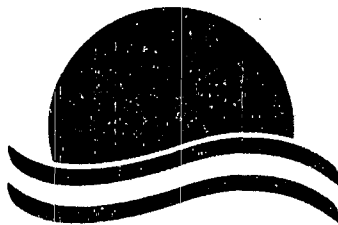


# 14th Annual Report

Report  Junction.com



## GOLDEN CARPETS LIMITED

8-2-596/B/1, Road No. 10,  
Banjara Hills, Hyderabad - 500 035

## GOLDEN CARPETS LIMITED

## BOARD OF DIRECTORS

## MANAGING DIRECTOR

Mr.S.Naik.

## DIRECTORS

Mr.S.B.Kerur

Mrs.Meena Kerur

Mr.K.Suresh

Mr.Maqsood Ahmed

## REGISTERED OFFICE

8-2-596/B/1

ROAD.NO.10

Banjara Hills

Hyderabad-500035

## WORKS

Jeedipally Village

Toopran Mandal

Medak Dist

Andhra Pradesh

## BANKERS

Axis Bank Limited.,

Road No. 1, Banjara Hills,

Hyderabad.

ICICI Bank Limited.,

Banjara Hills,

Hyderabad.

## REGISTRARS AND

## SHARE TRANSFER AGENTS

XL Softech Systems Limited

Sagar Society Road

Road.No.2, BanjaraHills,

Hyderabad

## AUDITORS

M/s.Mahesh Nandiraju &amp; Associates,

Chartered Accountants

1<sup>st</sup> Floor,2-1-133/3

Lane beside Fever hospital

Nallakunata,Hyderabad-44

## LISTING

The Mumbai Stock Exchange Limited.

The Hyderabad Stock Exchange Limited.

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## NOTICE

GOLDEN CARPETS LIMITED

Notice is hereby given that the 14<sup>TH</sup> Annual General Meeting of the members of Golden carpets Limited will be held on the 30<sup>th</sup> September 2008 at 9.00 A.M at the Hotel Marriott, Tank Bund, Hyderabad to transact the following items of business:

### Ordinary Business

1. To Receive, Consider and Adopt the Audited Balance Sheet as at 31st March 2008 and the Profit and Loss Account for the year ended 31st March 2008, together with the reports of the Directors and Auditors' thereon.
2. To appoint a Director in the place of Mrs.Meena Kerur who retires by rotation and being eligible offers himself for re-appointment.
3. To Appoint a Director in the place of Sri.Maqqood Ahmed Who retires by rotation and being eligible offers himself for re-appointment.
4. To Appoint Statutory Auditors.

"RESOLVED THAT the consent of the members be and is hereby accorded for the appointment of M/s. Mahesh Nandi raju & Associates Chartered Accountants , Hyderabad as Statutory Auditors of the company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at such remuneration as may be determined by the Board of Directors of the company."

By order of the Board of Directors

Report Junction.com

Place : Secunderabad

S. NAIK

Date : 29-07-2008

Chairman & Managing Director

### Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND THE MEETING AND VOTE INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. Register of members of the Company and Share Transfer Books will remain closed from Friday the 26<sup>th</sup> September 2008 to Tuesday the 30<sup>th</sup> September 2008 (both days inclusive).
3. Members are requested to notify immediately any change in their address to the share transfer agents and incase their shares are held in dematerised form, This information should be passed on to their respective depository participants with out delay.
4. Members who have multiple accounts are requested to intimate to the company, the folios of such accounts, to enable the company to consolidate all their share holdings in to one account.

## GOLDEN CARPETS LIMITED



5. Members who hold shares in dematerialized form are requested to bring their client ID and DP IDs for easier identification of attendance at the meeting.
6. The register of directors' shareholding shall be opened for inspection to any member of the company during the period beginning 14 days before the date of company's Annual General meeting and ending 3 Days after the date of its conclusion. The said register shall also remain open and accessible during the annual general meeting to any person having right to attend and vote at the meeting.
7. Pursuant to the requirements of the listing agreement of stock exchanges, the information of the directors proposed to be appointed or Re-appointed is given in the annexure to the notice

**Additional information on retiring Directors as required Provisions of Listing Agreement****Brief Profile of Smt Meena Kerur**

Smt Meena kerur, is Graduate, having more than 10 years experience in various fields of business, Marketing and Administration. She does not have Directorship in any other companies.

