

ZODIAC

FINEST QUALITY SHIRTMAKERS

Unigrid Two Ply Cotton

Report Juice

THE VENEZIA COLLECTION
ZODIAC
FINEST QUALITY SHIRTMAKERS



FLORENTINE COLLECTION
ZODIAC
FINEST QUALITY SHIRTMAKERS

Italian inspired. Rich, structured 2-ply fine cotton shirts with matching ties.

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B O A R D O F D I R E C T O R S

Mr.M.Y.Noorani Chairman

Dr.S.Abid Hussain

Mr.M.L.Apte

Mr.S.M.Datta

Mr.Gurcharan Das

Mr.Bernhard Steinrucke

Dr.Heinrich-Dietrich Dieckmann

Mr.Deepak Parekh

(Alternate to Mr.Bernhard Steinrucke, up to 24.07.03
and thereafter Alternate to Dr.Heinrich Dieckmann
w.e.f. 02.09.03)

Mr.Y.P. Trivedi

Mr.S.R. Iyer

Mr.A.Y.Noorani

Vice-Chairman & Managing Director

Mr.S.Y.Noorani

Managing Director & President

SECRETARY

Mr. Anoop Pillai

REGISTERED OFFICE

10/76, Off. Haines Road,
Worli, Mumbai - 400 018

AUDITORS

M/s. Rege & Thakkar,
Chartered Accountants
5-B, Fairy Manor,
13, Rustom Sidhwa Marg,
Fort, Mumbai - 1

FACTORIES

- Near Bagalur Cross,
Air Force Station, Yelahanka,
Bangalore - 560063
- No. 48, 7th Cross,
Near Kusum Alloys,
Visweshariah Indl. Area,
Mahadevapura Post,
Bangalore - 560 048.
- Bommasandra Industrial Area,
Attibele Hobli, Anekal Taluka,
Bangalore
- No. 107, 5th Block,
4th 'C' Cross,
Koramangala Industrial Layout,
Bangalore - 560 034.
- A-1, 181/1, GIDC,
Umbergaon, Gujarat
- Plot no. 411, Unit II,
GIDC, Umbergaon,
Gujarat
- C/2/7, GIDC, Industrial Estate,
Umbergaon - 396 171,
Valsad
- Kandla Free Trade Zone
Gandhidham, Kutch - 370 237
Gujarat
- A to Z Industrial Estate,
Lower Parel, Mumbai - 400 011

SOLICITORS

M/s. A.H. Parpia & Co.
Lentin Chambers, Fort,
Mumbai.

M/s. Kanga & Co.
Readymoney Terrace,
Fort,
Mumbai.

REGISTRAR & TRANSFER AGENTS OFFICE

Karvy Consultants Ltd.
7, Andheri Indl. Estate,
Off. Veera Desai Road,
Andheri (W), Mumbai - 53

BANKERS

Dena Bank
Industrial Finance Branch,
Maker Towers E,
Cuffe Parade,
Mumbai - 5

IDBI Bank
Mittal Tower, C-Wing,
Nariman Point,
Mumbai - 400 021

Central Bank of India
Chander Mukhi Building,
Ground Floor,
Nariman Point,
Mumbai - 400 021.

SUBSIDIARIES

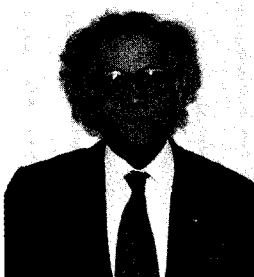
- Multiplex Collapsible Tubes Ltd.
- Zodiac Clothing Company S.A.

