

15th
ANNUAL REPORT
2007-2008

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GOLDWON TEXTILES LIMITED

Attest
for GOLDWON TEXTILES LTD.

[Signature]
S. G. K. K. K.
2007-2008

BOARD OF DIRECTORS

Sri. S.S.R. KISHEN	Chairman & Managing Director
Sri. S. RAHMATULLAH	Director
Sri. AMAR SINGH RATHOD	Director

REGISTERED OFFICE

4th Floor, H.No. 6-2-966/5/1,
Hill Colony, Khairatabad,
Hyderabad 500 004

FACTORY

Survey No. 248, Poppalguda (V),
Rajender Nagar (Mandal)
R.R. District, Andhra Pradesh.

AUDITORS

C. Ramachandram & Co.,
Chartered Accountants,
606, Lingapur Building
3-6-237, Himayat Nagar
Hyderabad - 500 029

BANKERS

State Bank of Hyderabad,
Overseas Branch,
Somajiguda, Hyderabad.

Bank of Baroda,
Chanchelguda Branch,
Hyderabad.

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NOTICE

Notice is hereby given that the Fifteenth Annual General meeting of the members of GOLDWON TEXTILES LIMITED will be held on Monday, the 29th September, 2008, at 11.30 a.m. at 4th Floor, H.No 6-2-966/5/1, Hill Colony, Khairatabad, Hyderabad 500 004 to transact the following business.

ORDINARY BUSINESS

- (1) To receive, consider and adopt the audited Balance Sheet as at 31.03.2008 and the Profit and Loss Account for the year ended on that date along with Directors and Auditors reports thereon.
- (2) To appoint a director in place of Sri. Amar Singh Rathod who retires by rotation and being eligible offers himself for reappointment.
- (3) To appoint Auditors and fix their remuneration. M/s. C. Ramachandram & Co., Chartered Accountants, Hyderabad retires at this meeting and is eligible for re-appointment.

Special Business

- (4) To consider and if thought fit, to pass with or without modifications the following resolution as an ordinary resolution:

"RESOLVED THAT subject to sections 198,269,309,311 and other applicable provisions if any, of the Company Act, 1956 read with schedule XIII as amended upto date, consent of the Company and is hereby accorded for reappointment of Mr. SSR Kishen as Chairman cum Managing Director of the Company, who shall not be liable to retirement by rotation for a period of Five years with effect from 27th August 2008 with out any remuneration".

Place: Hyderabad

Date : 27th Aug 08

By Order of the Board

S.S.R. KISHEN

Chairman & Managing Director

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on his behalf, and the proxy need not be a member.
2. The proxy form should be deposited at the Registered Office of the Company at least 48 hours before the meeting.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from 27th September to 29th September 2008 (both days inclusive)
4. The equity shares of the Company are listed on Hyderabad, Madras and Bombay Stock Exchanges.
5. The Shareholders are hereby informed that all the corresponding related to the shares should be addressed to the Company's Registered Office.

(Pursuant to Section 173 (2) of the Companies Act 1956)

Item No.4

The term of office of Mr. SSR.Kishen as Chairman cum Managing Director of the Company expires on 29th January 2009. The Board of Directors of the Company re-appointed him as Chairman cum Managing Director of the Company for a further period of Five years with effect from 27th August 2008 with out any remuneration as contained in the resolution.

Mr. SSR.Kishen is the main promoter of the Company who has conceived the project and successfully implemented and put in unstinted efforts in making commendable progress. Pursuant to the requirements of Section 269 and schedule XIII of the Company Act, 1956, the appointment without any remuneration is approved by the Shareholders at a General Meeting. The Board recommends the same for approval.

The Resolution and explanatory statement may be treated as an abstract of the terms and conditions u/s 302 of the Company Act, 1956.

None of the Directors of the Company may be deemed to be concerned or interested in the resolution.

Place: Hyderabad

Date : 27th Aug 08

By Order of the Board

S.S.R. KISHEN
Chairman & Managing Director

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DIRECTORS REPORT

Dear Members,

The Directors are pleased to present the 15th Annual Report together with the audited Balance Sheet, Profit and Loss Account and Auditors' Report for the year ended 31st March 2008.

