

Siddheswari Garments Limited



ANNUAL REPORT
2018 - 2019



Siddheswari Garments Limited

DIRECTOR :

MR. ABHISHEK PODDAR

MR. SANJAY KUMAR SHAH

MR. UMA NATH SINGH

MRS. RITI PODDAR

BANKERS :

RBL BANK LTD

AUDITORS :

M/S. JAIN PRADEEP & CO.

CHARTERED ACCOUNTANTS

COMPANY SECRETARY :

DONA AGARWAL

REGISTERED OFFICE :

9, INDIA EXCHANGE PLACE

3RD FLOOR, KOLKATA – 700 001

PHONE : 2210-7234

FAX : 2230-5897

EMAIL : siddheswari@hotmail.com

WEBSITE : www.siddheswarigarments.co.in

REGISTRAR & SHARE TRANSFER AGENTS :

S.K. INFOSOLUTION (P) LTD.

34/1A, SUDHIR CHATTERJEE STREET

KOLKATA – 700 006

PHONE : 2219-4815 / 6979



Siddheswari Garments Limited

NOTICE

NOTICE is hereby given that Twenty Fifth Annual General Meeting of the members of **M/s SIDDHESWARI GARMENTS LIMITED** will be held at the Registered office of the Company at 9, India Exchange Place, 3rd floor, Kolkata-700001 on Monday , the 30th September, 2019 at 10.00 A.M. to transact the following business:-

ORDINARY BUSINESS

Item No-1

Adoption of audited financial statements:-

To receive, consider and adopt the Audited Balance sheet of the Company as at 31st March, 2019 and the Audited Statement of Profit & Loss Account and cash flow statement for the Financial year ended on that date together With the Reports of the Directors and Auditors thereon.

Item No-2

To appoint a director in place of Mrs Riti Poddar(DIN 01726726) who retires by rotation at the forthcoming Annual General Meeting and she being eligible, offers herself for reappointment.

In This connection to pass with or without modification the following resolution as an ordinary resolution:-

Resolved that Mrs Riti Poddar(DIN 01726726) who retires by rotation at the conclusion of the this AGM and she being eligible, be and is hereby reappointed as a director of the Company whose period in office shall be subject to retirement by rotation"

ITEM-3

Appointment of Auditors

To Appoint the Auditors of the Company, and Fix the Remuneration and to pass with or without modification(s), the following resolution as an ordinary Resolution-

RESOLVED THAT Pursuant to the provisions of sections 139, 142 and other applicable provisions of the companies Act, 2013 and the Rules made there under M/s R K BAJAJ & COMPANY (FRN 314140E), Chartered Accountants be and is hereby appointed as the statutory auditor of the Company for a consecutive period of 5 years from the date of conclusion of this meeting till the conclusion of the Annual General Meeting to be held in the year 2024 at such remuneration as may be fixed by the Board from time to time and that Board of Directors of the Company be and hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary and expedient for affecting this resolution including filling of e-form , ADT-1 with MCA recording the appointment.

Dated : 30.05.2019

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

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

Sanjay Kr. Shah
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 AT THE MEETING INSTEAD OF HIMSELF/HERSELF AND THAT A PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING A PROXY (IES), IN ORDER TO BE EFFECTIVE, MUST REACH THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE MEETING.

A person can act as proxy on behalf of members not exceeding 50(fifty) and holding in the aggregate not more than ten percent of total share capital of the company.

