

# TOTAL EXPORTS LTD.

Regd. Office : 124, New Civic Centre,  
Bhilai-490 006, Chhattisgarh

## ANNUAL REPORT

2005-2006

**BOARD OF DIRECTORS**

Mr. Suresh Kumar  
Mrs. Santosh Grover  
Mr. A.R. Little  
Mr. B.V. Leghate (Nominee of MPSIDC)

**AUDITORS**

Suresh Goyal & Associates  
Chartered Accountants  
SCO 292, Sector 32 D  
Chandigarh

**BANKERS**

ICICI Bank Ltd.

**REGISTERED OFFICE**

124, New Civic Centre,  
Bhilai-490 006, Chhattisgarh

**HEAD OFFICE**

SCO 856, First Floor, NAC  
Manimajra, Chandigarh 160101

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## TOTAL EXPORTS LTD.

Regd. Office : 124, New Civic Centre, Bhilai-490 006, Chhattisgarh

### NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWENTY FOURTH ANNUAL GENERAL MEETING OF THE MEMBERS OF **TOTAL EXPORTS LIMITED** WILL BE HELD ON SATURDAY, THE 30TH DAY OF SEPTEMBER, 2006 AT 10.30 A.M. AT THE REGISTERED OFFICE OF THE COMPANY : 124, NEW CIVIC CENTRE, BHILAI-490 001, CHHATTISGARH TO TRANSACT THE FOLLOWING BUSINESS :

#### ORDINARY BUSINESS :

1. To receive, consider and adopt Balance Sheet as at 31st March, 2006, the Profit & Loss Account for the year ended on that date and Reports of the Auditors' and Directors' thereon.
2. To appoint Director in place of Mr. A.R. Little, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors for the year 2006-2007 in place of Suresh Goyal & Associates, Chartered Accountants, Chandigarh who retire at this meeting and being eligible offer themselves for re-appointment as Statutory Auditors of the Company.

For and on behalf of Board of Directors

Place : 124, New Civic Centre, Bhilai  
Dated : 11-08-2006

SURESH KUMAR  
DIRECTOR

#### 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 and such proxy need not be a member of the Company.
2. Proxies in order to be valid must be lodged at the Registered office of the Company not less than 48 hours before the commencement of the meeting.
3. The Register of Members and Share Transfer books of the Company will remain closed from 27th September, 2006 to 29th September, 2006 (both days inclusive).
4. Members are requested to inform immediately the change, if any, of address registered with the Company.
5. The Company is maintaining its INVESTORS CELL at its Head. Office : SCO 856, First Floor, NAC Manimajra, Chandigarh-160 101. All investors are advised to correspond at this address only.

For and on behalf of Board of Directors

Place : 124, New Civic Centre, Bhilai  
Dated : 11-08-2006

SURESH KUMAR  
DIRECTOR

**DIRECTORS' REPORT**

The Members,

Your Directors take pleasure in presenting the Annual Report and the Audited Accounts of the Company for the period ended 31st March, 2006.

**FINANCIAL RESULTS**

Loss	Rs.	2.44 lacs
Brought from the last Balance Sheet	Rs.	501.79 lacs

**DIVIDEND**

Your Directors do not recommend any payment of dividend for the year ended 31st March, 2006.

**OPERATIONAL HIGHLIGHTS**

The Company is presently working on its revival plans.

**INDUSTRIAL RELATION**

Relations with the employees were normal.

**POLLUTION AND ENVIRONMENTAL CONTROLS**

There is no pollution or environmental waste.

**DIRECTORS**

In accordance with the provisions of the Companies Act 1956 and the Company's Articles of Association, Mr. A.R. Little retires by rotation and being eligible offer himself for re-appointment.

**AUDITORS**

M/s Suresh Goyal & Associates, Chartered Accountants, Chandigarh, Statutory Auditors of the Company, retire in accordance with the provisions of the Companies Act, 1956 at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment for the year 2006-07.

**CORPORATE GOVERNANCE**

The Company has complied with the mandatory provisions of the Corporate Governance as prescribed in the listing Agreement with the Stock Exchanges. A separate report on Corporate Governance is included as a part of the Director's report with the Auditors Certificate on its Compliance.

**AUDITORS' REPORT**

The Auditors' Report read with the notes to the account referred to in Auditors' Report are self explanatory and therefore do not call for any further comments.

**INFORMATION PURSUANT TO SECTION 217(1)(E)**

The information pursuant to Section 217 (1)(e) of the Companies Act, 1956 with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is annexed hereto.

Explanation to qualification made by auditors in their report of even date with reference to Schedule H (Notes of Accounts) of Balance Sheet:

**Note No. 1**

Contingent liability in respect of unsecured loans from Can Bank Financial, Madhya Pradesh Audyogik Vikas Nigam and Madhya Pradesh Financial Corporation has not been provided for since the same is not payable in view of the management.

**Note No. 2**

Interest inclusive penal interest on loan outstanding in respect of unsecured loans from Can Bank Financial, Madhya Pradesh Audyogik Vikas Nigam and Madhya Pradesh Financial Corporation has not been provided for since neither the same is payable in view of the management nor is it demanded from these institutions.

**Note No. 3**

Fixed Assets Register is not being maintained since these records were in factory at the time of takeover by Madhya Pradesh Financial Corporation.

**Note No. 4**

Balances are not confirmed since the statements are not being provided by the respective institutions.

**Note No. 5**

The Company is in process of making reference to Board of Industrial & Financial Reconstruction under Section 8 of such Industrial Company (Special Provisions) Act, 1985.

