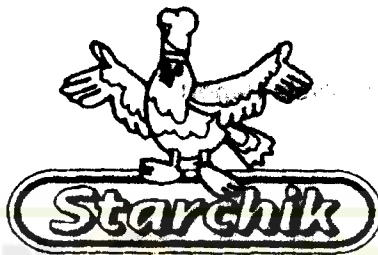




# **STARCHIK SPECIALITIES LIMITED**



**THIRTEENTH ANNUAL REPORT  
2004-2005**

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**STARCHIK SPECIALITIES LIMITED**

**BOARD OF DIRECTORS**

**MANAGING DIRECTOR**

Shri Harbans Singh

**DIRECTORS**

Shri R. P. Vaidya

Shri Amarjyot Singh

Shri Sarabjyot Singh

**AUDITORS**

M/s. Venugopal & Chenoy

Chartered Accountants

Tilak Road, Hyderabad

**BANKERS**

State Bank of India

Commercial Branch

Hyderabad

**REGISTERED OFFICE**

"Poultry Bhavan", 6-1-85/5,  
Saifabad, Hyderabad - 500 004

Phone: 23298898

**FACTORY**

38/2, Kilometer Stone

Kesoram Village

Chevella Mandal

R.R. Dist. A.P.

**DEPOSITORY REGISTRAR  
& SHARE TRANSFER AGENTS**

M/s. Ikon Visions Private Limited.

Flat No. 33, Sanali Heavens

8-3-948, Ameerpet

Hyderabad - 500 0

Phone: 55615699



## NOTICE

Notice is hereby given that the Thirteenth Annual General Meeting of the members of the Company will be held on Friday, 30th September, 2005 at 2.30 p.m. at the Registered Office of the Company at "Poultry Bhavan", 6-1-85/5, Saifabad, Hyderabad - 500 004 to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at 31.03.2005 and the Profit & Loss Account for the year ended on 31.03.2005 together with the reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Shri Sarabjyot Singh, Director who retires by rotation and being eligible offers himself for re-appointment.
3. To re-appoint Auditors and fix their remuneration. The retiring Auditors M/s. Venu Gopal & Chenoy are eligible for re-appointment.

### SPECIAL BUSINESS:

4. To consider and if thought fit to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT subject to the provisions of the applicable laws, guidelines, rules and regulations including the Companies Act, 1956, the Securities Contracts (Regulation) Act, 1956, Listing Agreement with the Stock Exchange, SEBI (Delisting of Securities) Guidelines 2003 and the rules framed thereunder in this regard and subject to such other approvals, permissions and sanctions as may be required from the stock exchanges with which the equity shares of the Company are listed, the consent of the Members be and is hereby accorded to de-list the equity shares of the Company from the Hyderabad, Chennai and Delhi Stock Exchanges.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to make such applications, and do all such things and acts for delisting the Company's shares from the Hyderabad, Chennai and Delhi Stock Exchanges."

**For and on behalf of the Board of Directors  
of Starchik Specialities Limited**

**Place : Hyderabad  
Date : 30-06-2005**

**Sd/-  
Harbans Singh  
Managing Director**

**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 ON A POLL ONLY AND A PROXY NEED NOT BE A MEMBER.
2. Proxies in order to be effective must be received by the Company not less than 48 hours before the commencement of the meeting.
3. The Register of Members and Transfer Books of the Company will remain closed from Tuesday 27th September, 2005 to Friday 30th September 2005 (both days inclusive).
4. As the Company's securities continue to be listed on the Stock Exchange, Mumbai, the Company has no intention to give an exit option to the shareholders of the region of the Stock Exchange, from which the securities are to be delisted.
5. Additional information of director retiring by rotation and eligible for re-appointment:-

Name of the Director :	Shri Sarabjyot Singh
Date of Birth :	23-08-1965
Date of Appointment :	01-10-1993
Experience :	He has over 13 years of experience in administration and marketing of poultry products
Qualifications :	B.Com (Honors)

6. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of item # 4 is annexed hereto and forms part of the notice.



**EXPLANATORY STATEMENT**  
**(Pursuant to Section 173(2) of the Companies Act, 1956)**

Item # 4

Your Company's shares are at present listed at the Mumbai, Hyderabad, Chennai and Delhi Stock Exchanges. After introduction of screen based trading by the Mumbai Stock Exchange, the volumes at regional stock exchanges have come down drastically.

As per the Guidelines issued by the Securities and Exchange Board of India for voluntary delisting of shares from all Stock Exchanges other than the Mumbai Stock Exchange and National Stock Exchange, the prior approval of members by way of a special resolution has to be obtained.

Though the Company has taken members approval for delisting company's securities from the Hyderabad, Chennai and Delhi Stock Exchanges, at the last Annual General Meeting, it could not act upon it. Hence the Board of Directors recommends the resolution for the members' approval as there has been no trading on the said exchanges of the Company's shares. Further it is informed that the delisting of shares from this Stock Exchange will help in reduction of costs in terms of listing fees and reduced compliances. However your company shares will continue to be listed on the Stock Exchange, Mumbai.

