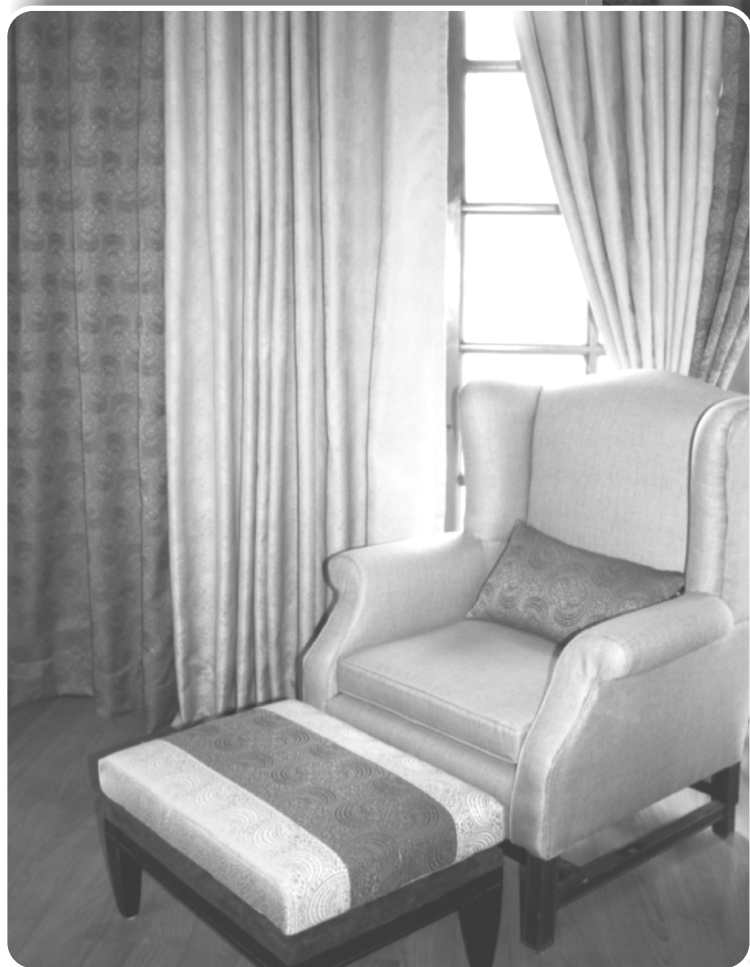


# 2009-10 ANNUAL REPORT



  
**SEASONS<sup>®</sup>**  
TEXTILES LIMITED



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## BOARD OF DIRECTORS

**Mr. Inderjeet Singh Wadhwa**  
Chairman & Managing Director  
**Mr. Mandeep Singh Wadhwa**  
Non Executive Director  
**Mr. Rajendra Kumar Gupta**  
Non Executive Independent Director  
**Mr. Kailash Chandra Mehra**  
Non Executive Independent Director  
**Mr. Chand Krishna Tikku**  
Non Executive Independent Director  
**Dr. Bijoya Kumar Behera**  
Non Executive Independent Director  
**Dr. Pramod Kumar Hari**  
Non Executive Independent Director

## Registered Office

61, Ring Road, (Ground Floor)  
Lajpat Nagar - III, New Delhi - 110024

## Manufacturing Plants

A-27, Sector-5, Noida-201301, UP  
A-29, Sector-5, Noida-201301, UP  
Plot No. 466-67,  
HSIIDC Industrial Estate,  
Barhi Sonepat (Haryana)

## Registrar & Share Transfer Agent

Skyline Financial Services Pvt. Ltd.  
D - 153A, First Floor,  
Okhla Industrial Area, Phase - I,  
New Delhi - 110020  
Tel: 011-26812682, 83, 84  
Fax: 011-26292681  
E-mail: admin@skylinerta.com

## Statutory Auditors

K. L. Datta & Company  
Chartered Accountants  
C - 121, Greater Kailash - I  
New Delhi - 110048

## Internal Auditors

Ashok Kantoor & Co.  
Chartered Accountants  
2659/2, Gurudwara Road,  
Karol Bagh, New Delhi - 110005

## Cost Auditors

M/s J. K. Kabra & Company,  
Cost Accountants,  
552/1B, Arjun Street,  
Main Vishwas Road, Vishwas Nagar,  
Delhi - 110032

## Bankers

Canara Bank  
Parliament Street, New Delhi - 110001  
IDBI Bank Ltd.  
Virendra Smriti  
15/54-B, Civil Line, Kanpur - 208001

