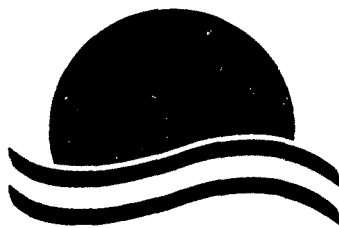


15th Annual Report

2008-2009

Report  Junction.com



GOLDEN CARPETS LIMITED

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



GOLDEN CARPETS LIMITED

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 & Associates,
Chartered Accountants
1st 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**

Notice is hereby given that the 15th Annual General Meeting of the members of M/s Golden carpets Limited will be held on the Wednesday, the 30th day of September 2009 at 9.00A.M at Hotel Marriot, Tankbund, Hyderabad to transact the following items of business:

ORDINARY BUSINESS

1. To Receive, Consider and Adopt the Audited Balance Sheet as at 31st March 2009 and the Profit and Loss Account for the year ended 31st March 2009, together with the Reports of the Directors' and Auditors' thereon.
2. To Appoint a Director in the place of Mr.S.B.Kerur who retires by rotation and being eligible offers himself for re-appointment.
3. To Appoint a Director in the place of Mr.K.Suresh Who retires by rotation and being eligible offers himself for re-appointment.
4. To consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution:

WHEREAS a special notice has been received pursuant to Section 225(1) of the Companies Act, 1956 from shareholders for the appointment of N.V Ganagadhara & Associates, Chartered Accountant, Hyderabad in place of retiring Auditors, namely M/s Mahesh Nandiraju & Associates, Chartered Accountants.

NOW THEREFORE IT IS RESOLVED that Shri N.V Gangadhara & Associates, Chartered Accountant, Hyderabad be and is hereby appointed as the Auditors of the Company from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at remuneration as may be decided by the Board of the Directors of the Company."

SPECIAL BUSINESS

5. RE APPOINTMENT OF SRI S.NAIK AS MANAGING DIRECTOR
To consider, if thought fit to pass with or without modification, the following resolution as Ordinary Resolution
RESOLVED THAT pursuant to Sections 198, 269, 302, 309, 311, read with Schedule XIII and other applicable provisions, if any, of the Companies Act 1956, including any statutory modification(s) or enactment(s) thereof, for the time being in force, and subject to the approval of the Central Government and such other approvals as may be required, as recommended by the remuneration committee and the Board of Directors, the consent and of the Shareholders be and is hereby accorded for re appointment of Shri.S.Naik, as Managing Director of the Company for a period of Three Years w.e.f. 01.08.2009 at a consolidated remuneration of Rs.80,000 per month .
6. CHANGE OF PLACE OF KEEPING REGISTER OF MEMBERS
To consider, if thought fit to pass with or without modification, the following resolution as Special Resolution
RESOLVED that pursuant to section 163 and other applicable provisions, if of the Companies Act, 1956("the Act") and rules and regulations thereunder, or any statutory modification or any amendment or substitution or re-enactment thereof, in super session of the resolution(s) passed by the Company approval of the Company be and is hereby accorded towards maintenance of the Registers and Indexes of Members of the Company under Section 150 and 151 of the Act, and copies of Returns prepared under Section 159 of the Act, together with the copies of certificates and documents required to be annexed thereto under Section 161 of the Act, required to be maintained under the Companies(Preservation and Disposal of Records) Rules, 1966, at the Registered Office of the Company."
RESOLVED FURTHER that the records of the Company Including Registers and Indexes of members of the Company under Section 150 and 151 of the Act, and copies of Returns prepared under Section 159 of the Act, together with the Copies of certificates and documents required to be annexed thereto under Section 161 of the Act, for the period(s) after the year 2005, as shifted and maintained from M/s Ikon Visions Private Limited having its registered office at 33, Sanali Heavens, D No 8-3-948, Ameerpet, Hyderabad to M/s XL Softech Systems Limited having its registered office at Sagar Society Road, Road No 2, Banjara Hills, Hyderabad or at such other place within Hyderabad, where the Registrar and Transfer Agent may shift its office from time to time"
RESOLVED FURTHER that the acts, deeds and things done by the Board of Directors on behalf of the Company be and ratified"