None of the Directors of the Company is in any way concerned or interested in the said resolution.

Your directors recommend the said resolution for your approval.

**For and on behalf of the Board of Directors  
of Starchik Specialities Limited**

**Sd/-**

**Place : Hyderabad**  
**Date : 30-06-2005**

**Harbans Singh**  
**Managing Director**



## DIRECTORS' REPORT

Your Directors hereby present the Thirteenth Annual Report of the Company together with the Audited Accounts of your Company for the year ended 31st March 2005.

### **FINANCIAL RESULTS:**

Your Company's performance during 2004-2005 is summarized below:

(Rs. in lakhs)

Sl. #	Particulars	2004-05	2003-04
1.	Sales	1752.09	1396.06
2.	Other Income	15.77	17.50
3.	Total Income (1+2)	1767.86	1413.56
4.	Operating Expenditure	1803.15	1390.67
5.	Profit / Loss before depreciation and Misc. Exp written off (3-4)	-35.29	22.89
6.	Depreciation	19.21	22.36
7.	Misc. Exp. written off	4.76	7.82
8.	Net Profit (+) / Loss (-) [5-(6+7)]	-59.26	-7.29

Inspite of Company's tremendous efforts, your Company could not convince the consumers to change their preference to frozen chicken. Due to the lack of demand, the Company found it difficult to sustain in the market and the management decided to close the operations of the plant from the year 2001-02. With the view to curtail the costs and the losses your Company carried on only trading activity since 2001-02. However, the margins being low in trading activity, it could barely cover the operational costs. It is found that it is not feasible to carry the trading activity and hence the Company has stopped its trading activity also w.e.f. 1st April 2005.

### **DIVIDEND :**

Due to the losses incurred by the Company, Board of Directors is unable to recommend any dividend for the year 2004-05.

### **ONE TIME SETTLEMENT :**

The Company has negotiated and settled the dues with State Bank of India

**DIRECTORS:**

In accordance with provisions of Section 256 of the Companies Act, 1956 and the Articles of Association, Shri Sarabjot Singh, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

Shri Sarabjot Singh has resigned from the position of the Whole Time Director w.e.f. 31st March, 2005 and is continuing as the Director of the Company.

**DIRECTOR'S RESPONSIBILITY STATEMENT:**

The Directors confirm:

- (i) that in the preparation of the Annual Accounts for the year ended on 31st March 2005, the applicable accounting standards have been followed and that no material departures have been made from the same;
- (ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as on 31st March 2005 and of the loss for that period;
- (iii) 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;
- (iv) that the Directors have prepared the annual accounts for the year ended on 31st March 2005, on a going concern basis.

**FIXED DEPOSITS:**

Your Company has not accepted any deposits from the public during the year.

**INDUSTRIAL AND PERSONNEL RELATIONS:**

The relationship between the management and the staff is cordial.

**PARTICULARS OF EMPLOYEES:**

In pursuance of the provisions of Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975, the Directors are to report that no employee was in receipt of emoluments as provided in the said Section.



**AUDITORS:**

M/s. Venugopal & Chenoy, Chartered Accountants, the present statutory auditors of the Company hold office until the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment. The Company has received confirmation from them to the effect that their appointment, if made, would be within the prescribed limits under Section 224 (1B) of the Companies Act, 1956.

**ADDITIONAL INFORMATION AS REQUIRED U/S 217 (1) (e) OF THE COMPANIES ACT, 1956:**

The statement giving particulars with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, is enclosed as Annexure 1

**CORPORATE GOVERNANCE:**

The report on Corporate Governance and Management Discussion Analysis Report are annexed hereto as Annexure - 2 & 3 respectively and they form part of Directors' Report.

**ACKNOWLEDGMENTS:**

Your Directors express their appreciation for the support received from the Bank, Government Authorities, Customers, Vendors and Shareholders.

For and on behalf of the Board of Directors  
of Starchik Specialties Limited

Place : Hyderabad  
Date : 30-06-2005

Sd/-  
(Harbans Singh)  
Managing Director

Sd/-  
(Sarabjot Singh)  
Director

**ANNEXURE - 1**

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

- a) Energy Conservation Measures taken: **Not Applicable as Company carried out only trading activity during the year.**
- b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy : **Nil**
- c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods : **Not Applicable**

**FORM-A**

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

PARTICULARS	2004-05	2003-04
<b>A. POWER AND FUEL CONSUMPTION:</b>		
<b>Electricity</b>		
a) Purchased : Units (KWH)	Nil	Nil
Total Amount (Rs.)		
Rate/Unit (Rs.)		
b) Own Generation	Nil	Nil
Through diesel generator: Units (KWH)		
Units per litre of diesel oil		
Cost per Unit (Rs.)		
<b>B. CONSUMPTION PER UNIT OF PRODUCTION:</b>		
Electricity consumption Per kg of dressed/frozen chicken	Nil	Nil

**FORM B**

DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION

- A. RESEARCH AND DEVELOPMENT (R&D) : Not Applicable
- B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION - Not Applicable