



**SCANA COLOR (INDIA) LIMITED**

# **27th Annual Report 2003-2004**

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## 27th ANNUAL REPORT 2003-2004

<b>BOARD OF DIRECTORS</b>	<b>Smt. Sushila Devi Birla</b> Chairperson <b>Smt. Nandita Damani</b> Managing Director. <b>Shri Kamal Lakhotia</b> <b>Shri Navkesh Batra</b> <b>Shri Ashok Kela</b>
<b>AUDITORS</b>	<b>M/s. Dosi &amp; Jain</b> Chartered Accountants.
<b>BANKERS</b>	<b>Central Bank of India</b>
<b>REGISTERED OFFICE</b>	125, T.V. Industrial Estate, Opp. Hind Cycle, Pandurang Budhkar Marg, Worli, Mumbai - 400 025 INDIA e-mail : <a href="mailto:scanac@vsnl.com">scanac@vsnl.com</a>
<b>REGISTRARS AND SHARE TRANSFER AGENT</b>	<b>System Support Services</b> 209, Shivaji Industrial Estate, 89, Andheri Kurla Road, Sakinaka, Andheri (E) MUMBAI - 400 072.

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### NOTICE TO THE MEMBERS

NOTICE is hereby given that the 27th Annual General Meeting of the members of SCANA COLOR [ INDIA ] LIMITED will be held on Saturday, September 25, 2004 at 11.30 A. M. at the registered office of the Company at 125, T. V. Industrial Estate, Pandurang Budhkar Marg, Worli, Mumbai - 400 025 to transact, with or without modification(s) the following businesses :

### ORDINARY BUSINESS

1. To receive, consider and adopt the audited Profit and Loss Account for the year ended March 31, 2004 and the Balance Sheet as on that date together with the Reports of the Directors and Auditors there on.
2. To appoint a Director in place of Shri Kamal Lakhotia who retires from office by rotation, and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Shri Ashok Kela who retires from office by rotation, and being eligible offers himself for re-appointment.
4. To appoint Auditors M/s Dosi & Jain of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board to fix their remuneration.
5. To appoint a new Director Shri Dev Vrat Jaithalia in the place of Late Mr. Ajay Daga

### SPECIAL BUSINESS

6. To consider, and if thought fit, to pass with or without modifications, the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT in accordance with the provisions of the Companies Act, 1956 and other Acts, if any, including any amendment there into and subject to the consents, permissions sanctions and approvals if any as may be necessary from the members, Stock Exchange Authorities and subject to conditions as were prescribed/ made applicable in granting such Listing approvals, the consent of the company be and is hereby accorded to Board of Directors of the company to apply for delisting of Equity Shares of the Company from the The Stock Exchanges at Ahmedabad and Hyderabad and that the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things including executions of any documents for this purpose and attend to all statutory compliance's to get the Equity Shares delisted from the above Stock Exchanges".

Registered Office :

For and on behalf of the Board

SCANA COLOR ( INDIA ) LTD  
125, T. V. Industrial Estate  
Pandurang Budhkar Marg,  
Worli,  
Mumbai - 400 025.  
September 01, 2004.

NANDITA DAMANI  
Managing Director

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## NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF / HER SELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.  
THE INSTRUMENT APPOINTING A PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY DULY COMPLETED NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from 24/09/2004 to 25/09/ 2004 (both days inclusive).
3. Members desired of seeking any information concerning the Accounts of the Company are requested to address their queries in writing to the Company at least seven days before the date of the meeting so that the requested information can be made available at the time of the meeting.
4. Members / Proxies are requested to please bring their copies of the Annual Report to the meeting since copies of the Annual Report will not be distributed at the meeting.
5. The Company has listed its shares on The Stock Exchange, Mumbai, The Stock Exchange, Ahmedabad and The Stock Exchange, Hyderabad.
6. a. In view of Circular issued by the SEBI for appointing common agency for both mode of transfers i.e. Physical as well as Demat, the Company has appointed M/s. SYSTEM SUPPORT SERVICES as Registrar & Transfer Agent of the Company. Members are therefore requested to send their grievances to them for early disposal at the address given below.  
  
b. Members holding Shares in physical form are requested to notify immediately any change in their address with PIN CODE to the Registrar and Transfer Agent of the Company at the address given below AND in case their shares are held in demat, this information should be passed on directly to their respective Depository Participants and not to the Company.