2. The Register of Members and the Share Transfer Books of the Company shall remain closed from Thursday the 26th September 2019 to Monday , the 30th September, 2019, both days inclusive.
3. Members are requested to bring their attendance slip in the meeting, corporate members are requested to send to the Company's registered office, a duly certified copy of board resolution authorising their representative to attend and vote at the meeting.
4. Member desiring any information on the Accounts for the financial year ended on 31.03.2019 are requested to write to the Company at least 10 days in advance, so that the management is enabled to keep the information ready at the meeting.
5. SEBI has since made it mandatory for the operations in securities market to furnish compulsorily their PAN No Accordingly, the members holding shares in physical mode are requested to furnish their respective PAN No along with a photo copy of this PAN Card to the Company/RTA.
6. The Company has implemented the "GREEN INITIATIVE" as per circular Nos 17/2011 dated April 21,2011 and 18/2011 dated April 29, 2011 issued by the Ministry of Corporate Affairs (MCA) by allowing paperless Compliances by the companies for service of documents to their members through electronic mode, which will be in compliance with section 20 of the Companies Act, 2013 . Henceforth, the email addressed indicated in you respective depository participant accounts which will be periodically downloaded from NSDL/CDSL will be deemed to be your registered Email address for serving notices/ documents etc .
7. Electronic copy of the Annual Report for the 2018-2019 along with the notice of the Annual General meeting of the Company inter alia indicating the process and manner of e voting along with attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company /Depository participants for communication purposes unless any member requests for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2018-2019 is being sent in the permitted mode.
8. Instruction for E-voting

A Separate sheet containing the complete details of the instructions for e voting is being sent to all the members along with the Annual report for the year 2018-2019 to enable them to cast their votes through E-voting.

Dated : 30.05.2019

Place : Kolkata

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

Sanjay Kr. Shah
Director



Siddheswari Garments Limited

DIRECTORS' REPORTS

TO THE MEMBERS

Your Directors take pleasure in presenting the Twenty Fifth Annual Report and Audited Financial Results of the Company for the year ended on 31st March, 2019.

FINANCIAL RESULTS

| | For the year ended 31.03.2019 | (Rs. in Lac) For the year ended 31.03.2018 |
|---|----------------------------------|--|
| Net Sales | 25.82 | — |
| Other Income | 29.40 | 29.44 |
| Total | 55.22 | 29.44 |
| Less: Expenditure | 48.36 | 21.77 |
| Gross profit/(loss) | 6.86 | 7.67 |
| Less: Depreciation | 1.52 | 1.52 |
| Profit/(loss) before Tax | 5.34 | 6.15 |
| Less: Provision for taxation | 2.64 | 3.62 |
| Add: Provision for Deferred Tax | (0.15) | (1.72) |
| Tax Expenses for earlier year | — | (1.22) |
| Net Profit/(loss) (PAT) | 2.85 | 5.47 |
| Other Comprehensive Income | 141.30 | 1.55 |
| Total comprehensive Income for the period | 144.15 | 7.02 |

PERFORMANCE

After having a self imposed discontinuation of normal business operation for the year 2017-18 the company has since revived its normal business operations in the year 2018-19. There being no business operations in the previous year no comparative analysis of profit & loss for the last 2 years would not give any useful indication. However while comparing the EPS of 3 consecutive years i.e., 2016-17, 2017-18 and 2018-19 (being 0.15, 0.17 and 0.09) indicates a observation to be made, that is, suspension of business operation gives better EPS as compared to continuation in business operation. In other words, to increase the profitability of the company either the scale of operation should be increased or some diversification of business mode should be identified and necessary alteration of object clause and Article of Association together with obtaining statutory consent and permission is required. In this case for the purpose of increasing the scale of operation there are two alternative methods i.e., In house increase of company's products through normal manufacturing process or alternatively, manufacturing through outsourcing mode having standard brand name.

In the above matter normal manufacturing operation is not possible unless a company establishes the necessary manufacturing units at a huge capital cost or alternatively manufacturing through outsource method in the company's brand name which may also create some litigation problems with the existing manufacturing units using brand name 'Siddheswari'. In this matter further investigation and consultation with experts to be undertaken before initiating any venture. Your directors require further time to study the problem in debt before taking any final decision. Mean time the directors propose to continue as it is for the time being since the performance result of the company continues to be in black.

DIVIDEND

In view of the insufficient Profit of the year, your Directors refrain from recommending payment of dividend for the year.