**Brief Profile of Sri Maqsood Ahemed**

Sri Maqsood Ahemed, is Graduate, having more than 8 years experience in various fields of business, Marketing and Administration. He does not have Directorship in any other companies.

By order of the Board of Directors

Place : Secunderabad

Date : 29-07-2008

S. NAIK

Chairman & Managing Director



## DIRECTORS' REPORT

Dear Members,

Your Directors present herewith the 14<sup>th</sup> Annual Report on the business and operations of the Company and the audited accounts for the year ended 31<sup>st</sup> March 2008.

## FINANCIAL RESULTS AND OPERATIONS

The summarized financial results for the year ended 31<sup>st</sup> March 2008 as compared with the previous year are as under

Rs. In Lakhs.

S.No	Particulars	Year ended 31.03.2008	Year ended 31.03.2007
1	Sales	241.96	165.32
2	Other Income	1.47	0.61
3	TOTAL INCOME(1+2)	243.43	165.93
4	Operating Expenses including decrease in stocks	212.34	140.99
5	Profit Before Depreciation	31.08	24.94
6	Depreciation	74.64	74.57
7	Miscellaneous Expenditure Written off	32.27	32.27
8	Profit/(Loss) for the before tax	75.93	82.00
9	Tax expenses/ Differed Tax Liability	10.04	(7.07)
10	Profit/(Loss) for the year after tax	(65.50)	(74.30)

## OPERATIONS:

During the year the company has achieved a turnover of RS.241.96 Lacs as against previous year Rs. 165.32 lacs. Though the company has suffered a net loss in the year under review the same is lower as compared to the loss of Rs-74.30 in the previous year.

## RESERVES

The company has not transferred any amount to reserves during the financial year under review

## DIVIDEND

No dividend was recommended by the board of directors for the financial year 2007-2008 Due to the non profitability.

## DEPOSITS

The Company has not accepted any fixed deposits from the public within the meaning of section 58A of the Companies Act, 1956.

## GOLDEN CARPETS LIMITED



INFORMATION PURSUANT TO THE COMPANIES DISCLOSURE OF (PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES 1988

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

### A. Conservation of energy

- i. Adequate measures have been taken for conservation of energy
- ii. There is no additional investment and proposal for reduction of energy conservation
- iii. As there is no additional investment, there is no impact on the business of the company

### B. Technology Absorption

#### i) Research & Development (R&D)

##### a) Specific areas in which R & D carried out by the company

For having the modern design, patterns and styles and improving the quality of the products and to have unique, royal and classic designs the company is carrying out research constantly. The company has developed new yarn structure which increases its quality in terms of life of the carpet.

##### b) Benefits derived as a result of R&D

The most impressive Designs with highest standard in the quality meeting the present market demand have been emerged out of Research. The new yarn has been greatly accepted by the market.

##### c) Future plan of action

The quality designs of carpets to be improved to have unique features, pattern and design.

Expenditure on R & D: the company has not made any expenditure on R& D.

#### ii) Technology absorption, adoption and innovation.

During the year the company has neither absorbed any new Technology nor adopted or innovated as existing technology is sufficient to meet present market requirements.

### C. FOREIGN EXCHANGE EARRINGS AND OUT GO:

Foreign Exchange Earnings : 31.08 Lakhs

Foreign Exchange out go : 39.01 Lakhs

### PARTICULARS OF EMPLOYEES

No employee of the Company was in receipt of remuneration, which requires disclosure under section 217(2A) of the Companies Act, 1956.

### DIRECTORS

Mrs.Meena Kerur and Mr Maqsood Ahmed Directors retire by rotation and being eligible offer themselves for re-appointment.

### AUDITORS

M/s.Mahesh Nandi raju & Associates, Chartered Accountants, retire at the ensuing Annual General Meeting and being eligible, have offered themselves for re-appointment.



## DIRECTOR'S RESPONSIBILITY STATEMENT

In accordance with sub-section (2AA) of section 217 of the Companies Act, 1956, the Directors of the Company state:

- a. That in the preparation of the accounts for the financial year ended 31<sup>st</sup> March 2008, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- b. That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 of the Company for the year under review.
- c. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. That the Directors have prepared the accounts for the financial year ended 31<sup>st</sup> March 2008 on a 'going concern basis'.

## CORPORATE GOVERNANCE REPORT

A separate report on corporate governance along with Auditor's certificate on its compliance is attached to this report.

