

Siddheswari Garments Limited



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**ANNUAL REPORT
2003 - 2004**



Siddheswari Garments Limited

DIRECTOR :

MR. ABHISHEK PODDAR

MR. SANJAY KUMAR SHAH

(Addl. Director)

MR. MANOJ TOSHNIWAL

(Since Resigned)

MR. KAMAL KUMAR GUPTA

(Addl. Director)

BANKERS :

BANK OF MAHARASHTRA

ABN AMRO BANK

PUNJAB NATIONAL BANK

AUDITORS :

M/S. AGARWAL MEMANI & CO.

CHARTERED ACCOUNTANTS

REGISTERED OFFICE :

9, INDIA EXCHANGE PLACE

3RD FLOOR, KOLKATA - 700 001

PHONE : 2210-7234

FAX : 2220-3185

REGISTRAR & SHARE TRANSFER AGENTS :

AMI COMPUTERS (I) LTD.

60A & 60B, CHOWRINGHEE ROAD

KOLKATA - 700 020

PHONE : 2280-0812/0901



Siddheswari Garments Limited

NOTICE

NOTICE is hereby given that the Tenth Annual General Meeting of the Members of SIDDHESWARI GARMENTS LIMITED will be held at 9, India Exchange Place, 3rd Floor, Kolkata - 700 001 on Wednesday, the 29th September, 2004 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, 2004 and the Profit and Loss Account for the year ended on that date along with the Report of the Directors and Auditors thereon.
2. To appoint a Director in place of Sri Sanjay Kumar Shah 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 an Ordinary Resolution :-

"RESOLVED that Shi Kamal Kumar Gupta be and is hereby appointed as a Director of the Company whose period in office shall be subject to retirement by rotation."

Dated : 1st September, 2004.

Regd. Office :
9, India Exchange Place
(3rd Floor)
Kolkata - 700 001.

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

A. Poddar
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 the Share Transfer Books of the Company shall remain closed from Tuesday, the 21st September, 2004 to Wednesday, the 29th September, 2004, 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 endorsement.
6. Shares of the Company are listed at the Stock Exchange at Mumbai, in addition to the Regional Stock Exchange at Kolkata. The Company is upto date in payment of Annual Listing Fees to the above Stock Exchange.
7. Details of Directors seeking appointment/reappointment in terms of Clause 49 of the Listing Agreement.

Name	Date of Birth	Date of Appointment	Qualification Experience	Directorship in other Public Company	Common Membership in other Public Co.
S. Shah	10.06.76	11.06.03	B.Com 5 Yrs.	NIL	NIL
K. K. Gupta	04.07.59	06.10.03	B.Com 10 Yrs.	NIL	NIL

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

Item No. 4

Sri Kamal Kumar Gupta who was appointed as an Additional Director during the year is due to vacate his office at the forthcoming A.G.M.

Meantime the Company has received a notice U/S 257 of the Companies Act, 1956 from a Share holder communicating his desire to propose the resolution as set out under Item No. 4 of the Notice.

Sri Kamal Kumar Gupta is a professional with vast experience & exposure in Business and Administration and his services to the Company is considered most valuable for the interest of the Company. Your Directors recommend adoption of the resolution as set out under Item No. 4 for the interest of the Company. Non of the Directors is personally interested and/or concerned in this resolution.



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DIRECTORS' REPORT

TO THE MEMBERS

Your Directors take pleasure in presenting the Tenth Annual Report and Audited Financial Results of the Company for the year ended on 31st March, 2004.

FINANCIAL RESULTS

	(Rs. in Lacs)	
	For the year ended 31.03.2004	Previous year ended 31.03.2003
Net Sales	22.56	08.50
Other Income	21.33	31.92
Total :	43.89	40.42
Less : Expenditure	38.23	22.90
Gross Profit / (Loss)	5.66	17.52
Less : Depreciation	4.71	4.71
Less : Interest	0.40	0.40
Profit / (Loss) before Tax	1.55	12.41
Less : Provision for Taxation	01.31	01.02
Add : Provision for Deferred Tax	01.12	0.86
Net Profit / (Loss) (PAT)	0.37	12.25
Add : Excess Income Tax for earlier	0.00	0.28
Balance brought forward	17.46	4.93
Balance transferred to Balance Sheet	17.83	17.46

PERFORMANCE

During the year under review, there had been total suspension of work consequent to serious Industrial disputes. The Company could realise some marginal revenue by sale of work in-progress and old stock left over in the works and godown. Company failed in its commitments which resulted in serious loss of market.