ACCOUNTING STANDARDS

You are aware that prior to 1st April 2017 financial statement were prepared and disclosed in compliance with the then applicable accounting standard (INDIAN GAAP) where as i.e., 2017 it has been made



Siddheswari Garments Limited

compulsory to use and adopt IND-AS as prescribed by the ICAI for preparing a financial statements and making disclosure there under.

TRANSFER TO RESERVE

The Company is not required to transfer any amount to Reserve under the provisions of the Companies Act, 2013.

TRANSFER TO INVESTORS EDUCATION AND PROTECTION FUND.

The Unpaid /Un-claimed Dividend Balance in the company's books of account as at the end of F Y 2018-19 is Rs NIL .

STATUTORY AUDITORS AND THEIR REPORT

M/s Jain Pradeep & Co (FRN NO 315109E) , Chartered Accountants had been appointed as the statutory Auditors of the Company by a resolution of the members of the Company for a consecutive (5) five years period ending on the the AGM to be held in the year 2019. The Report of the Auditors when read with notes forming parts of Accounts is self explanatory and does not require any further elaboration.

DIRECTORS

Appointment

Mrs Riti Poddar(DIN 01726726) being as a Non-executive rotational Director is due to retires at the Forthcoming Annual General Meeting and see being eligible offers herself for reappointment.

DECLARATION OF INDEPENDENT DIRECTORS

The Independent Directors have submitted their disclosures to the Board that they fulfill the requirements to be qualified for their appointment as Independent Direcotrs under the provisions of the Companies Act, 2013 U/s 149 as well as applicable provisions of SEBI(LODR) Regulations 2015.

DIRECTORS RESPONAIBILITY STATEMENT

Pursuant to the requirements under section 134(3) (c) of the companies Act,2013 with respect to Directors' Responsibility Statement , your Directors hereby confirm and State That:-

- In the preparation of the Annual Accounts, the Accounting Standard laid down by ICAI, have been strictly followed.
- The directors have selected such accounting polices and adopted 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 at the end of the financial year and of the profit & loss of the company for the period.
- Proper and sufficient care has been taken for the maintenance of adequate records in accordance with provisions of the Companies Act . for safeguarding the assets of the Company and detecting fraud and other irregularities:
- The Annual accounts have been prepared on the 'On-Going' concern basis.
- Laid down internal financial controls to be followed by the company and that such internal financial control are adequate and were operating effectively.
- Devised proper systems to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.



Siddheswari Garments Limited

LISTING OF SHARES

Besides listing on the CSE, the listing of Company's shares on BSE, presently remains suspended and revocation thereof has duly been applied for which is expected shortly.

DETAILS OF DIRECTOR & KEY MANAGERAL PERSONS INCLUDING THOSE WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR :-

Mr. Sanjay Kumar Shah : Whole Time Director & CFO.
Mr Abhishek Poddar : Non Executive, Independent Director
Mr Uma Nath Singh : Non Executive, Independent Director
Mrs Riti Poddar : Non Executive, Non Independent Director

There was no appointment or Resignation of Directors during the year.

KEY MANAGERIAL PERSONNEL

Mr. Sanjay Kumar Shah has been appointed as the whole time Executive Director & CFO in compliance of Section 196 read with Section 203 of the companies Act, 2013. The Company has appointed Mrs Dona Agarwal whole time company Secretary.

NUMBER OF BOARD MEETINGS HELD DURING THE YEAR

During the year 2018-19, the Board of Directors met 4(four) times on 30.05.2018, 14.08.2018, 14.11.2018, 14.02.2019 followed by an exclusive meeting of independent directors on 30.05.2018.

CHANGE IN NATURE OF BUSINESS, IF ANY

During the year, there was no change in the nature of Business of the Company.

