

Siddheswari Garments Limited



ANNUAL REPORT
2011 - 2012



Siddheswari Garments Limited

DIRECTOR :

MR. ABHISHEK PODDAR
MR. SANJAY KUMAR SHAH
MR. UMA NATH SINGH

BANKERS :

THE ROYAL BANK OF SCOTLAND
PUNJAB NATIONAL BANK
BANK OF MAHARASHTRA

AUDITORS :

M/S. AGARWAL MEMANI & CO.
CHARTERED ACCOUNTANTS

REGISTERED OFFICE :

9, INDIA EXCHANGE PLACE
3RD FLOOR, KOLKATA - 700 001
PHONE : 2210-7234
FAX : 2230-5897

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 the Eighteenth Annual General Meeting of the Members of **SIDDHESWARI GARMENTS LIMITED** will be held at the Registered office of the Company at 9, India Exchange Place, 3rd Floor, Kolkata - 700 001 on Saturday, the 29th September, 2012 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, 2012 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 Abhishek Poddar who retires at this meeting by rotation and being eligible offers himself for reappointment.
3. To Appoint Auditors of the Company and to fix their remuneration.

Dated : 27th August, 2012

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

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

Sanjay Kr. Shah
Director



Siddheswari Garments Limited

NOTES :-

- 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. The Register of Members and the Share Transfer Books of the Company shall remain closed from Saturday, the 22th September, 2012 to Saturday, the 29th September, 2012, both days inclusive.
 3. Members are requested to bring their own copy of the Annual Report to the meeting.
 4. 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.
 5. Members may kindly note that pursuant to amendment in companies Act, 1956, Nomination in case of Shares/Securities held in physical mode has become permissible and the members desiring to register the name of this nominees in respect of the Shares held by them in physical mode may apply in Form No 2B as may be obtained from the companies R T A M/s S. K. Infosolution Pvt Ltd, at 34/1A Sudhir Chatterjee Street, Kolkata-700006.
 6. 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 / R T A.
 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	Committee Membership in other Public Co.
Abhishek Poddar	16.06.79	29.09.99	MBA	NIL	NIL

Experience : Mr. Abhishek Poddar is a professional having wide experience in Finance and Administration over a period of 10 years.



Siddheswari Garments Limited

DIRECTORS' REPORTS

TO THE MEMBERS

Your directors take pleasure in presenting the Eighteenth Annual Report and Audited Financial Results of the Company for the year ended on 31st March, 2012.

FINANCIAL RESULTS

(Rs. in Lacs)

	For the year Ended 31.03.2012	For the year Ended 31.03.2011
Net Sales	52.79	34.00
Other Income	28.20	25.73
Total :	80.99	59.73
Less : Expenditure	73.88	53.68
Gross Profit / (Loss)	7.11	6.05
Less : Depreciation	0.10	0.10
Profit / (Loss) before Tax	7.01	5.95
Less : Provision for Taxation	2.68	1.86
Add : Provision for Deferred Tax	0.02	0.02
Net Profit / (Loss) (PAT)	4.35	4.11
Balance brought forward	58.66	54.55
Balance transferred to Balance Sheet	63.01	58.66

PERFORMANCE

The manufacturing activities of the Company remain suspended consequent upon prolong labour unrest. However, with a view to protect the investor's fund, the management opted for investment of the idle funds in secured inter corporate fundings a also short-term investments in securities, during the year. The directors are examining the perfect of viable alternative business ventures. Meantime, the current year activities resulted in net profit of Rs 701914/-

DIVIDEND

There being in sufficient/Net Profit, the Directors refrain from recommending any dividend for the year under review.

AUDITORS REPORT

The Report of the Auditors when we read with notes forming parts of Accounts is self explanatory does not require any further elaboration.

AUDITORS

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.

DIRECTORS

Shri Abhishek Poddar Director the Company retires by rotation at the ensuing Annual General Meeting and he is eligible for re-appointment.

Shri Abhishek Poddar S/o Sushil Kumar Poddar aged about 33 years is a MBA and is engaged in the Company management and he has more the 10 years of extensive experience in Business Administration & Finance. Shri Poddar actively participate in the business administration of the Company and his re appointment as a director of the Company will be beneficial in the interest of the Company.



Siddheswari Garments Limited

DIRECTORS RESPONSIBILITY STATEMENT

In compliance of the Sec 217(2AA) of the Companies Act 1956, Yours Directors confirm 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 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 the period.
- 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:
- 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'.