By order of the Board of Directors
Sd/-

S. NAIK

Chairman & Managing Director

Place: Secunderabad

Date : 29-07-2009

GOLDEN CARPETS LIMITED



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 25th September 2009 to Wednesday the 30th September 2009 (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.
5. 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 under provisions of Listing Agreement:

Brief Profile of Mr Kerur:

Mr Kerur is Graduate having more than 10 years experience in various fields of Business and Administration. He does not have Director ship in any other companies.

Brief Profile of Mr K Suresh:-

Mr K Suresh is Master of Commerce having more than 10 years experience in accounts and finance. The details regarding directors ship held by him is briefed in the Corporate Governance Report.

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

ITEM NO 4

The retiring auditors, namely M/s Mahesh Nandiraju & Associates, Chartered Accountants have expressed their unwillingness to be re appointed and that a special notice in terms of Section 190 of the Companies Act, 1956 read with section 225 of the Act has also been received from shareholders of the Company for the appointment of new Auditors in place of the retiring auditors M/s Mahesh Nandiraju & Associates, Chartered Accountants. The Company has forthwith communicated to the retiring auditors of the special notice and that the retiring auditors have made no representation against the said special notice. A written certificate has been obtained from N.V Gangadhara & Associates, Chartered Accountant to the effect that in case of his appointment as Auditors of the Company, the appointment will be in accordance with the limits prescribed under section 224(1B) of the Act.

Your Directors recommended the resolution for approval.

None of the Directors is concerned or interested in this resolution.



ITEM NO 5

Sri.S.Naik aged 46 years, B.Com Graduate, has an experience of over 15 years in the Manufacture of Carpets. He holds the Directorship in Golden Harvest International Private Limited. His earlier appointment as Managing Director ceased by 31st July 2009, considering the experience and expertise based on the recommendation of Remuneration Committee, Board of Director Subject to approval of Shareholders appointed Sri.S.Naik as Managing Director on the terms and conditions as mentioned in the resolution for a period of three years w.e.f 1st August 2009. As per the provisions of Companies Act, 1956 Appointment and Fixation of remuneration to the Managing director requires the approval of shareholders by way of Ordinary resolution, Hence the Board of Directors recommended for the approval of shareholders.

This may be treated as a Notice as required under Section 302 of the Companies Act 1956.

None of the Directors except Sri.S.Naik, Smt.Meena Kerur and, Sri.S.B.Kerur are deemed to be concerned or interested in the above resolution.

ITEM NO 6

There is a provision under Section 163 of the Companies Act, 1956, which requires that certain registers and documents such as Register of Members, Index of Members, Register of Debenture holders, copies of all Annual Returns prepared under Section 159 and Section 16; together with the Copies of certificates and documents required to be annexed thereto under Section 160 and 161 of the Companies Act, 1956 are required to be kept at the registered office of the Company. It also provides that the aforesaid documents may be kept at any other place other than the Registered Office, within the city, town or village in which the registered office is situated, if such other place has been approved by the members by special resolution at their meeting.

As Registrars & Share Transfer Agents M/s Ikon Visions Private Limited has closed its operations, Board changed the Registrars & Transfer Agents ie, M/s Ikon Visions Private Limited to M/s XL Softech Systems Limited having its registered office at Sagar Society Road, Road No 2, Banjara Hills, Hyderabad, which requires the approval of Shareholders

The resolution for ratification for changed the address the Register and Transfer Agents and Keeping all the statutory registers, returns and documents pertaining to the period(s) after 2005 to the new Registered Office of XL Softech Systems Limited, Sagar Society Road, Road No 2, Banjara Hills, Hyderabad. As the shifting of books from a place other than the registered office requires approval of shareholders by way of special resolution, hence the same is placed for ratification.