**DIRECTOR'S RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect to Director's Responsibility statement, it is hereby confirmed :

- a) That in preparation of the annual accounts for the financial year ended 31st March, 2006, the applicable accounting standards had been followed.
- b) That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were 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 or loss of the Company for the year under review.
- c) That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) That the Directors had prepared the accounts for the financial year ended 31st March, 2006 on a 'Going Concern' basis.

**PARTICULARS REGARDING ENERGY CONSERVATION, TECHNOLOGY ABSORPTION ETC.**

Consumption of energy is already minimal since the plant is closed.

**PARTICULARS OF EMPLOYEES**

There are no employees whose particulars are required to be given under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of employees) Rules 1975.

**ACKNOWLEDGEMENT**

The Directors wish to place on record their appreciation for the continued support, encouragement and co-operation extended by State and Central Government Agencies, Company's Bankers, Business Associates and Esteemed Customers. The Directors also record their appreciation for the dedicated services rendered by all ranks of the Company's personnel.

**For and on behalf of Board of Directors**

Place : 124, New Civic Centre, Bhilai  
Dated : 11-08-2006

**SURESH KUMAR**  
**DIRECTOR**

**SANTOSH GROVER**  
**DIRECTOR**

## REPORT ON CORPORATE GOVERNANCE

The Company has put in place the SEBI guidelines pertaining to Corporate Governance. The report on Corporate Governance for the year 2006 is as under:

### CORPORATE GOVERNANCE-PHILOSOPHY

The basic objective of the Corporate Governance policies adopted by our Company is to focus on good Corporate Governance which is pivotal driver of sustainable corporate growth and long term value creation for the shareholders, other stakeholders and society at large.

#### 1. BOARD OF DIRECTORS

The composition and other details relating to the Board as on 31<sup>st</sup> March 2006 are as follows:

Sr. No.	Name of the Director	Category	No. of other Directorships
1.	Mr. Suresh Kumar	Executive	3
2.	Mrs. Santosh Grover	Non-Executive	2
3.	Mr. A.R. Little	Non-Executive	-
4.	Mr. B.V. Laghate	Non-Executive	-

#### 2. BOARD PROCEDURES

The Board of the Company had 4 meetings during the financial year 2005-06, on 29<sup>th</sup> June 2005, 30<sup>th</sup> July 2005, 29<sup>th</sup> October 2005 and 28<sup>th</sup> January 2006. The required information was circulated to the Board of Directors.

The details regarding attendance of Directors at the Board Meetings held during the financial year 2005-06 and the last AGM are as follows:

Sr. No.	Name of the Director	No. of meeting held during 2005-06	No. of Meeting attended during 2005-06	Last AGM Present / Absent
1.	Mr. Suresh Kumar	4	4	Present
2.	Mrs. Santosh Grover	4	4	Present
3.	Mr. A.R. Little	4	2	Absent
4.	Mr. B.V. Laghate	4	-	Absent

#### 3. GENERAL BODY MEETING

Location and time of the last three Annual General Meetings and the details of special resolution passed:

For the	Venue	Date	Time	Special Resolution
02-03	124, New New Civic Centre, Bhilai, Dist Durg, Chattisgarh	29-09-2003	10:30 A.M.	NIL
03-04	124, New New Civic Centre, Bhilai, Dist Durg, Chattisgarh	29-09-2004	10:30 A.M.	NIL
04-05	124, New New Civic Centre, Bhilai, Dist Durg, Chattisgarh	30-07-2005	10:30 A.M.	NIL

#### 4. MEANS OF COMMUNICATION

Financial results, quarterly/half yearly results, are published within the stipulated period in English and vernacular newspapers.

The Company from time to time presents all the relevant information as recommended by the SEBI and the Stock exchanges to the board in a structures manner.

#### 5. GENERAL SHAREHOLDER INFORMATION

- a) The 24<sup>th</sup> Annual General Meeting of the members of the Company will be held on Saturday, 30<sup>th</sup> September 2006 at 124, New New Civic Centre, Bhilai, Dist Durg, Chattisgarh at 10.30 A.M.
- b) Financial Calendar –April 2005-March 2006.
- c) Date of Book Closure- 27<sup>th</sup> September 2006 -29<sup>th</sup> September 2006 (both days inclusive).
- d) Your Company shares are listed in the following stock exchanges:

The Stock Exchange, Mumbai  
Phiroze Jee Jeebhoy Towers  
Dalal Street  
Mumbai-400 001

The Delhi Stock Exchange Association Ltd.  
DSE House, 3/1 Asaf Ali Road  
Delhi-110 002

Madhya Pradesh Stock Exchange  
'Rajani Bhavan' 3<sup>rd</sup> Floor  
M.G. Road, Opp. High Court  
Indore 452 001

#### 6. REGISTRAR FOR DEMAT/REMAT

Alankit Assignments Limited  
205-208, Anarkali Market  
Jhandewalan Extension  
New Delhi 110 055

##### Address for Physical Transfer

Total Exports Ltd.  
SCO 856, NAC, First Floor  
Manimajra, Chandigarh 160 101

#### 7. SHARE TRANSFER SYSTEM

To expediate the transfer of shares/debentures held in physical mode, the powers to authorize transfer have been delegated to specified officials of the Company. The transfer which are complete in all respects are taken up for approval at least once in a fortnight and the transferred securities dispatched to the transferor within 21 days. The details of transfers/transmission approved by the delegates are noted by the Investors Grievances and Securities Transfer Committee Meeting at its next meeting. The Company has signed necessary agreements with central Depository Services (India) Limited. The transfer of shares in depository mode need not be approved by the Company.