DIRECTORS' BIOGRAPHIES



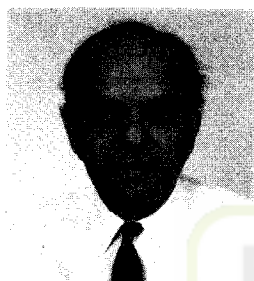
Mr. M.Y. Noorani
Chairman

Mr. M.Y. Noorani, is the founder of ZODIAC and the founding father of the Clothing industry in India. He was the founder of the Clothing Manufacturers' Association of India as well as its President for three consecutive terms. He has served on the managing committee of several trade organisations, including Indo German Chamber of Commerce, Bombay Chamber of Commerce, Indo Italian Chamber of Commerce as well as E.U. Chamber of Commerce, where he was the President for two terms. He has led Zodiac in its continuous quest for excellence and has also been the recipient of Life time achievement awards from the Clothing Association - CMAI and CIAE.



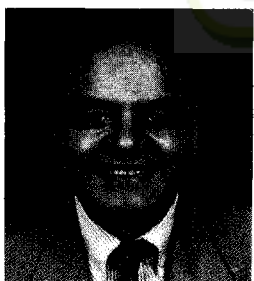
Dr. S.Abid Hussain
Director

Dr. S.Abid Hussain is a retired I.A.S. officer and the former Secretary, Govt. of India, Ministry of Commerce. He was the special Rapporteur of the U.N. Commission on Human Rights, Geneva for about 6 years. He was also a member of the Planning Commission and the Ambassador of India to the United States of America. He is currently a director of G.V.K. Industries Ltd., G.V.K. Taj Hotels & Resorts Ltd., Wockhardt Ltd., TTL Ltd., Havels India Ltd., and Chairman of Hyderabad Flextech Ltd. & Nagarjuna Oil Corporation Ltd..



Mr. M.L. Apte
Director

Mr. M.L. Apte, former Sheriff of Bombay was also the former President of Maharashtra Chamber of Commerce, Bombay Chamber of Commerce, Cricket Club of India, Indian Sugar Mills Association, Member of the Indian Cotton Mills Federation and former Chairman of the Textiles Committee. He is currently the Chairman of the Apte Amalgamations Ltd. and a Director of Lintas India Ltd., Grasim Industries Ltd. and Tata TD Waterhouse Asset Management Pvt. Ltd., Bajaj Hindustan Ltd. & the Bombay Burmah Trading Corporation Ltd..



Mr. Gurcharan Das
Director

Mr. Gurcharan Das is the former Chairman and Managing Director of Procter and Gamble India Ltd. and Richardson Hindustan Ltd. A graduate from Harvard University, he also periodically lectures there and is currently a Director of Birla Capital International Trustee Company, Crest Communications Ltd., Mastek Ltd., Fortis Healthcare Ltd. Berger Paints India Ltd., Ankar Capital Pvt. Ltd. and the Chairman of the Local Advisory Board of Citibank N.A.. Mr. Gurcharan Das is the author of the famous book titled "India Unbound".



Mr. S.M. Datta
Director

Mr. S.M. Datta is the former Chairman of Hindustan Lever Ltd. and is currently Chairman of Philips India Ltd., Castrol India Ltd. and IL & FS Investment Managers Ltd. He is currently a Director of Peerless Gen. Fin. and Inv. Co. Ltd., Goodlass Nerolac Paints Ltd., Transport Corporation of India Ltd., EID Parry (India) Ltd., BOC India Ltd., Atul Ltd., Bharuka Power Corporation Ltd. and is the former President of Bombay Chamber of Commerce and Industry and also the past President of Council of EU Chamber of Commerce.



Mr. Bernhard Steinrucke
Director

Mr. Bernhard Steinrucke is the Director General of Indo-German Chamber of Commerce. He was the Managing Partner on the Board of ABC Bank GmbH, Berlin, and representative of the Indo-German Chamber of Commerce, Berlin, Germany. After acquiring an Honours degree in law from the University of Heidelberg, he became the Assistant Judge at the Supreme Court of Hamburg. He later on joined the Deutsche Bank AG and rose to become its Joint Chief Executive Officer, India.