## COMMITTEES OF THE BOARD

### Audit Committee

Mr. Kailash Chandra Mehra  
(Chairman)  
Mr. Inderjeet Singh Wadhwa  
Mr. Rajendra Kumar Gupta  
Mr. Chand Krishna Tikku

### Remuneration Committee

Mr. Kailash Chandra Mehra  
(Chairman)  
Mr. Rajendra Kumar Gupta  
Mr. Chand Krishna Tikku

### Investors Grievance Committee

Mr. Mandeep Singh Wadhwa  
(Chairman)  
Mr. Inderjeet Singh Wadhwa

### Company Secretary & Compliance Officer

Ms. Kavita Rani

### Investors Help

cskavita@seasonsworld.com  
Tel. No. (0120) 4690000  
Fax No. (0120) 4351485

### Corporate Office

Seasons House  
B - 18, Sector - 5, Noida-201301, UP  
Tel: 0120-4690000

## NOTICE

NOTICE is hereby given that the 24<sup>th</sup> Annual General Meeting of the Members of **SEASONS TEXTILES LIMITED** will be held at 11.00 AM on Thursday, the 30<sup>th</sup> day of September, 2010 at Royal Vatika, Main Bus Stand, Khera Khurd, Alipur Block, Delhi - 110 082, to transact the following business:

### **ORDINARY BUSINESS :**

1. To receive, consider and adopt the Profit and Loss Account for the year ended on 31<sup>st</sup> March, 2010, the Balance Sheet as on that date and Directors' and Auditors' Report thereon.
2. To appoint a Director in place of Mr. Chand Krishna Tikku, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Bijoya Kumar Behra, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Statutory Auditors and to fix their remuneration and to consider, and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** M/s. K. L. Datta & Company, Chartered Accountants, be and are hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting, until the conclusion of the next Annual General Meeting of the Company, on such remuneration as may be fixed by the Board of Directors."

### **SPECIAL BUSINESS :**

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

**"RESOLVED THAT** pursuant to the provisions of Section 198, 269, 309, 310 and other applicable provisions of the Companies Act, 1956, read with and in accordance with the conditions of Schedule XIII to the said Act, and further subject to the approval of the Central Government, if required, Mr. Inderjeet Singh Wadhwa, be and is hereby re-appointed as Managing Director of the Company and designated as Chairman and Managing Director (CMD), for a period of 3 years, with effect from 1<sup>st</sup> October, 2010 to 30<sup>th</sup> September, 2013 on the following terms:

1. Salary: ₹ 1,50,000 - 25,000 - 2,00,000 per month.
2. Perquisites
  - a) House Rent Allowance/Rent free unfurnished house accommodation up to a maximum of ₹ 30,000 per month.
  - b) Reimbursement of expenses incurred on Gas, Electricity and Water subject to a limit of 10% of Salary.

- c) Reimbursement of Medical expenses - actual expenditure for self and family subject to a ceiling of one month's salary in a year or 3 months' salary over a period of 3 years.
  - d) Provision of Company's car, mobile phone and telephone at residence for use on Company's business but use of car for personal purposes and long distance personal calls on mobile phone/telephone will be charged.
  - e) Any other perquisites as may be decided by the Board and/or the Remuneration Committee.
3. Mr. Inderjeet Singh Wadhwa shall also be eligible to the following perquisites which shall not be included in computation of the ceiling on remuneration specified above:
- a) Company's contribution towards Provident Fund, Superannuation or Annuity Fund to be made as per rules of the Company but to the extent these are not taxable under the Income Tax Act, 1961.
  - b) Gratuity payable as per the provisions of the Gratuity Act, 1972.
  - c) Encashment of Leave at the end of the tenure.

**RESOLVED FURTHER THAT** in the event of inadequacy or absence of profits in any year, Mr. Inderjeet Singh Wadhwa will be entitled to get the minimum remuneration as specified in Schedule XIII to the Companies Act, 1956;

**RESOLVED FURTHER THAT** the Board of Directors and/or the Remuneration Committee of the Board be and is hereby authorized to alter or vary from time to time the terms and conditions of the said appointment, in such manner as they may deem fit in the best interest of the Company, so as not to exceed the limits in that behalf contained in Schedule XIII to Companies Act, 1956, including any statutory modification/re-enactment thereof hereinafter."

