

MD	✓		BKC	✓
CS	✓		DPY	NA
RO	✓		DIV	NA
TRA	✓		AC	✓
AGM	✓	✓	SLI	✓
YE	✓	✓		

Siddheswari Garments Limited



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ANNUAL REPORT
1996-97





Siddheswari Garments Limited

DIRECTORS

MR. C. D. BANGUR — Chairman
MR. K. K. CHETLANGIA
MR. M. TOSHNIWAL
MR. S. SAMANTA

BANKERS

CITI BANK, N.A.
BANK OF MAHARASHTRA

AUDITORS

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

Report

REGISTERED OFFICE

PRAFULLA KANAN
KRISHNAPUR, CALCUTTA - 700 059
PHONE NO. : 550-0473/0468
FAX NO. : 5500468

REGISTRARS & SHARE TRANSFER AGENTS

AMI COMPUTERS (I) LTD.
60A & 60B, CHOWRINGHEE ROAD
CALCUTTA - 700 020
PHONE NO. : 240-6776/9251



Siddheswari Garments Limited

NOTICE

Notice is hereby given that the Third Annual General Meeting of the members of the Company will be held at its Registered Office, Prafulla Kanan, Krishnapur, Calcutta - 700 059 on Saturday, the 27th September, 1997 at 10.00 A.M. to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Profit & Loss Account for the year ended 31st March, 1997 & Balance Sheet as on that date and the reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. C. D. Bangur, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. S. Samanta, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

5. To consider, and if thought fit, to pass, with or without modification, the following resolution as an ordinary Resolution.

"RESOLVED that pursuant to Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (Board) to the creation by the Board of such mortgages, charges and hypothecations in such form and manner as the Board may decide on such of the Company's movable and immovable properties, both present and future, or the whole or substantially the whole of the undertaking/s of the Company and in such manner as the Board may decide together with power to take over the management and concern of the company in certain events, for securing any loan to be obtained from any Financial Institution or Bank or Person/s or Debentures to be raised together with interest, costs, charges, expenses and all other monies payable by the Company in respect of the loans/debentures."

"FURTHER RESOLVED that the Board of Directors of the Company be and is hereby authorised to finalise the terms and conditions of the loans to be obtained or debentures to be raised and the documents for creating the said mortgages, charges and hypothecations and to do all such acts and things and execute such documents or writings as may be necessary for giving effects to the above resolution and in this regard the Board may act through any member thereof or any other person duly authorised by the Board in that behalf."

6. To consider, and if thought fit, to pass, with or without modification, the following resolution as an ordinary Resolution.

"RESOLVED that pursuant to the provisions of Sec 163(I)(i) of the Companies Act, 1956, the consent of the Company be and is hereby accorded to the Board of Directors (Board) for keeping the Register of Members and the Indices of members and such other Statutory Registers and documents, as may be required at the office of the Share Transfer Agents of the Company M/s. AMI Computer (India) Ltd., at 60A & 60B, Chowringhee Road, Calcutta - 700 020."

Registered Office :
Prafulla Kanan,
Krishnapur,
Calcutta - 700 059
Dated : 13th August , 1997

By Order of the Board
For Siddheswari Garments Ltd.

C. D. Bangur
Chairman



Siddheswari Garments Limited

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. A proxy need not be a member.
2. The register of Members and Share Transfer Books of the Company will remain closed from 13th September, 1997 to 27th September, 1997 (both days inclusive).
3. Explanatory statement pursuant to Sec. 173(2) of the Companies Act 1956 in respect of special business as set out above is annexed herewith :
4. Members are requested to bring their copies of the Annual Report with them to the meeting.
5. Members are requested to notify their change of Address, if any.

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

Item No. 5

In the ordinary course of business operations, the Company may be required to borrow sums of money or moneys from Bank and Financial Institutions by way of Term Loans and in terms of such Loan Agreements, such borrowings may be required to be secured by creation of mortgage/charge on Company's assets.