**Dr. Heinrich-Dietrich Dieckmann**

Director

Dr. Heinrich-Dietrich Dieckmann is a retired German diplomat whose entire career was focused mainly on international economic affairs. During his illustrious career he has served as the German Ambassador to India, Head of the Economic Department for German Mission to the United Nations, German Ambassador to Japan, Director General for Economic Affairs and European Integration in German Foreign office. He was the Foreign Office Representative in all negotiations with the Soviet Union and later on Russia, dealing with the economic aspects of German unification and the Russian withdrawal from German and Central Europe.

**Mr. Deepak Parekh**

Director

Mr. Deepak Parekh is the Chairman of I.I.D.F.C. Ltd., Infrastructure Development & Finance Co. Ltd., Glaxo Smithkline Pharmaceuticals Ltd., HDFC Asset Management Co. Ltd., HDFC Chubb General Insurance Co. Ltd., HDFC Standard Life Insurance Co. Ltd., and Burroughs Wellcome (India) Ltd., and a Fellow of the Institute of Chartered Accountants, (England and Wales). He has been a member of various Committees setup by the Government of India, especially in the field of Finance and Capital Market. He is currently a Director of Hindustan Lever Ltd., Castrol India Ltd., Mahindra & Mahindra Ltd., ICI India Ltd. and The Indian Hotels Company Ltd..

**Mr. Y. P. Trivedi**

Director

Mr. Y. P. Trivedi is the former President of Indian Merchants Chamber, The Chamber of Income Tax Consultants, Indo-African Chamber of Commerce. He is currently the Chairman of Telstar Travels Pvt. Ltd., Trivedi Consultants Pvt. Ltd. and Sai Service Station Ltd. and also a Director on the Board of Reliance Industries Ltd., Siltap Chemicals Ltd., Birla Kennametal Ltd., Metro Exporters Pvt. Ltd., Safari Industries Ltd., Zandu Pharmaceuticals Ltd., Clare Mont Trading Pvt. Ltd. & Bloomingdale Estates Pvt. Ltd.. Mr. Trivedi has also served as a Chairman/Director of Central Bank of India, Central Bank Executors and Trustee Company Ltd.

**Mr. S.R. Iyer**

Director

Mr. S.R. Iyer is the Chairman & Full time Director of Credit Information Bureau (India) Ltd., a joint venture of the State Bank of India & HDFC Ltd. He is also a Director of Dhara Vegetable Oil & Foods Co. Ltd. and Indian Dairy Machinery Company Ltd.. Mr. Iyer has vast knowledge and rich experience in the banking industry. He was the Managing Director of State Bank of Mysore and retired as the Managing Director of the State Bank of India. He has also been a Director of National Stock Exchange of India Ltd. and GE Capital Business Process Management Services Pvt. Ltd.

**Mr. A.Y. Noorani**

Vice Chairman & Managing Director

Mr. A.Y. Noorani joined the House of ZODIAC in 1969 and became the Managing Director of the organisation in 1980. He has completed the Advance Management Programme at Harvard University, Boston. He is a Managing Committee member of Indo-German Chamber of Commerce and Honorary Adviser of CIAE. He is also a member of the Executive Committee of Apparel Export Promotion Council (AEP), Bombay Chamber of Commerce, and is also a member of the Committee appointed by the Ministry of Textiles for Clothing and Market Access.

**Mr. S.Y. Noorani**

Managing Director & President

Mr. S.Y. Noorani joined ZODIAC in 1982. After successfully establishing state-of-the-art manufacturing facilities of Bangalore and Gujarat he was responsible for setting up the Company's international marketing operations in Dusseldorf and New York. He leads a dynamic team of professionals in the running of the organisation ranging from the design team to the sales and marketing activities of Zodiac. He has recently successfully launched the brand ZOD! in the Indian market. Mr. S.Y. Noorani is the Co-Chairman of Indo-Spanish Business Committee, Bombay Chamber of Commerce and is also on the managing committee of Indo-Italian Chamber of Commerce and Young Presidents Organisation. He is also a member of the Sub-Committee of CII on Indo-EU Clothing.