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

**"RESOLVED THAT** pursuant to Section 314(1) and (1B) read with Director's Relatives (Office or Place of Profit) Rules, 2003 and other applicable provisions, if any, of the Companies Act, 1956 and subject to the prior approval of Central Government, Mr. Sumer Singh Wadhwa (a relative (son) of Mr. Inderjeet Singh Wadhwa, Chairman and Managing Director of the Company) be and is hereby appointed as Vice President (Marketing) of the Company, to hold an office or place of profit for a period of 5 (Five) years effective from 1<sup>st</sup> October, 2010 to 30<sup>th</sup> September, 2015 at a consolidated monthly remuneration not exceeding of ₹ 1,20,000/- (Rupees One Lac Twenty Thousand only)".

By Order of the Board of Directors  
**For Seasons Textiles Limited**

Place : Noida  
Date : 18.08.2010

**(Kavita Rani)**  
Company Secretary

## 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 / herself and such proxy need not be a member of the Company. Proxies in order to be effective must be lodged at the registered office of the Company not less than 48 hours before the commencement time of the meeting.
- 2) The Register of Members and Share Transfer Register of the Company will remain closed from 20<sup>th</sup> September, 2010 to 30<sup>th</sup> September, 2010 (both days inclusive).
- 3) A Member desirous of getting any information on the accounts or operations of the Company, is requested to forward his / her queries to the Company at least seven working days prior to the meeting, so that the required information can be made available at the meeting.
- 4) Members holding shares in physical form, are requested to notify immediately any change in their address and Bank particulars to the Company or its Share Transfer Agents. In case the shares are held in dematerialized form, this information should be furnished directly, without any delay, to their respective Depository Participants.
- 5) In all correspondence with the Company, Members are requested to quote their folio number and in case their shares are held in the dematerialized form, they must quote their DP ID and Client ID Number.
- 6) At the ensuing Annual General Meeting, Mr. Chand Krishna Tikku and Dr. Bijoya Kumar Behra retire by rotation and being eligible, offers themselves for re-appointment. The tenure of appointment of Mr. Inderjeet Singh Wadhwa as Managing Director expires on 30<sup>th</sup> September, 2010 and it is proposed to appoint him for a further period of 3 years w.e.f. 1<sup>st</sup> October, 2010.
- 7) Members are requested to bring their copies of the Annual Report in the meeting and the Attendance Slip, duly filled-in and signed as per the specimen signature recorded with the Company / Depository Participant for attending the meeting.
- 8) Members, who hold shares in dematerialized Form, are requested to write their Client ID and DP ID Nos., and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting.

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956, IN RESPECT OF SPECIAL BUSINESS FOR THE 24<sup>TH</sup> ANNUAL GENERAL MEETING TO BE HELD ON 30<sup>TH</sup> SEPTEMBER, 2010.**

### **Item No. 5**

Mr. Inderjeet Singh Wadhwa is retiring as Managing Director on 30<sup>th</sup> September, 2010 in terms of the special resolution passed by the members of the company in its annual general meeting held on 29<sup>th</sup> September, 2007.

In terms of the provisions of the Companies Act, 1956, and of listing agreement, re-appointment of Mr. Inderjeet Singh Wadhwa, as Managing Director requires approval of shareholders/members of the company, by way of special resolution.

Mr. Inderjeet Singh Wadhwa, Managing Director of the Company, initially was appointed as director of the company on 28<sup>th</sup> April, 1986 and is holding the office of Managing Director since 1<sup>st</sup> October, 1987. He is commerce graduate from Delhi University, and possesses rich experience of over 26 years in production, marketing, finance and administration. He has extensively travelled all over the globe and possesses rich experience in textile industry, and is having in-depth knowledge of domestic as well as export market conditions of the industry.

I. GENERAL INFORMATION			
1. Nature of industry	Manufacture of Furnishing Fabrics. Trading & Export of Furnishing Fabrics and made-ups.		
2. Date or expected date of commencement of commercial production	11 <sup>th</sup> November, 1986		
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not Applicable		
4. Financial performance based on given indicators	Particulars	Year ended on 31.03.2010 (₹ in Lacs)	Year ended on 31.03.2009 (₹ in Lacs)
	EBITDA	654.41	531.68
	PBT	92.57	98.92
	PAT	47.42	82.15
5. Export performance and net foreign exchange collaborations	Particulars	Year ended on 31.03.2010 (₹ in Lacs)	Year ended on 31.03.2009 (₹ in Lacs)
	Exports	1507.23	1341.65
	Net Foreign Exchange Earnings	1429.75	1209.26
6. Foreign investments or collaborators, if any.	No Foreign Collaboration or Investment		
II. INFORMATION ABOUT THE APPOINTEE			
1. Background details	As provided in explanatory statement above		
2. Past remuneration Salary	₹ 1,25,000 - 25,000 - 1,75,000 per month.  House Rent Allowance/Rent free unfurnished house accommodation up to a maximum of ₹ 30,000 per month.		