FINANCIAL RESULTS

	Rs. In Lakhs	
	2007-08	2006-07
Other Income	NIL	NIL
(Interest on Term Loan Written back)		
Total Expenditure	0.23	0.23
Gross Profit before Interest		
And depreciation	(0.23)	(0.23)
Depreciation	NIL	NIL
Net Profit	(0.23)	(0.23)

Operations

As you are aware that the unit is not operational since May 2002 and the Hon'ble BIFR declared the Company as a sick unit in 2000-01 under Case No.222/2000. In our revival efforts the Board of Directors of your Company have been exploring new opportunities with Strategic Partnership arrangements and have succeeded in identifying a potential Investor for infusion of funds to revive the unit and buy back the production of the unit and also reached OTS with both the secured creditors. The Company has worked-out a scheme of Rehabilitation considering OTS reached with both the Secured Creditors and keeping in view of the cost for recondition, imported spares and need based working capital with the infusion of funds since tied-up with a Strategic Investor to revive the unit and scheme of revival is submitted to the BIFR and OA for approval.

Future Prospects

The Hosiery Knitwear Sector is zooming with the new EXIM Policy and increase in demand from US markets. The Vision Statement has projected an increase in the size of the industry from USD 36 billion in 2002 to USD 85 billion by 2010 and that exports will reach a level of at least USD 40 billion by 2010. The increases in exports and the size of the industry are projected to boost employment opportunities in the industry and provide 12 million additional jobs.

In our revival efforts new three distinct market niches - (1) Outdoor wear; (2) Dress & Casual wear (3) Health wear have been identified where the Company will be able to serve the ever growing diabetes and other patients. In view of this the Company is confident of serving new markets with higher profitability on its revival.

Public Deposits:

Your Company has not accepted deposits from the public during the year under review and there are no outstanding deposits as on 31st March, 2008.

Personnel:

There are no employees drawing a remuneration as provided in section 217 (2A) of the Companies Act, 1956 whose particulars forming part of this report is to be annexed.

Directors:

Sri. Amar Singh Rathod retires by rotation and being eligible offers himself for reappointment. Sri. SSR Kishen was re-appointed as Chairman cum Managing Director of the Company for a period of Five years with effect from 27th August 2008 with out any remuneration by the Board.

Audit Committee

The Audit committee consists of two independent Directors viz., Sri. S. RAHMATULLA and Sri. AMAR SINGH RATHOD and Sri. S.S.R. Kishen. The Audit committee met four times during the year and recommended the accounts for approval by the Board.

Directors' Responsibility Statement:

Pursuant to the requirement under section 217 (2AA) of the Companies Act, 1956, with respect to Directors' Responsibility statement, it is hereby confirmed:

- 1) That in the preparation of the accounts for the financial year ended 31st March, 2006, the applicable accounting standards have been followed along with proper explanation relating to material departure;
- 2) 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 or loss of the company for the year under review.
- 3) 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 safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- 4) That the Directors have prepared the accounts for the financial year ended 31st March 2008 on a going concern basis.

Listing

The shares of the company are listed on Hyderabad, Madras and Bombay Stock Exchanges. The Listing fee to Bombay Stock Exchange from 2001-02, the Hyderabad Exchange from 2000-01 and Madras Stock Exchange from 1997-98 is outstanding.

Conservation of Energy, Technology Absorption, Foreign Exchange:

Particulars required to be disclosed under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988 are annexed hereto.

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Corporate Governance:

The report on Corporate Governance is enclosed as an Annexure to this report.

Auditors

M/s C. Ramachandram & Co., Chartered Accountants retire at the conclusion of the ensuing Annual General Meeting and are eligible for reappointment.

Acknowledgements:

Your Directors wish to place on record their appreciation for the valuable support and cooperation extended by State Bank of Hyderabad, Bank of Baroda and other Central and State Government Agencies. Your directors also wish to place on record their sincere appreciation to the shareholders for their continued confidence, patronage and support to the management of the Company.

For and on behalf of the board

HYDERABAD
Date: 27th Aug 08

S.S.R.KISHEN
Chairman and Managing Director

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ANNEXURE TO THE DIRECTOR'S REPORT

Particulars required under the companies (Disclosure of particulars in the report of Board of Directors) Rules 1988.

Since there was no activity in the unit during the year under review there are no particulars under this item.