THE ANNUAL EVALUATION

The ultimate responsibility for good performance and prudent management of Company lies with the Board of Directors. The Board is expected to exercise continuous proactive and effective decision making and implementation thereof with a view to achieve the desired goal. In this connection the Board has set out a framework of guidelines for the directors to undertake continuous evaluation of performance of the Company while affirming the desired destination. The Board of Directors as a whole is required to display its commitment to good governance ensuing a constant improvement of process and procedures and each individual directors are committed to contribute his best in the overall growth of the organization.

The Independent Directors have submitted to the Board necessary declarations as to their eligibility for appointment as independent Director in term of Sec 149 of the Companies Act, 2013 and the applicable provisions of SEBI (LODR) Regulation 2015.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSTION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELETE AND THE DATE OF THE REPORT.

No material changes and commitments affecting the financial position of the company occurred in between the end of financial year and the date of Report.



Siddheswari Garments Limited

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES.

Necessary disclosures have been made in the Notes to the financial Statement forming part of the Audited Statements of financial Statements as at the end of Financial year 2018-2019 and was shown as "Related Party Transaction" in terms of Section, 129 read with schedule III to the Companies Act, 2013 and that such transactions having been made in the ordinary course of business transaction at arms length basis, the provisions of the section, 188 of the Act, was not applicable to the Company.

PARTICULARS OF LOANS, GUARANTEES OR , INVESTMENT U/S 186 OF COMPANIES ACT, 2013.

The Company did not provide any loans or guarantee u/s 186 of the Companies, Act, 2013 while the particulars of investments made by the company u/s 186 as at end of the F Y 2018-2019 forms parts of the 'NOTES TO FINANCIAL STATEMENT' annexed to this Report.

SIGNAIFICANT AND MATERIAL ORDER PASSED BY REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE ON-GOING STATUS OF COMPANY'S OPERATIONS.

There was no significant order passed by Regulators or courts or Tribunal impacting the ongoing status of Company's operation in future.

HUMAN RESOURCES

The Company believes that the employees are the most valuable assets of an organization and the optimum utilization of their skill, Knowledge and attitude are instrumental to the growth of an organization.

RATINGS

The Company having no secured Loan and/or issued Debentures or Public Deposit, credit Rating of the Company was not required.

SUBSIDIARIES / ASSOCIATES

The Company do not have any subsidiary and/or Associates Company.

CAPITAL AND FINANCE

There had been no issue or allotment of any securities during the year. The issued, subscribed and paid up capital of the Company remains static at Rs 33099000.00 divided into 3309900 Equity shares of Rs 10/- each as at 31.3.2019.

EMPLOYEE STOCK OPTION PLAN

The Company had not provided any employee Stock option.

CORPORATE GOVERNANCE

The Paid up capital of the Company being less then Rs 5.00 Crore (Rupees Five Crore) the provisions of SEBI (LODR) Regulation 2015 are not attracted to this Company.

Yet, your Directors believe that CORPORATE GOVERNANCE is way of business life, rather than a statutory compliance. It is intended to achieve excellence in business for enhancing the long term shareholders wealth through necessary disclosure transparency, integrity, accountability, responsibility and fairness in all its dealing with shareholders, customers, suppliers and the society at large. During the financial year 2017-2018, your directors continued their Endeavour to pursue the policy and procedure to safety their ethical responsibility. A brief report on Corporate Governance is annexed hereto as Annexure-A.

PATICULARS OF EMPLOYEES

There being no employee, employed during the year, drawing remuneration in excess of the prescribed ceiling, the provisions of section 197(12) of the Companies Act, 1956 read with rules (5) is not applicable to this company.



Siddheswari Garments Limited

PARTICULARS OF THE MANAGEMENT REMUNERATION

In accordance with the provisions U/s 197(2) read with rule 5 of the Companies (Appointment and Remuneration of management) Rules the Company furnish the details as Annexure-C as part of this report.