	<p>Reimbursement of expenses incurred on Gas, Electricity and Water subject to a limit of 10% of Salary.</p> <p>Reimbursement of Medical expenses - actual expenditure for self and family subject to a ceiling of one month's salary in a year or 3 months' salary over a period of 3 years.</p> <p>Provision of Company's car, mobile phone and telephone at residence for use on Company's business but use of car for personal purposes and long distance personal calls on mobile phone/ telephone will be charged.</p> <p>Contribution towards Provident Fund, Superannuation or Annuity Fund to be made as per rules of the Company</p> <p>Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.</p> <p>Encashment of Leave at the end of the tenure.</p>
3. <b>Recognition or awards</b>	Recipient of "UDYOG PATRA" award of ITID institute, in 2005.
4. <b>Job profile and his suitability</b>	Shri Inderjeet Singh Wadhwa possesses rich experience in Marketing, Finance, Production, Management and Administration. He has extensively travelled all over the globe and possess rich experience in furnishing textile industry and in-depth knowledge of Indian & global conditions in respect of this industry.
5. <b>Remuneration proposed</b>	As provided in resolution above.
6. <b>Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)</b>	The remuneration for the similar position in the Industry having regard to the size of the Companies and profile of persons is not less than the proposed remuneration of Shri Inderjeet Singh Wadhwa.
7. <b>Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.</b>	Except for holding position and drawing remuneration as Managing Director and as shareholder, he has no other pecuniary relationship with the Company. He is a relative of Shri Mandeep Singh Wadhwa, Director and Shri Sumer Singh Wadhwa, who is proposed to be appointed as Vice President (Marketing) of the Company. He is also related to Smt. Tej Kaur, to whom rent is being paid by the Company.



III. OTHER INFORMATION	
1. <b>Reasons of loss or inadequate profits</b>	Low sales turnover due to global recession.
2. <b>Steps taken or proposed to be taken for improvement</b>	The Company proposes to go for modernization - cum - expansion of its production activities. Besides, the Company has been constantly making efforts to improve quality and has been introducing new designs of furnishing fabrics.
3. <b>Expected increase in productivity and profits in measurable terms.</b>	Leveraging on the vast experience of Shri Inderjeet Singh Wadhwa with respect to furnishing Textile Industry and Management of the Company, it is expected that the revenue and net profit will increase around 10% to 15% in the year 2010-2011.
IV. DISCLOSURES :	
1. <b>The shareholders of the company shall be informed of the remuneration package of the managerial person.</b>	Details given in the Corporate Governance section of this Report.
2. <b>The following disclosures shall be mentioned in the Board of directors' report under the heading "Corporate Governance", if any, attached to the annual report : -</b>	
i. <b>All elements of remuneration package such as salary, benefits, bonuses, stock options, pension etc. of all the directors;</b>	Details given in the Corporate Governance section of this Report.
ii. <b>Details of fixed component and performance linked incentives along with the performance criteria;</b>	Details given in the Corporate Governance section of this Report.
iii. <b>Service contracts, notice period, severance fees;</b>	N.A.
iv. <b>Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.</b>	N.A.

**Item No. 6**

It is proposed to appoint Mr. Sumer Singh Wadhwa as Vice President (VP-Marketing) to look after export market of the company at a monthly remuneration to ₹ 1,20,000/- (Rupees One Lac Twenty Thousand only) with effect from 1<sup>st</sup> October, 2010 to 30<sup>th</sup> September, 2015, subject to the terms & conditions as may be determined and approved by members of the company as well as by central government.

In view of the applicability of the provisions of Section 314 of the Companies Act, 1956, the resolution requires prior approval of members of the company by means of special resolution and thereafter from Central Government.

Mr. Sumer Singh Wadhwa is a Bachelor of Business Administration in Marketing & Advertising from London College of Communication, London. He has got rich experience in the fields of developing and designing of different furnishing fabrics, coordination with manufacturers and the buyers, marketing and export.

No other Directors except Mr. Inderjeet Singh Wadhwa and Mr. Mandep Singh Wadhwa are concerned or interested in this resolution.

By Order of the Board of Directors  
**For Seasons Textiles Limited**

Place : Noida  
Date : 18.08.2010

**(Kavita Rani)**  
Company Secretary