with effect from 29.4.2004 and the Board at its meeting held on 30.6.2004 considered appointing Managing Director in his place and appointed Mr.Sunil G.Duseja as the Managing Director of the company with effect from 1.7.2004 and fixed his remuneration as indicated in the resolution subject to the consent of the members at the General Meeting. Approval of the members is now sought for his appointment as Managing Director and also payment of remuneration to him. Mr.Sunil G.Duseja and Mr.Gopichand Idandas are interested in the above resolution.

**Details of Directors seeking reappointment**

Name	: V.V.Naaraayan	Sri Ram V.Ayer	Sunil G.Duseja
Date of birth	: 21.4.1946	19.8.1975	11.6.1969
Expertise in specific function area	: Company Executive	Finance & Software	Industrialist
Qualification	: B.Com.	B.Com., M.B.A.	B.Com.
List of outside directorship held excluding alternate directorship and Private Companies	: Nil	Nil	Nil
Chairman/Member of the committee of the Board of Directors of the Company	: Audit Committee -Chairman	Audit Committee -Member	Nil
	: Sharetransfer and Investors Grievance Committee - Member	Sharetransfer and Investors Grievance Committee - Member	
Chairman/Member of the committee of the Board of Directors of other companies in which he is a director	: Nil	Nil	Nil



## DIRECTORS' REPORT

Your directors have pleasure in presenting the Fourteenth Annual Report and the audited accounts for the financial year ended 31.3.2004.

### FINANCIAL RESULTS:

	2003-2004	2002-2003
	(Rupees in lakhs)	
Sales - Export	610.08	679.82
Local	35.88	24.10
Other Income	314.52	108.92
Total income	960.48	812.84
Profit / (Loss) before Depreciation and Tax	338.99	114.45
LESS: Depreciation	40.21	39.82
Net profit/(Loss)	298.78	74.63
LESS: Provision for taxation (Deferred tax)	-	11.21
Profit/(loss)	298.78	63.42
ADD: Carried forward surplus / (Deficit) from previous year	(583.19)	(646.61)
Net Profit/(Loss) taken to Balance Sheet.	284.41	(583.19)

### DIVIDEND

With a view to conserve profit, your directors do not recommend any dividend for the current year.

### REVIEW OF OPERATIONS

The market for granite industry continues to be very competitive and inspite of this, your company is able to maintain its position in the market. The company was able to establish its product in the market and but for the non-availability of working capital your company would have achieved better results and profits.

During the year the company paid-off the dues to the Industrial Development Bank of India (IDBI) and the dues to the State Bank of India were also completely settled during the second week of April 2004. The company is hopeful of getting the sanction for working capital facilities from the bank and also achieving better turnover and profit during the current year.

### DEPOSITS

The company has not accepted any deposits from public.

### DIRECTORS

Mr.G.Hareshchand, Managing Director, Mr.Gordhandas Idandas and Mr.Shyam G.Duseja, Directors, resigned from the Board on 29.4.2004 and Mr.T.Shanmugam on 7.5.2004. Mr.V.V.Naaraayan was appointed with effect from 29.4.2004 and Mr.Sri Ram V.Ayer with effect from 30.6.2004. Mr.Sunil G.Duseja who has been the Wholetime Director of the company was appointed as the Managing Director with effect from 1.7.2004 and for which the consent of the members is being sought at the Annual General Meeting.

### AUDITORS

M/s.B.P.Jain & Co., Chartered Accountants, Chennai, retire at the forthcoming Annual General meeting and being eligible offer themselves for reappointment.

With regard to Para 4(vi) in the auditors' report the cess due to the Central Government is not payable as the Government is yet to issue the required notification.



## PARTICULARS OF EMPLOYEES

There is no employee during the year under review whose particulars are required to be given as per the provisions of Section 217(2A) of the Companies Act, 1956.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & RESEARCH AND DEVELOPEMENT

### A. CONSERVATION OF ENERGY

Through strict control and by monitoring and restricting the usage of energy substantial saving has been achieved.

Running hours of the 640 KVA GENSET WAS CLOSELY MONITORED SO THAT WHENEVER LOADS FOR LIGHTING AND POWER WERE LESS, THE SMALLER GENERATOR (55 kva) was put into use, effecting a saving of about 20 to 30 ltrs. of diesel per hour.

### B. TECHNOLOGY ABSORPTION

The company has adopted the latest state of the art plant and machinery and these machineries are currently available all over the world.

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO

1. Your company being 100% Export Oriented Unit, the production has been exported to highly quality conscious countries such as U.S.A., U.K., Hongkong, Singapore, Australia and South Africa.

2. The total foreign exchange earned and used:

Earnings in foreign currency	:	Rs.35.76 lakhs
Outgo in foreign currency	:	
Import of materials	:	Rs. 97.25 lakhs
Travelling and other expenses	:	Rs. 2.09 lakhs

## DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors Confirm

- i. that in the preparation of the annual accounts, the applicable accounting standards have been followed;
- ii. that the Directors have 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 as at 31st March 2004 and of the Profit of the company for that year;
- iii. that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. that the Directors have prepared the annual accounts on a going concern basis.

## CORPORATE GOVERNANCE

As per the listing agreement with the Stock Exchanges, a separate discussion on Corporate Governance is appended.