AUDITORS REPORT

The Report of the Auditors when read with the notes on financial statement in Sch.18 is self explanatory and does not require any further elaboration.

AUDITORS

M/s. Agarwal Memani & Co., Chartered Accountants, the Auditors of the Company retire at the conclusion of the forthcoming Annual General Meeting and your Directors recommend their re-appointment.

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 ;



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- (ii) the directors have selected such accounting policies 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

A separate report is annexed to this report as Annexure - 'A'.

DIRECTORS

Sri Sanjay Kumar Shah, Director of the Company retires by rotation at the ensuing Annual General Meeting and he is eligible for re-appointment. During the year Mr. Manoj Toshniwal resigned from the office of Director for his other pre-occupation. Mr. Manoj Toshniwal was actively associated with the Company since its incorporation. The Board of Directors put on records its sincere appreciation of the valuable services rendered by Mr. Manoj Toshniwal during the tenure of his office.

During the year Mr. Kamal Kumar Gupta was inducted in the Board as an additional Director and his term in office is due to expire at the forthcoming Annual General Meeting.

A notice u/s 257 of the Act, has been received from a member indicating intention to propose appointment of Mr. Kamal Kumar Gupta as rotational Director.

PARTICULARS OF EMPLOYEES

There being no employee, employed during the year, drawing remuneration in excess of the prescribed ceiling, the provisions of Section 217 (2A) of the Companies Act, 1956, is not applicable in connection with this company.

CONSERVATION OF ENERGY, ETC.

A statement containing necessary information, as required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988 is annexed hereto as annexure 'B'.

DELISTMENT

The Shares of the Company stand delisted from the Stock Exchange at Delhi pursuant to the resolution passed by the members in the Annual General Meeting held in 2002 in terms of SEBI guidelines for Voluntary Delisting.

ACKNOWLEDGMENTS

Your Directors wish to place on records, their sincere appreciation of the Valuable co-operation and support received from the Financial Institutions, Banks, Government departments and Agencies both at the Central and State levels. The Directors would like to express thanks to the sincere services of Workers, Staff and Executives of the Company.

Dated : 1st September, 2004
 Regd. Office :
 9, India Exchange Place
 3rd Floor, Kolkata - 700 001.

For and On behalf of the Board

A. Poddar
 Director



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ANNEXURE 'A'

CORPORATE GOVERNANCE

Corporate Governance essentially deals with how the Company is administered and the manner in which the Board of Director discharge its mission and responsibilities to ensure good management with accompanying accountability and transparency in the best interest of the shareholders and the investing public.

The report on Corporate Governance is divided into six parts :

1. Board of Director its compositors and functions.
2. Committees of Directors.
3. General Body Meetings.
4. Disclousers.
5. Means of communications and
6. Shareholders information.

1. BOARD OF DIRECTORS

- a) The Board of Director is comprised of 3 (there) Independent Non. Executive Director having no business or other relationship with the company that could hunder their independent judgement. The Company having no business activities for the last couple of years no whole time executive Director has been apointed. On the other hand the paid up capital of the company being less than the prescribed limit under section 269 of the Companies Act, 1956 such appointment of managing or whole time Director is not mandatory in case of Company. The day to day management of the Company is overviewed by the Board of Directors.

The particulars of Directors are as under :-

<u>Name of Director</u>	<u>Category</u>	<u>No. of other Directors</u>	<u>No. of Committee Membership</u>
Mr. Abhishek Poddar	Non-Executive, Independent	1	3
Mr. Sanjay Kr. Shah	Non-Executive, Independent	1	3
Mr. Kamal Kr. Gupta	Non-Executive, Independent	—	2

- b) Board Procedure :

The function, responsibilities and accountability of the Board of Directors are clearly defined in addition to its primary role of monitoring and supervision of the Company Corporate activities. The general functions of the Board includes, inter alia.

