

Siddheswari Garments Limited



Report  junction.com

**ANNUAL REPORT
2000 - 2001**



Siddheswari Garments Limited

DIRECTOR :

**MR. MANOJ TOSHNIWAL
MR. KANHAIYA KHAITAN
MR. ABHISHEK PODDAR**

BANKERS :

**CITI BANK, N.A.
BANK OF MAHARASHTRA
ABN AMRO
PUNJAB NATIONAL BANK**

AUDITORS :

**M/S. AGARWAL MEMANI & CO.
CHARTERED ACCOUNTANTS**

REGISTERED OFFICE :

**PRAFULLA KANAN, KRISHNAPUR
KOLKATA - 700 059
PHONE : 576-0473/0468
FAX : 576-0468**

REGISTRAR & SHARE TRANSFER AGENTS :

**AMI COMPUTERS (I) LTD.
60A & 60B, CHOWRINGHEE ROAD
KOLKATA - 700 020
PHONE : 280-0812/0900**



Siddheswari Garments Limited

NOTICE

NOTICE is hereby given that the Seventh Annual General Meeting of the Members of Siddheswari Garments Limited will be held at BE-127, Salt Lake City, Kolkata - 700 064 on Saturday, the 8th September, 2001 at 10.00 A.M. to transact the following business :-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2001 and the Profit and Loss Account for the year ended on that date alongwith the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Abhishek Poddar who retires at this meeting by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors of the Company and to fix their remuneration.

SPECIAL BUSINESS

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

"RESOLVED that pursuant to the guidelines prescribed by the Securities and Exchange Board of India (SEBI) for Voluntary Delistment of Securities, the consent of the Company be and is hereby accorded for delistment of Company's Shares from the Stock Exchange at Delhi which is not the Regional Stock Exchange for the Company."

"RESOLVED further that the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary and expedient for effecting this resolution."

Regd. Office :
Prafulla Kanan,
Krishnapur
Kolkata - 700 059.
Dated : 16th July, 2001

By order of the Board
For **Siddheswari Garments Ltd.**

M. Toshniwal
Director



Siddheswari Garments Limited

NOTES :-

1. A member entitled to attend and vote at the meeting, is also entitled to appoint a proxy/proxies to attend and vote in his/her stead and that a proxy need not be a member. The instrument appointing a proxy(ies), in order to be effective, should reach the Registered Office of the Company at least 48 hours before the meeting.
2. Explanatory statement pursuant to Sec. 173 (2) of the Companies Act, 1956 is annexed.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from Saturday, the 1st September, 2001 to Saturday, the 8th September, 2001, both days inclusive.
4. Members are requested to bring their own copy of the Annual Report to the meeting.
5. Members having multiple folio's in the identical order of names or Joint Accounts, are requested to intimate the Company the folio numbers of such accounts and forward the respective Share Certificates to the Registered Office of the Company for necessary consolidation of holdings under a single folio and return the certificates after due endorsements.
6. Shares of the Company are listed at the Stock Exchanges at Mumbai and Delhi, in addition to the Regional Stock Exchange at Kolkata. The Company is upto date in payment of Annual Listing Fees to the above Stock Exchanges.





Siddheswari Garments Limited

EXPLANATORY STATEMENT PURSUANT TO SEC 173 (2) OF THE COMPANIES ACT, 1956

Items No. 2

Shri Abhishek Poddar, a young enterprising businessman hailing from a renowned Business family having extensive control in Jute Industry of West Bengal. Shri Poddar is a Commerce Graduate from the University at Kolkata. He was inducted in the Board in the year 1998-99 and is due to retire by rotation at the forthcoming AGM. He being eligible for reappointment, the Board recommends his reappointment.

Item No. 4

The Shares of the Company are hardly traded and/or quoted at the Stock Exchange at Delhi. Whereas the Annual Listing Fees and the Cost of Complying Listing Agreements have since gone up disproportionately as against no tangible benefit being derived to the Shareholders of the Company. Thus, when the Company is faced with the problem of economising its operational expenses to reduce the increasing burden of the operational losses your directors considers the delisting of Shares with associated saving of unnecessary cost of Annual Listing Fees and other expenses would be a positive step forwards Economising expenses. Your Directors recommends adoption of the Resolution as set out under agenda no. 4 of the Notice, for the interest of the Company and its Shareholders.