## MANAGEMENT DISCUSSION & ANALYSIS REPORT

A Separate Report of Management Discussion and Analysis Report as required under the Provisions of listing agreement attached to this report.

## HUMAN RECOURSE

The Board of Directors would like to place on record its deep appreciation to all the employees for their dedicated services to the company. Our organizational culture and work environment is central to our ability to complete effectively.

Company has taken initiative to appoint Qualified Company Secretary to comply with the provision of Section 383 of the companies Act, Listing Agreement. The Efforts of the company was not fruitful, however company is availing the services from Practicing Company Secretary.

## ACKNOWLEDGEMENT

Your Directors take this opportunity to express their thanks to various departments of Central and State Governments, financial institutions, Banks, the Suppliers, Customers and Shareholders of the Company for their continued assistance, support and guidance.

By order of the Board of Directors

Place : Secunderabad  
Date : 29-07-2008

S. NAIK  
Chairman & Managing Director



## GOLDEN CARPETS LIMITED

## REPORT ON CORPORATE GOVERNANCE

(Pursuant to clause 49 of the Listing Agreement with the Stock Exchange)

### 1. A brief statement on Company's philosophy on code of Governance

The Company believes that good Corporate Governance practices should be enshrined in all activities of the Company. This would ensure efficient conduct of affairs of the Company and help the company to achieve goal of maximizing value for all its stakeholders. Your Company's business objective is to manufacture and market the company's product in such a way as to create value that can be sustained over the long term for consumers, shareholders, employees & business partners. Your Company is conscious of the fact that the success of a company is a reflection of the professional conduct and ethical values of its management & employees. Your Company affirms its commitment to follow good corporate governance practices proactively.

### 2. Board of Directors

(i) The Board has five Members, a Managing Director and four other Non Executive Directors as under: The composition of the Board is in compliance with the Clause 49 of the Listing Agreement entered with the Stock Exchange.

Sl. No.	Name	designation	Number of Other Directorships	No. of Committees in which the director is either Member/ Chairman in other Companies
1	Mr. S. Naik	Managing Director & Non- Independent Director	NIL	NIL
2	Mrs. Meena kerur	Non-Executive & Non-Independent Director	NIL	NIL
3	Mr. S. B Kerur	Non-Executive & Non-Independent Director	NIL	NIL
4	Mr. K. Suresh	Non-Executive & Non-Independent Director	2	NIL
5	Mr. Maqsood Ahmed	Non-Executive & Non-Independent Director	NIL	NIL

### 3. BOARD MEETINGS AND ATTENDANCE

The Board meets at least four times in a year at quarterly intervals and more frequently if deemed necessary to transact its business.



Total Five Meetings of the Board were held during the financial year 2007-2008

Sl. No.	Name	designation	Board meetings attended	attendance in last AGM	Number of Other Director ships	No of Committees in which the Director is either member/ Chairman
1	Mr. S.Naik	Managing Director & Non- Independent Director	5	YES	NIL	1
2	Mrs. Meena kerur	Non-Executive & Non-Independent Director	3	NO	NIL	1
3	Mr. S. B. Kerur	Non-Executive & Non-Independent Director	5	YES	NIL	2
4	Mr. K. Suresh	Non-Executive & Non-Independent Director	4	NO	NIL	2
5	Mr. Maqsood Ahmed	Non-Executive & Non-Independent Director	1	NO	NIL	1

#### 4. BOARD PROCEDURE

Board members are given in advance the appropriate documents and information of each Board and Committee meetings so as to enable them to participate effectively and contribute to the smooth functioning of the company.

#### 5. AUDIT COMMITTEE

##### Purpose

The functions of the audit Committee includes providing company's Financial Reporting and recommending the appointment and removal of external auditor, internal auditors and reviewing with management the annual financial statements before submission to the Board.

The Audit Committee consists of the following:

SL.NO	NAME	DESIGNATION
1	Mr. K suresh	Chairman
2	Mr. Meena Kerur	Member
3	Mr. Maqsood Ahmed	Member

Mr.K.Suresh was elected as the chairman of the Committee who is a Non Executive and Independent Director.

During the year Audit Committee has met four times during the financial year 2007-2008.

#### 6. REMUNERATION COMMITTEE

The Company was not required to constitute the Remuneration Committee.

The Managing Director was given a remuneration of Rs.40,000/- p.m. during the financial year 2007-08