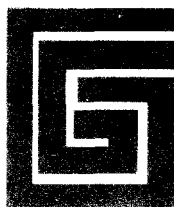


# GEE GEE GRANITES LIMITED

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15th Annual Report  
2004-2005



## 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 : 2nd September, 2005  
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  
Chairman

SUNIL G. DUSEJA  
Managing Director

V. V. NAARAAYAN  
SRIRAM V. AYER

### AUDIT COMMITTEE & INVESTORS COMMITTEE

GOPICHAND IDANDAS  
V. V. NAARAAYAN  
SRIRAM V. AYER

### AUDITORS

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

### BANKERS

STATE BANK OF INDIA  
Overseas Branch, 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 / I.D. No. 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 Fifteenth Annual General Meeting of the members of the Company will be held on Friday, the 2nd September, 2005 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 audited Balance Sheet as at 31.3.2005 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 thereon.
2. To appoint a Director in place of Mr.Gopichand Idandas, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint auditors and fix their remuneration. The retiring auditors M/s.B.P.Jain & Co., Chartered Accountants, Chennai, are eligible for reappointment.

BY ORDER OF THE BOARD  
for GEE GEE GRANITES LIMITED

**SUNIL G. DUSEJA**  
MANAGING DIRECTOR

Date : 30-06-2005

Place : Chennai

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.**
2. The proxy to be effective should be deposited at the Registered Office of the Company at least 48 hours before the time fixed for the commencement of the meeting.
3. The Register of Members and the Share Transfer Books of the Company shall remain closed from 1st and 2nd September 2005 (both days inclusive).
4. Members desirous of obtaining any information on the Annual Accounts to be considered at the meeting are requested to write to the company at an early date to facilitate compilation of information.
5. Members are requested to intimate change in their address, if any, immediately to the company at its Registered Office quoting their folio numbers.

The retiring Director Mr.Gopichand Idandas, aged 71 years (Date of birth 19.3.1934) after completion of his schooling has entered the business. During 1978 Heeral Construction Private Limited was started and he as its Managing Director was involved in various prestigious construction projects. While he is not a director of any public limited company he is the chairman of the share transfer committee of the company and also a member of the Company's Audit Committee.



## DIRECTORS' REPORT

Your directors have pleasure in presenting the Fifteenth Annual Report and the audited accounts for the financial year ended 31.3.2005.

### FINANCIAL RESULTS:

	2004-2005	2003-2004
	(Rupees in lakhs)	
Sales - export / deemed export	708.09	610.08
Local	39.48	35.88
Other income	111.54	314.52
Total income	859.11	960.48
Profit before Depreciation and tax	175.78	338.99
LESS: Depreciation	39.90	40.21
Net profit	135.88	298.78
LESS: Provision for taxation -Deferred tax	44.19	-
Profit after tax	91.69	298.78
ADD: Surplus / (Deficit) brought forward from previous year	(284.41)	(583.19)
Net Profit / (Loss) taken to Balance Sheet.	(192.72)	(284.41)

### DIVIDEND

Since the Company has just started progressing, with a view to conserve resources your directors do not recommend any dividend for the current year.

### REVIEW OF OPERATIONS

The international market for granite products manufactured by your company is steadily growing. In spite of severe competition from domestic suppliers, your company was able to increase its turn over to Rs.747.57 lakhs, from the turn over of Rs.645.96 lakhs achieved during the previous year thereby recording an increase of 15% over the previous year. The company's working during the whole year was affected by financial constraints, particularly due to non-availability of working capital facilities from any bank or financial institutions. The company is continuously making efforts to get the working capital facilities from bank and hopeful of getting the facilities during the year and improving the turn over during the current year.

Your Company's products are exported to countries like USA, Canada and Australia.

### DEPOSITS

The company has not invited or accepted any deposits from public.

### DIRECTORS

During the year Mr. Gopichand Idandas, retires by rotation and being eligible offers himself for reappointment.

### AUDITORS

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

### 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 DEVELOPMENT

### 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

The total foreign exchange earned and used :

Earnings in foreign currency : Rs.106.77 lakhs

Outgo in foreign currency

Import of materials : Rs.138.79 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 2005 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 provisions 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 are now traded in Demat form.