M/s. SYSTEM SUPPORT SERVICES,  
[ Unit : Scana Color [ India ] Limited ]  
209, Shival Industrial Estate, 69, Andheri Kurla Road,  
Sakinaka, Andheri [ East ], Mumbai - 400 072.  
Telephone No. 95 22 28500835

7. All documents referred to in the Notice are open for inspection at the registered office of the Company during office hours on all working days except public holidays between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.
8. Members/Proxies holding their Shares in Physical mode are requested to fill the enclosed attendance slip and handover the same at the entrance with signature. In the absence thereof, they may not be admitted to the meeting venue.
9. Members who are holding shares in dematerialised form are requested to bring their Client ID and DP ID numbers for easy identification at the meeting.

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10. In all correspondence with the Company, members are requested to quote their Folio No. and in case their shares are held in demat form, they must quote their DP ID and Client ID Number.
11. The explanatory statement U/s. 173 of the Companies Act, 1956 is enclosed herewith.

**LISTING REQUIREMENTS**

As required under Clause 49 [vi] of the Listing Agreement, given below are the details of the Director(s) who retire by rotation and are eligible for re-appointment (Resolution at Item Nos. 2&3):

A. Name	: Shri Kamal Lakhota
Age	: 52
Qualifications	: B.Com

Mr.Kamal Lakhota is associated with the Company since 1993 He has an experience of over 15 years in the field of Processing  
Other Directorships: NIL

B. Name	: Shri Ashok Kela
Age	: 57
Qualifications	: B.Com

Mr. Ashok Kela is associated with the Company since 1982. He has an experience of over 21 years in the field of Processing  
Other Directorships: NIL

**Committee Memberships****Share Holders Committee**

A. Name	: MR ASHOK KELA
Age	: 57
Qualifications	: B.COM

Mr Ashok kela is associated with the Company since 1982. He has an experience of over 21 years in the field of Processing & Printing  
Other Directorships: NIL

B. Name	: MR Navkesh Batra
Age	: 45
Qualifications	: B.COM

Mr Navkesh Batra is associated with the Company since 1982 He has an experience of over 15 years in the field of Processing & Printing  
Other Directorships: NIL

C. Name	: MR Kamal Lakhota
Age	: 52
Qualifications	: B.COM

Mr Kamal Lakhota is associated with the Company since 1982 He has an experience of over 15 years in the field of Processing & Printing. Other Directorships: NIL

**ANNUAL REPORT 2003-2004****AUDIT COMMITTEE**

A. Name : MR Kamal Lakhotia  
 Age : 45  
 Qualifications : B.COM

Mr Kamal Lakhotia is associated with the Company since 1982 He has an experience of over 15 years in the field of Processing & Printing  
 other Directorships: NIL

B. Name : MR Navkesh Batra  
 Age : 45  
 Qualifications : B.COM

Mr Navkesh batra is associated with the Company since 1982 He has an experience of over 15 years in the field of Processing & Printing  
 other Directorships: NIL

C. Name : Shri Ashok Kela  
 Age : 57  
 Qualifications : B.Com

Mr. Ashok Kela is associated with the Company since 1982. He has an experience of over 21 years in the field of Processing  
 Other Directorships: NIL

**EXPLANATORY STATEMENT U/S. 173 OF THE COMPANIES ACT, 1956**

Item No. 5:

The Equity Shares of the Company are at present listed with the Stock Exchanges at Ahmedabad, Hyderabad and Mumbai. The Equity Shares of the Company on Ahmedabad and Hyderabad Stock Exchanges are not traded in a material way and is negligible in quantum. The number of Shareholders in these regions are also not significant. The Board of Directors of the Company therefore proposes that the Equity Shares of the Company should be delisted from Ahmedabad and Hyderabad Stock Exchanges. The listing of the shares will however continue with Mumbai Stock Exchange which is regional Stock Exchange and with its expansion of BOLT terminals it provide nationwide trading terminals and thereby considerable liquidity to the members and investors for sale and purchase of the Equity Shares of the Company.

As per the new SEBI [ DELISTING OF SECURITIES ] GUIDELINES, 2003 issued by the SEBI, it is necessary that approval of the shareholders of the Company be obtained by passing a Special Resolution at a General meeting for voluntary delisting of shares.