Whereas the section 293(1)(a) of the Companies Act, 1956, provides, inter alia, that the Board of Directors shall not, except with the consent of the company in a general meeting, sell or lease or dispose of whole or substantially whole of the undertaking of the company or where the company owns more than one undertaking, the whole or substantially whole of any such undertaking and the creation of mortgage/charge on the assets of the company constitutes disposal of the concerned asset constituting the undertaking of the company, the proposed resolution under item no. 5 of the notice convening the meeting is intended to obtain such consent of the members in conformity of the aforesaid requirement of the Act.

The Board of Directors recommends approval of the proposed resolution in the interest of the company. None of the Directors is concerned or interested in this resolution.

Item No. 6

The Company has appointed M/s. AMI Computers (I) Ltd., as the Share Transfer Agents to deal with the Transfer of Share of the Company and maintenance of the necessary documents and Registers in this regard. The provisions of sec 163(1)(i) of the Companies Act, 1956 requires passing of Resolution by the members in a General Meeting as set out in item no. 6, in case such documents and Registers are not kept at the Registered Office of the Company.

Directors recommend approval of the resolution set out in item no. 6 of the notice convening this meeting.

None of the Directors are personally interested or concerned in this Resolution.

Registered Office :
Prafulla Kanan,
Krishnapur,
Calcutta - 700 059
Dated : 13th August , 1997

By Order of the Board
For Siddheswari Garments Ltd.

C. D. Bangur
Chairman



Siddheswari Garments Limited

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors take pleasure in presenting the 3rd Annual Report and Audited Financial Results of the Company for the year ended on the 31st March, 1997.

FINANCIAL RESULTS

	(Rs. in lacs)	
	For the year ended 31.03.97	Previous year ended 31.03.96
Net Sales	40.30	3.60
Other Income	27.64	33.30
Total :	67.94	36.90
Less : Expenditure	52.60	12.47
Gross Profit before Depr./Int.	15.34	24.43
Less : Depreciation	4.46	0.23
" Interest	0.20	—
Profit before tax	10.68	24.20
Less : Provision for taxation	1.38	8.75
Net Profit	9.30	15.45
Balance brought forward	15.45	—
Total carried to B/S	24.75	15.45

OPERATION

The Commercial production having commenced at the fag end of the last financial year, the year under review is in fact the first year of operation and consequently 100% capacity utilisation is yet to be achieved.

Considering the facts that your company being the new entrants in the market, it had to face a stiff competition from the old and established players. Secondly, your directors, decided to move very cautiously and therefore instead of venturing with the full range of its projected products, the company has so far concentrated on a single product with the idea of building up a market of its own. The company took considerable time during the year under review to penetrate the Hosiery market and the turnover started picking up from November, 1996 and onwards and the year was closed with a turnover of 40.30 lacs to its Credit. Due to lower offtake in the first seven months of the year, the company could not optimise its existing production facilities. Your directors are confident of achieving the turnover of about 100.00 lacs in the current year and there will be a substantial operating profit. Such performance is more creditable from the point of view that the company could manage its entire projects so far from its own resources without taking recourse to borrowed funds.

UNPAID ALLOTMENT MONEY

Your Directors regret to point out that a substantial amount of Rs. 41.62 lacs are still due from several members towards allotment money due on their share, inspite of various reminders having been sent to individual defaulters. Your Directors feel that such non-payment of allotment money could be result of the wide spread depression in the secondary market, particularly in case of non-specified scrips. Yet such decision of the members put their own company in difficulty. However, with a bid to induce the defaulting members to clear their dues, yours Directors decided to declare an interest holiday from 01.04.97 to 31.07.97. But unfortunately such gesture was in vain. Consequently, your Directors might be forced to take re-course to the provisions under the Articles of Association for forfeiture of those shares, in the interest of the Company and its shareholders.

DIVIDEND

Your Directors felt the necessity of retention of entire profit to finance the future expansion plan and therefore express their inability to recommend any dividend for the year under review.

FIXED DEPOSIT

The Company has not accepted/renewed any fixed deposit from the public.

AUDITORS' REPORT

Notes on Accounts and the Report of the Auditors are self explanatory.

DIRECTORS

Pursuant to the provisions under section 255 of the Companies Act, 1956, and in accordance with the Art. 143(3) of the Articles of Association of the Company, Mr. C.D. Bangur and Mr. S. Samanta retire by rotation at the forthcoming Annual General Meeting and being eligible they offer themselves for re-appointment.