## LISTING OF EQUITY SHARES

The company's equity shares are listed on the Chennai and Mumbai Stock Exchanges and the company has paid the annual listing fee to the Stock Exchanges. The company's shares can now be traded in Demat form.

## ACKNOWLEDGEMENT

Your directors take this opportunity to thank the Industrial Development of India, Chennai and State Bank of India, Overseas Branch, Chennai, for extending their maximum co-operation. Your directors are also wish to place on record their appreciation for the co-operation received from the State and Central Government organisations and also from the dedicated management team and the employees of the company.

for and on behalf of the board,

Place : Chennai  
Date : 30.6.2004

**GOPICHAND IDANDAS**  
Chairman

## REPORT ON CORPORATE GOVERNANCE — YEAR ENDED MARCH 31, 2004

### Company's Philosophy on Code of Corporate Governance

The Company's philosophy on Corporate Governance envisages attainment of highest levels of transparency, accountability and equity, in all its dealings. Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value over a sustained period of time and to provide high quality products and services to its customers, stake holders and all others concerned.

### Board of Directors

#### a. Composition

The Board of Directors of the Company consists of 6 Directors and the Chairman of the Board is Mr. Haresh Chand, Managing Director.

i. Promoter Group	G. Haresh Chand	Executive Director
	Sunil G. Duseja	Executive Director
	Gopichand Idandas	Non-executive Director
	Gordandas Idandas	Non-executive Director
	Shyam G Duseja	Non-executive Director
ii. Independent Director	T. Shanmugam	Independent and non-executive Director

#### b. Attendance at Board Meetings & Details of Membership of Directors in other Boards

Seven meetings of the Board were held during the Financial Year on 28<sup>th</sup> April 2003, 30<sup>th</sup> June 2003, 31<sup>st</sup> July 2003, 26<sup>th</sup> Sep. 2003, 31<sup>st</sup> Oct. 2003, 31<sup>st</sup> Jan. 2004, and 31<sup>st</sup> March 2004.

Name of the Directors	No. of Board Meetings Attended	Attendance at last AGM	Members as on 31.03.2004	
			Other Boards	Other Board Committees
G Haresh Chand	6	Present	Nil	Nil
Sunil G Duseja	7	Present	Nil	Nil
Shyam G Duseja	3	Absent	Nil	Nil
Gopichand Idandas	7	Present	Nil	Nil
Gordhandas Idandas	7	Absent	Nil	Nil
T Shanmugam	7	Present	2	Nil

*Note: Excludes Foreign Companies, Private Limited Companies and Alternate Directorships.*



## Board Committees

### 1. Audit Committee

The Audit Committee consists of 3 Directors namely Mr. Shyam G. Duseja, Mr. Gopichand Idandas and Mr T. Shanmugam who is the Chairman of the committee.

The Committee had 4 meetings during the year 2003-2004 i.e. on 30.6.2003, 31.7.2003, 31.10.2003 and 31.01.2004. Mr. T. Shanmugam could not attend any meeting while other 2 directors attend all the meetings.

### 2. Share Transfer / Investors Grievances Committee

Share Transfer Committee meets at regular intervals to consider share transfers / transmissions, issue of duplicate share certificate, splits etc.,

Investors grievances committee is mandated to respond / redress Investors correspondence/ grievances. All letters received from Stock Exchanges and SEBI and the responses to such letters by the Company are reviewed by the Committee. The Committee consists of 3 Directors with Mr G Haresh Chand as the Chairman of the committee.

The Committee had 16 meetings during the year 2003-2004 i.e. on 15.04.2003, 30.04.2003, 31.05.2003, 16.06.2003, 30.06.2003, 15.07.2003, 31.07.2003, 16.08.2003, 30.09.2003, 15.10.2003, 31.10.2003, 29.11.2003, 14.01.2004, 30.01.2004, 28.02.2004, 31.03.2004.

Name of the Director	No. of meetings attended
G. Haresh Chand	15
Shyam G. Duseja	16
T. Shanmugam	16

Name and Designation of the Compliance Officer : Mrs. S Regina Parveen

## Remuneration to Directors

The details of remuneration paid/payable to all Directors during the year 2003-2004 is given below.

Directors Name	Basic pay Rs.	HRA Rs.	Sitting fee Rs.	Total Remuneration Rs.
G.Haresh Chand	3,00,000	1,50,000	--	4,50,000
Sunil G Duseja	1,20,000	60,000	--	1,80,000
T. Shanmugam	—	--	3,000	3,000

Apart from the above the Directors, Mr. G. Haresh Chand & Mr. Sunil G. Duseja are receiving the other benefits like telephone at residence, reimbursement of medical expenses, passage benefits, car etc., These were provided in accordance with the terms of appointment and the resolution passed in the Annual general Meeting of the Company.

## General Body Meetings

Details of last 3 Annual General Meetings.

Financial Year ending	Date	Time	Venue
31 <sup>st</sup> March 2001	28 09 2001	4.35 P.M.	Registered Office *
31 <sup>st</sup> March 2002	27 09 2002	4.35 P.M.	Registered Office *
31 <sup>st</sup> March 2003	26 09 2003	4.35 P.M.	Registered Office *

\* at No.23, Nochimedu Village, Nemam, Poonamallee Taluk, Thiruvallur District, Tamilnadu – 602 107.