None of the Directors of the Company is/are interested in the resolution.

The Board recommend the resolution for approval by the members.

Registered Office :  
 SCANA COLOR (INDIA ) LTD  
 125, T. V. Industrial Estate,  
 Pandurang Budhkar Marg,  
 Worli,  
 Mumbai-400025  
 September 1, 2004.

For and on behalf of the Board

NANDITA DAMANI  
 Managing Director

**ANNUAL REPORT 2003-2004****DIRECTORS' REPORT TO THE SHAREHOLDERS**

Your Directors have great pleasure in presenting 27th Annual Report together with the Audited accounts for the year ended March 31, 2004.

**FINANCIAL RESULTS**

	<b>Year ended 31.03.2004 Rs. In Lacs</b>	<b>Year ended 31.03.2003 Rs. In Lacs</b>
Sales & Other Income	9,747	15,017
Profit before tax and appropriations	(3,200)	(190)
Profit after tax	(2,686)	824
Add : Excess provision for taxation of earlier year <sup>a</sup>	649	-
Add : Balance brought forward from previous year	(13,164)	(13,988)
Loss carried to Balance Sheet	(15,201)	(13,164)

**DIVIDEND**

Due to losses, Your Directors do not recommend any dividend for the year ended March 31, 2004.

**OPERATIONS**

As already reported in last year performance. The company has introduced digital printing as additional product line. The company has put in substantial efforts in color management, technicians to improve the quality, The company has received very good response from existing and new clients and been able to secure substantial business.

**RESEARCH & DEVELOPMENT**

The R&D department of the company has been arduously working to provide quality and value for money to the customers in keeping with market trends.

**FIXED DEPOSITS**

Your Company has not accepted any deposit within the meaning of section 58A of the Companies Act, 1956 from Public and the rules made there under.

**BOARD OF DIRECTORS**

As per the Provisions of the Companies Act, 1956 and in terms of the Articles of Association of the Company, Mr Kamal Lakhotia AND Mr Navkash Batra Directors of the Company retire by rotation and being eligible, offer themselves for re-appointment.

**CORPORATE GOVERNANCE**

The Company has taken proactive steps to ensure that the conditions of Corporate Governance stipulated in Clause 49 of the Listing Agreement with the Stock Exchange are complied with. A separate report on Corporate Governance together with Auditors' Certificate on its compliance are included in this Annual Report.

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### DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956 the Directors confirm that:

1. In the preparation of the annual accounts, the applicable accounting standards have been followed. Along with proper explanations relating to material departures.
2. Appropriate accounting policies have been selected and applied consistently and judgments and estimates wherever made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2004.
3. Proper and sufficient care has been taken 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. The annual accounts have been prepared on a going concern basis.

### AUDITORS

M/s. Dosi & Jain, Chartered Accountants, Auditors of the Company are retiring at the ensuing Annual General Meeting. They are eligible for re-appointment and have expressed their willingness to act as auditors, if re-appointed. The Company has received a certificate from them that they are qualified under section 224 (1) of the Companies Act, 1956, for appointment as Auditors of the Company. Members are requested to consider their appointment at a remuneration to be decided by the Board of Directors for the financial year ending March 31, 2005 as set out in the Notice convening the Meeting.

### AUDITORS' OBSERVATIONS

The observations of the auditors contained in their Report have been adequately dealt with in the Notes to the Accounts given in Schedule "19." which are self explanatory and, therefore, do not call for any further comments.

### AUDIT COMMITTEE

In accordance with the provisions of the Listing Agreement and Corporate Governance the Company has constituted an Audit Committee comprising of the following Directors viz., Mr Navkesh Batra, Mr Kamal Lakhota members. The Audit Committee acts in accordance with the terms of reference specified from time to time by the Board.

### DEPOSITORY SERVICES

The Company's Equity Shares have been admitted to the depository mechanism of the National Securities Depository Limited (NSDL) and also the Central Depository Services Limited (CDSL). As a result the investors have an option to hold the shares of the Company in a dematerialised form in either of the two Depositories. The Company has been allotted ISIN No. INE416F01019.

Shareholder's therefore are requested to take full benefit of the same and lodge their holdings with Depository Participants [ DP's ] with whom they have their Demat Accounts for getting their holdings in electronic form.