## ACKNOWLEDGEMENT

Your directors take this opportunity to thank the Industrial Development Bank of India, Chennai and State Bank of India, Overseas Branch, Chennai, for extending their maximum co-operation. Your directors 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 : 30-06-2005

**GOPICHAND IDANDAS**  
Chairman



## REPORT ON CORPORATE GOVERNANCE - YEAR ENDED MARCH 31, 2005

### Company's Philosophy on 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 4 Directors and the Chairman of the Board is Mr. Gopichand Idandas, a Non-Executive Director.

i. Promoter Group	Sunil G. Duseja Gopichand Idandas	Managing Director Non-Executive Director
ii. Independent Director	V.V. Naaraayan Sriram V. Ayer	Independent and Non-Executive Director Independent and Non-Executive Director

#### b. Attendance at Board Meetings & Details of Directorship/Membership in other Boards / Board Committees

Six meetings of the Board were held during the financial year on 29<sup>th</sup> April 2004, 30<sup>th</sup> June 2004, 31<sup>st</sup> July 2004, 30<sup>th</sup> Oct. 2004, 31<sup>st</sup> Jan. 2005 and 19<sup>th</sup> March 2005.

Name of the Directors	No. of Board Meetings attended	Attendance at last AGM	*Membership as on 31.03.2005	
			Other Boards	Other Board Committees
Sunil G Duseja	6	Present	Nil	Nil
Gopichand Idandas	6	Present	Nil	Nil
V.V. Naaraayan	5	Present	Nil	Nil
Sriram V. Ayar	4	Present	Nil	Nil
+G Haresh Chand	-	-	Nil	Nil
**T Shanmugam	-	-	Nil	Nil
+Gordhandas Idandas	1	-	Nil	Nil
+Shyam G Duseja	1	-	Nil	Nil

\* Excludes Foreign Companies, Private Limited Companies and Alternate Directorships.

+ Director till 29-4-2004 \*\* Director till 7-5-2004

### Board Committees

#### 1. Audit Committee

The Audit Committee consists of 3 Directors namely Mr. Gopichand Idandas, Mr. V.V. Naaraayan and Mr. Sriram V. Ayer. Mr. V.V. Naaraayan is the chairman of the Committee.

The Committee had 4 meetings during the year and the details are given below:

Name of the Directors	30-6-2004	26-07-2004	30-10-2004	29-01-2005
Gopichand Idandas	Yes	Yes	Yes	Yes
V.V. Naaraayan	Yes	Yes	Yes	Yes
Sriram V. Ayer	Yes	Yes	Yes	Yes



## 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 present share transfer Committee consists of 3 Directors with Mr. Gopichand Idandas as the Chairman of the Committee.

The Committee had 14 meetings during the year 2004-2005 on the following dates. 6.04.2004, 21.04.2004, 27.04.2004, 28.04.2004, 15.06.2004, 30.06.2004, 05.08.2004, 25.08.2004, 24.09.2004, 30.11.2004, 17.01.2005, 14.02.2005, 4.03.2005 and 28.03.2005.

Name of the Directors	No. of meetings attended
Gopichand Idandas	10
V.V. Naaraayan	10
Sriram V. Ayer	9
T. Shanmugam	4
Shyam G. Duseja	4

Name and Designation of the Compliance Officer : Mr. V. Vimal Kumar

### Remuneration to Directors

The details of remuneration paid/payable to all Directors during the year 2004-2005 are given below.

Name of the Directors	Basic pay Rs.	HRA Rs.	Sitting fee Rs.	Total Remuneration Rs.
Sunil G. Duseja	3,00,000	1,50,000	--	4,50,000
Gopichand Idandas	--	--	10,000	10,000
V.V. Naaraayan	--	--	9,500	9,500
Sriram V. Ayer	--	--	8,000	8,000

Apart from the above, Mr. Sunil G. Duseja is provided with telephone at residence.

### General Body Meetings

Details of last 3 Annual General Meetings.

Financial Year ending	Date	Time	Venue
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 *
31 <sup>st</sup> March 2004	27-08-2004	4.35 P.M.	Registered Office *

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

### COMMUNICATION WITH SHAREHOLDERS

1. The quarterly, half yearly and the annual results are generally published in Trinity Mirror and Makkal Kural. The same are also submitted to the Stock Exchanges. The Annual Report is sent to individual shareholders.