None of the Directors are interested or concerned in the above resolution

By order of the Board of Directors

Place: Secunderabad
Date: 29-07-2009

Sd/-
S.NAIK
Chairman & Managing Director



GOLDEN CARPETS LIMITED

DIRECTORS' REPORT

Dear Members,

Your Directors present herewith the 15th Annual Report on the business and operations of the Company and the audited accounts for the year ended 31st March 2009.

FINANCIAL RESULTS AND OPERATIONS

The summarized financial results for the year ended 31st March 2009 as compared with the previous year are as under:

Rs. In Lakhs.

S.No	Particulars	Year ended 31.03.2009	Year ended 31.03.2008
1.	Sales	145.09	241.96
2.	Other Income	6.25	1.47
3.	TOTAL INCOME (1 + 2)	151.34	243.43
4.	Total Expenses other than interest	141.27	200.30
5.	Interest	0.00	12.03
6.	Total Expenses other than Depreciation	141.27	212.33
7.	Depreciation	74.69	74.64
8.	Miscellaneous Expenditure Written off	16.18	32.37
9.	Profit/ (Loss) for the before tax	(80.81)	(75.93)
10.	Provision for tax		
	Fringe benefit Tax	0.72	0.93
	MAT	1.14	3.20
	Deferred Tax(Liability)/Asset	16.14	14.56
	Profit/(Loss) for the year after tax	(66.53)	(65.50)

OPERATIONS:

During the year the company has achieved a turnover of RS.145.09 Lacs as against 241.96 lacs and the company has suffered a net loss of Rs.66.53 lacs in the year under review the same is also higher of Rs.1.02 lacs as compared to the loss of Rs.65.50 of the previous year. The company has not achieved the expected performance due to the Recession and adverse conditions for Export market.

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 2008-2009 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.

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 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 : 23.68 Lakhs

Foreign Exchange out go : 14.61 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.



GOLDEN CARPETS LIMITED

DIRECTORS

In terms of Provision of section 255 and 256 of the Companies Act 1956, read with the Articles of Association of the company Sri S.B.Kerur and Sri. K.Suresh retires by rotation at this Annual General Meeting, and being eligible offer themselves for reappointment. A brief resume of the retiring Directors as required under Clause 49 of the Listing Agreement is provided in this Annual Report.

Sri S.NAIK, Managing Director, of the Company were re appointed for further period of three years and the same requires the ratification of members in the Annual General Meeting.

AUDITORS

M/s Mahesh Nandiraju & Associates, Chartered Accountants, Statutory Auditors of the Company and WHEREAS a special notice has been received pursuant to Section 225(1) of the Companies Act, 1956 from shareholders for the appointment of N.V Ganagadhara & Associates, Chartered Accountant, Hyderabad in place of retiring Auditors, namely M/s Mahesh Nandiraju & Associates, Chartered Accountants. It is proposed to appointment him as Auditors for the financial year 2009-10 and fix their remuneration. A letter for unwilling to continue as a Statutory Auditor is received from the Retiring Auditor. A consent letter and certificate is received from the New Auditors that if appointment is made, he will be within the limits laid down under section 224 (1B) of Companies Act, 1956.

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 31st March 2009, 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 31st March 2009 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.

CASH FLOW STATEMENT

In conformity with the provisions of Clause 32 of the Listing Agreement with the Stock Exchanges, the cash flow statement for the year ended March 31, 2009 is annexes hereto.

LISTING

The Equity shares of the company Listed on the Bombay Stock Exchange Limited. The company has paid the applicable listing fee to the BSE up-to-date.

AUDIT COMMITTEE

In accordance with Clause 49 of the Listing Agreement, the company has constituted the Audit Committee, which consist of Three Independent Directors and Non Executive Directors of the company. Viz. Mr.K.Suresh, Mrs. Meena Kerur and Mr. Maqsood. The Audit committee functions in terms of the role and powers delegated by the Board of Directors keeping in view of the Provisions of Clause 49 of Listing Agreement and Section 292A of the Companies Act 1956.

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

Place : Secunderabad
Date : 29-07-2009

Sd/-
S.Naik
Chairman & Managing Director