

ANNUAL REPORT 2004-05



Board of Directors :

Jayesh K. Shah
Bhupendra M. Shah
Vinod Modha
Kamal R. Sheth
I. S. Shah

Auditors

M. M. Nissan & Co.
Chartered Accountants,
Mumbai.

Internal Auditors

P. P. Bhandari & Co.
Chartered Accountants,
Mumbai.

Bankers :

UCO Bank
D. N. Road, Mumbai.

Registered Office :

10, Laxmi Towers, 1st Floor,
G Block, C 25, Bandra-Kurla Complex,
Bandra (East), Mumbai - 400 051.

Registrars and Transfer Agents

Pinnacle Share Registry Private Limited
Near Asoka Mills Premises,
Naroda Road,
Ahmedabad - 380 025.

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LIFESTYLE FABRICS LIMITED

Notice

NOTICE is hereby given that the Eleventh Annual General Meeting of the shareholders of the Company will be held on Tuesday, the 27th September, 2005 at 11.00 a.m. at the Registered Office of the Company at 10, Laxmi Towers, G Block, C 25, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Statements of Accounts for the financial year ended on 31st March, 2005 and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Vinod Modha who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Mr. Kamal R. Sheth who retires by rotation and being eligible offers himself for reappointment.
4. To appoint auditors and to fix their remuneration.

Registered Office:

10, Laxmi Towers,
G-Block, C 25, Bandra-Kurla Complex,
Bandra (East)
Mumbai - 400 051
25th April, 2005

By Order of the Board

I. S. Shah
Director

Bhupendra M. Shah
Director

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
2. Proxies, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 23rd September, 2005 to 27th September, 2005 (both days inclusive)



Directors' Report

To,

**The Members,
Lifestyle Fabrics Limited**

Your Directors present their Eleventh Annual Report along with the audited Financial Statements for the year ended 31st March, 2005.

1. FINANCIAL RESULTS:

	(Rs. in lacs)	
	2004-2005	2003-2004
Sales & Other Income	Nil	1.96
Profit / (Loss) before Depreciation, Interest, amortised expenses and taxation	(1.47)	(0.68)
Less : Net Interest	Nil	Nil
Gross Profit / (Loss) after Interest but before Depreciation & Taxation	(1.47)	(0.68)
Less : Depreciation and amortised expenses	Nil	Nil
Profit / (Loss) before Tax	(1.47)	(0.68)
Less : Provision for Taxation	Nil	Nil
Net Profit / (Loss) for the year	(1.47)	(0.68)
Add : Prior Period Income	Nil	Nil
Add : Loss on sale of fixed assets	Nil	Nil
Total loss for the year	(1.47)	(0.68)

2. DIVIDEND

In view of the loss for the year, your directors do not recommend any dividend for the year.

3. OPERATIONS

As reported earlier, the Company is not carrying any manufacturing operations since August, 2001 and the expenses incurred during the year were towards administration and general office purposes etc. As reported last year, your directors continue to look forward for various options including merger that would be in the best interest of the members.

4. SUBSIDIARY COMPANIES

The Company continued to be subsidiary of The Arvind Mills Limited by virtue of Clause (c) of Section 4 of the Companies Act, 1956.

5. DIRECTORS :

Mr. Vinod Modha and Mr. Kamal R. Sheth, Directors of the Company, retire by rotation as required under Section 256 of the Companies Act, 1956 but being eligible, offer themselves for re-appointment.

6. DIRECTORS' RESPONSIBILITY STATEMENT

In compliance of Section 217(2AA) of the Companies Act, 1956, the Directors state that:

- In the preparation of the annual accounts, the applicable accounting standards have been followed. There are no material departures from the applicable accounting standards.
- Such accounting policies have been selected and applied consistently and such judgements and estimates have been made

as are 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 ended on 31st March, 2005 and of the loss of the Company for the period.

- Proper and sufficient care had 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; and

- In view of the sale of all the fixed assets and in absence of any business activity the attached annual account could not be termed as prepared on a going concern basis. However, the directors have prepared the Annual Accounts after providing for all the potential losses and expenses and as such no further adjustments were required to be made therein respect thereof.

7. REPORT ON CORPORATE GOVERNANCE

A separate report on Corporate Governance form part of the Annual Report of the Company. A certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is annexed to the Report on Corporate Governance.

8. AUDITORS

The Auditors, M/s M.M. Nissim & Company, Chartered Accountants, Mumbai retire and offer themselves for re-appointment. It is proposed that they may be re-appointed as auditors of the Company. You are requested to appoint the auditors and fix their remuneration.

9. PARTICULARS OF EMPLOYEES AND INFORMATION REGARDING CONSERVATION OF ENERGY ETC.

As the Company does not have any employee, the Particulars of employees as required by the provisions of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, are not being given.

After the closure of the factory in August, 2001, the Company had disposed off Lease Hold Land and Factory Building during the financial year 2002-03, hence information required under Section 217 (1) (e) of the Companies Act, read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) rules 1988 are not being given.

10. ACKNOWLEDGMENTS

Your Directors record their appreciation of support and co-operation extended by all shareholders, Bankers of the Company and government authorities.

For and on behalf of the Board
For Lifestyle Fabrics Limited

I. S. Shah
Director

Bhupendra M. Shah
Director

Place : Mumbai
Date : 25th April, 2005