CHAIRMAN'S STATEMENT



There have been several steps the company has taken in the recent past, all of which are towards consolidation, sharpening competitiveness, and with a view to exploit the opportunity we expect will present itself. As of August, 2003, the shirt manufacturing capacity of the company has been increased very substantially, we have acquired a highly sophisticated suit manufacturing plant and real estate to house two of the plants, made investments in plant upgradation and balancing, and continue to make investments in sharpening our competitiveness. The erstwhile Mayfair Ltd, whose scheme of amalgamation was approved by the shareholders in the Court convened meeting earlier this year, was sanctioned by the Bombay High Court and the erstwhile Mayfair Ltd. stands merged into Zodiac Clothing Co. Ltd. This gives the company access to an additional market, India, which we are confident would be one of the fastest growing markets going forward. It makes the company the only significant player in both the export as well as the Indian market. Both these markets, exports,

because of the WTO and non-restraint regime as well as the Indian market, because India is one of the fastest emerging markets, have tremendous potential.

We have, so far not tried to grow the activity in the Indian market aggressively because although the product and the rights to use the brand are in place, and the consumer is beginning to spend, the infrastructure of organized retailing in the country is still in its nascent stages. In addition to the rights to use the ZODIAC brand, the company also has the rights to use the ZOD brand, which has in the short time since its launch achieved phenomenal success, and has also been acknowledged by the Clothing Manufacturers Association of India for the best brand launch of the year 2002 as well as the best emerging brand of the year 2002, and for the best media strategy at the EMVIES-Ad Club of India Awards.

We believe that the Indian market for clothing will show its true potential (we have seen smart growth in other industries, for example, automobiles) only when

such a retailing infrastructure is in place. Our international expertise in successfully doing business with large retailers will hold us in good stead when this happens. It was also towards furthering this, that the company made a substantial investment in Shoppers Stop Ltd. India's largest retail chain, which also has in its fold one of the largest bookstore chains in India i.e. Crossword.

The negotiations at Cancun will determine how successfully and profitably the industry, and more particularly, the company, can utilize the substantial enhanced capacities for clothing, all of which the Company has been funded from internal accruals. As a further step in this direction, the company is also looking at possibilities of acquiring a production base outside India, to further strengthen its competitiveness and offer its customers an enlarged portfolio of production sources, with a view to capture additional market share in the unfolding global scenario in textiles and clothing.

Dr. Heinrich Dieckmann has kindly agreed to join the Board of the company. He will be a great source of strength and guidance for the company, being an

International Economist of 35 years standing, besides having been the former German Ambassador to India and Japan. His deep involvement in negotiations dealing with both the Soviet Union as well as the German Unification would offer the company the opportunity to avail of his tremendous experience.

The company has also, under the able guidance of the Audit Committee decided to recently outsource the internal audit function, which we think will go a long way in improving internal control systems and contribute to better corporate governance.

The current year's performance as a result of some of the steps taken, which I have referred to, is promising.

May I conclude with a vote of thanks to all our shareholders, who have reposed confidence in the House of Zodiac. May I also thank every member of the team, who have so selflessly contributed to the continued development and growth of the company.

M.Y.NOORANI
Chairman

HIGHLIGHTS

Rs. in lakhs

PARTICULARS	2002-2003	2001-2002
Sales & other Income	12399	7286
Less : Total Expenditure	11758	6548
Profit before Interest, depreciation & other written off extra ordinary items	641	738
Less : Interest	96	78
Profit before depreciation	545	660
Less : Depreciation	68	51
Profit before write off of extra-ordinary items	477	609
Less : Extra ordinary and prior period expenses	(5)	32
PROFIT BEFORE TAX FOR THE YEAR	482	577
Provision for Tax (net)	164	101
PROFIT AFTER TAX FOR THE YEAR	318	476
Add: Balance brought forward from the last year	3468	3285
Total amount available for appropriation	3786	3761
Appropriations :		
Proposed dividend	172	170
Corporate dividend tax	22	—
General reserve	100	100
Balance retained in Profit & Loss A/c	3492	3491