EXTRACT OF ANNUAL RETURN

The Extract of Annual Return in Form No MGT-9 for the year ended on 31.03.2019 is attached hereto as Annexure-C and form part of this Report.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rule made there under Mr Rajarshi Ghosh, a Company Secretary in practice (CP No8921 membership No ACS 17717) has been appointed as secretarial Auditor of the Company for the year ended 31.03.2019. The Report of SECRETARIAL AUDIT is annexed hereto and marked as annexure-B.

INTERNAL / COMPLAINT COMMITTEE

In accordance with the Sexual harassment of woman at workplace (prevention, prohibition and Redressal) Act 2013 and rules made there under. The Company has constituted a committee is comprised of Sanjay Kr. Shah whole time Director, Uma Nath Singh and Dona Agarwal, Company Secretary During the year to act as per rules of the Said act. There has been no complaint so far recd. by the committee.

CORPORATE SOCIAL RESPONSIBILITY

The Provisions of section 135 of Companies Act, 2013 setting out the conditions for applicability of corporate social Responsibility having not been fulfilled by company, the responsibility of setting a Corporate Social Responsibility committee and/or other obligations under this section is not attracted to this company.

CONSERVATION OF ENERGY ETC AND FOREIGN EXCHANGE EARNINGS AND OUTGO.

There being no manufacturing activity of the Company during the year, the provisions of the Companies Act, 2013 in the subject matter was not attracted to this company. The information required U/s 134(3)(m) of the Act are not attracted.

There was no Income or outgo in foreign Exchange during the year.

COST AUDITOR.

The Company having no Manufacturing operations during the year, the Provisions of sec 148 of the Companies Act, 2013 is not attracted to the Company.

INTERNAL FINANCIAL CONTROL VIZ-A VIZ INTERNAL AUDIT

The Audit Committee of the Board of Directors of the Company closely monitors the adequacy of the internal Financial Control System in close co-ordination and support of the in-house internal Audit team who periodically submits its findings on the efficacy and adequacy of the internal Control System, its compliance with the Company's operating system and Accounting standards and policies. Based on the Report of the in-house Audit Team, their findings and submissions the Audit committee have elaborate discussions and do make recommendations to the senior management to undertake corrective measures wherever necessary to strengthen the control. The subject process of internal Financial Control is a continuous one and is due compliance of the provisions of the Companies Act 2013. During the F Y 2018-19 there had been no reportable weakness in the design or operation as observed.

PUBLIC DEPOSITS

The Company has neither accepted nor renewed any public Deposit as defined under the provisions contained in chapter V of the Companies Act, 2013.



Siddheswari Garments Limited

RISK MANAGEMENT POLICY

Your Directors have formulated and implemented a Risk Management policy for the Company with a view to identify various risks impacting the company and the mode of addressing them effectively by way of identifying therein the risk elements which in the opinion of the Board may threaten the performance and even existence of the Company.

VIGIL MECHANISM

In pursuance of the Provisions of sub section (9) & (10) of section 179 of the Companies Act, 2013 your procedure for whistle blower system to report matters of serious concern and consequences that directors have developed and implemented an extensive vigil mechanism for directors and employees with elaborate may have serious effect on the operation.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Company's main business activity was manufacturing and selling of knitted hosiery Garments to cater for the domestic market. But consequent to continuous labour unrest at the manufacturing unit, the company was forced to close down its production activities on a permanent basis and have been continuing with Trading activities and investing the liquid funds to earn return on idle capital. However the directors are seriously examining viability of diverse project proposals to commence new ventures within the framework of the object clause of the Company's memorandum of Association. In case a suitable project could be identified within the limit of the Company's available resources your directors will not hesitate to take necessary actions for immediate implementation of the desired project and the matter will be placed before the members in a General Meeting for consideration and approval of applicable Resolution there for as may be necessary.

ACKNOWLEDGMENTS

Your Directors wish to place on records, their sincere appreciation of the Valuable co-operation and support received from the Financial Institutions, Banks, and Government Department 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 : 30.05.2019

Place : Kolkata

By order of the Board
for **Siddheswari Garments Limited**

Uma Nath Singh
Sanjay Kr. Shah
Director