- i) To direct and guide activities towards attaining Corporate Goals as above.



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- ii) Approving appointments, monitoring Industrial relations, layout broad policy decisions, and management of Human Resources.
- iii) Formulation of Strategic business plans and monitoring implementation thereof and to review the same continuously.
- iv) Reviewing and approving financial plans and budgets.
- v) Discuss, review and decide Expansions, modernisation and other new projects.
- vi) Review financial statement and last flow inventories on a periodic and also on a continuous basis.

© Board Meetings :

During the year under review there had been 7 Board meetings held on 10.06.03, 10.07.03, 31.07.03, 06.10.03, 07.10.03, 31.10.03 & 31.01.04 details of attendance of Director in such meetings are given hereunder :

<u>Name of Director</u>	<u>No. of Board Meeting Attended</u>	<u>No. of Committee Meeting Attended</u>	<u>Attendance at the last A. G. M.</u>
1. Mr. M. Toshniwal	4	2	—
2. Mr. Abhishek Poddar	6	2	—
3. Mr. Sanjay Shah	5	3	Yes
4. Mr. Kamal Kr. Gupta	1	1	—

There is an well Laid procedure to sent detailed agenda papers to the directors along along with the notice of the meetings sufficiently is advance with a view to enable the directors to discuss freely and effectively all the items of business transacted at such meetings, various discussion emerging from such meetings are duly implemented to streamline the systems and procedure followed by the company.

2. BOARD COMMITTEES

There are 3 (Three) permanent committees.

a) Audit Committee :

The Audit Committee of the Board is comprised of 3 (three) directors, namely Mr. Abhishek Poddar, Mr Kamal Kumar Gupta, Mr. Sanjay Shah being professional accountant has enough exposures and expertise in Accounting procedures, Act, as the Chairman of the Audit Committee. The Audit Committee met 4 (four) times during the year 10.07.03, 31.07.03, 31.10.03 & 31.01.04. Consequent upon withdrawal of his appointment by Mr. Manoj Toshniwal, the committee was reconstituted by indirection of Mr. Kamal Gupta in his place.



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b) Share Transfer Committee :

The company has a share transfer cum investor grievance committee comprising of Mr. Sanjay Shah and Mr. Abhishek Poddar as its members. The Committee meets at regular intervals depending upon the volume of transfer / transmission of shares and duplicate issue of share certificates. The committee met 8 (eight) time.

c) Shareholders / Investors Grievance Committee :

The Committee consists two members, viz. Sri Abhishek Podder and Sri Sanjay Shah.

The Committee looks into the redressal of shareholders & Investors Complaints relating to transfer of shares, non receipt of Balance Sheet etc. There is no grievances pending at the end of the year.

d) Remuneration of Director :

All the Director of the Company are non executive and are drawing no remuneration as Director. The directors have not drawn any sitting fees during the year. Accordingly the constitution of any remuneration committee did not arise.

3. GENERAL BODY MEETINGS

The details of General Meetings held last 3 years.

<u>Year</u>	<u>Details of Meetings</u>	<u>Venue</u>	<u>Date</u>	<u>Time</u>
2000-2001	7th A G M	BE-127, Salt Lake, Kol-64	08.09.01	10.00 A.M.
2001-2002	8th A G M	— Do —	28.09.02	10.00 A.M.
2002-2003	9th A G M	— Do —	27.09.03	10.00 A.M.
	E O G M	Prafulla Kanan, Krishnapur, Kol-59	10.11.03	10.30 A.M.

There had been no special resolution put through postal ballot.

4. DISCLOSURES

There were no materially significant related party transactions of the company during the year with its Directors or the Management or relatives or subsidiaries that might have potential conflict with the interest of the company at large.

No strictures or penalties have been imposed on the company by any regulatory authority for non-compliance of any Law.

5. MEANS OF COMMUNICATION

The un-audited Financial Results and other notices are published in the local newspapers, Financial Express (English) & Khabarer Kagaj (Vernacular) and no individual communication are sent to the Shareholders except the notices converging the General Body Meetings and the Annual Reports & Accounts, which are sent to all shareholders and others concerned by pre-paid post under Certificate of Posting and in the manner prescribed under the Companies Act, 1956 and other statutory regulations.