None of the Directors is personally interested and/or concerned in this resolution.



Siddheswari Garments Limited

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors take pleasure in presenting the Seventh Annual Report and the Audited Financial Results of the Company for the year ended on 31st March, 2001.

FINANCIAL RESULTS

	(Rs. in Lacs)	
	For the year ended 31.03.2001	Previous year ended 31.03.2000
Net Sales	17.21	37.85
Other Income	24.32	19.53
Total	41.53	57.38
Less : Expenditure	33.36	59.33
Gross Profit / (Loss)	8.17	(1.95)
Less : Depreciation	1.15	4.84
Less : Interest	1.57	1.35
Profit / (Loss) before Tax	5.45	(8.14)
Less : Provision for Taxation	0.46	—
Net Profit / (Loss) (PAT)	4.99	(8.14)
Balance brought forward	16.61	24.75
Balance transfered to Balance Sheet	21.60	16.61

PERFORMANCE

During the year under review, there had been suspension of work from 27.06.2000 for the rest of the year due to serious Industrial dispute. The Company's production unit could operate only for 3 months and that too under constant threats and disturbances. Consequently Company failed in its commitments which resulted in serious loss of market.

INDUSTRY OUTLOOK

The Garments Industry has a bright prospect both in domestic and Export Market. The availability of Cheap Labour, and raw materials is causing increased demands in the Export Markets.

OPPORTUNITIES AND THREATS

In the Garments Industry, the competition is mainly from the large number of small manufacturers who are engaged in an unhealthy competition of price cuttings. The major problem faced by the Industry is the entry of a large number of producers in the other Asian Countries who hold an advantageous position pursuant to a rapid and repetitive devaluation of currencies in such Asian Countries which enables the producers of other Asian Countries to quote comparatively lower prices in the International market.

RISK AND CONCERN

Absence of discipline in the labour forces and militant Trade-union activities in this part of the country is not conducive to a healthy Industrial Growth.



Siddheswari Garments Limited

The rising internal competition and recessionary condition affect the performance. More over export realisation remains under pressure due to stiff competition from China and other Asian Countries.

Labour relations are strained with continuous non-cooperation and unhelpful attitude of certain trade unions. Intermittant work stoppage, strike and refusal to comply to the agreed norms and other violation of work practices have resulted in deplorable work culture, with no improvement in the situation.

AUDITORS REPORT

The Report of the Auditors is self explanatory and does not require any further elaboration.

DIVIDEND

There being in sufficient surplus, the Directors abstain from recommending any dividend for the year under review.

DIRECTORS RESPONSIBILITY STATEMENT

In compliance of the Sec. 217 (2AA) of the Companies Act 1956, your Directors confirm that :

- (i) in the preparation of the Annual Accounts, the Accounting Standards laid down by ICAI, have been strictly followed ;
- (ii) the directors have selected such accounting policies as in schedule 21 to the annual accounts and adopted them consistently and made judgements and estimates that 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 and of the profit & loss of the company for that period ;
- (iii) proper and sufficient care has been taken for the maintenance of adequate records in accordance with provisions of the Companies Act 1956, for safeguarding the assets of the company and detecting fraud and other irregularities ;
- (iv) the annual accounts have been prepared on the on-going concern basis.

CORPORATE GOVERNANCE

The code of Corporate Governance as provided in the Listing Agreements of the Stock Exchanges where the Shares of the Company are listed is due to be compulsorily implemented by 31st March, 2003, as far as your company is concerned. The company has taken adequate steps to ensure that all mandatory provisions of the code of Corporate Governance is implemented well in advance of the appointed date.

DEMATERIALISATION

In terms of the provisions under the Depositories Act, 1996, delivery of shares of your company in Dematerialised Form have been implemented w.e.f. 26.12.2000 and necessary connectivity with NSDL & CDSL has been established for share transactions dematerialised form. Members wishing to maintain their holdings of shares in dematerialised form may acts through their respective Depository Participants (DP).