COMPLIANCE CERTIFICATE

Under the amended provisions of the Companies Act, 1956, the paid up capital of the Company being less than Rs. 5 Crores, the company is obliged to obtain a compliance Certificate U/s 383A of the Act from a company Secretary in practice and publish the same as part of the Directors Report, Accordingly, Mr. S. K. Ghosh a senior Company Secretary in practice have been duly appointed for obtaining the compliance Certificate, a copy whereof is annexed hereto as Annexure-B

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 to this company.

CONSERVATION OF ENERGY ETC.

The Production activities having remained suspended for the full year. The information required U/s 271(1) (e) of the Act are not attracted.

Earning and outgo of the foreign exchange during the year was NIL

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 : 27th August, 2012

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

By order of the Board
for Siddheswari Garments Limited

Sanjay Kr. Shah
Director



CORPORATE GOVERNANCE

Corporate Governance essentially deals with how the Company is administered and the manner in which the Board of Director discharges 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 Composition and functions.
2. Committees of Directors.
3. General Body Meetings.
4. Disclosures.
5. Means of communications and
6. Shareholders information.

1. BOARD OF DIRECTORS

- a) The Board of Director is comprised of 2 (two) Independent Non Executive Directors having no business or other relationship with the company that could hinder their independent judgement and one executive Director. The company having no business activities for the last couple of years, the paid up capital of the company being less than the prescribed limit under section 269 of the Companies Act, 1956, appointment of managing Director or manager is not mandatory in case of the 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 Directorship</u>	<u>No. of Committee Membership</u>
Mr. Abhishek Poddar	Non-Executive, Independent	1	2
Mr. Sanjay Kr. Shah	Executive Director	-	3
Mr. Uma Nath Singh	Non-Exe., Independent	-	3

- 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's Corporate activities. The general functions of the Board includes, inter alia.

- To direct and guide activities towards attaining Corporate Goals as above.
- Approving appointments, monitoring Industrial relations, laying broad policy decisions, and management of Human Resources.
- Formulation of Strategic business plans and monitoring implimentation thereof and to review the same continuously.
- Reviewing and approving financial plans and budgets.
- Discuss, review and decide Expansions, modernisation and other new projects.
- Review financial statement and last flow inventories on a periodic and also on a continuous basis.



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C Board Meetings :

Attendance of Director in such meetings are given hereunder :

<u>Name of Director</u>	<u>No. of Board</u>	<u>No. of Committee</u>	<u>Attendance at</u>
	<u>Meeting Attended</u>	<u>Meeting Attended</u>	<u>the last A. G. M.</u>
1. Mr. Abhishek Poddar	5	10	Yes
2. Mr. Sanjay Shah	5	13	Yes
3. Mr. Uma Nath Singh	5	13	Yes

There is an well Laid procedure to sent detailed agenda papers to the directors along with the notice of the meetings sufficiently in 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 agenda are duly implemented to streamline the systems and procedure followed by the company. The moments of Proceeding of such meetings are duly recorded in the minutes book maintained for the purpose. The Board met 5 (Five) times on 29.04.11, 27.08.2011, 27.08.11, 10.11.11, 31.01.2012.

2. BOARD COMMITTEES

There are 3 (Three) permanent committees.

a) Audit Committee :

The Audit Committee is comprised of all Directors, namely Mr. Abhishek Poddar, Mr. Sanjay Shah, Mr. Uma Nath Singh, Mr. Abhishek Poddar a professional MBA has enough exposures and expertise in Accounting procedures, acts, as the Chairman of the Audit committee. The Committee reviews the annual and periodic financial statements. Overview the company's financial reporting process, reviews the adequacy of internal control systems and internal audit functions, discusses with the internal and statutory auditors, recommends steps for ensuring the implementations of the suggestions as recommendation of the internal/statutory auditors to regularize the internal control and financial reporting. The Committee met 5 (Five) times during the year on 29.04.2011, 12.08.2011, 27.08.2011, 10.11.2011, 31.01.2012.

b) Share Transfer Committee :

The Company has a share transfer cum investor grievance committee comprising of Mr. Sanjay Shah and Mr. Uma Nath Singh as its members. The Committee meets at regular intervals depending upon the volume of transfer / transmission of shares and duplicate issue of share certificates and the committee met 3 time during the year for application for share transfer lodged.

c) Shareholders / Investors Grievance Committee :

The Committee consists two members, vig. Sri Uma Nath Singh 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. The Committee met 5 (Five) times during the year on 29.04.2011, 12.08.2011, 27.08.2011, 10.11.2011, 31.01.2012.



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d) Remuneration of Director :

Excepting Mr. Sanjay Kumar Shah, all the Directors 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 during the Last 3 years.

<u>Year</u>	<u>Details of Meetings</u>	<u>Venue</u>	<u>Date</u>	<u>Time</u>
2010-2011	17th A G M	9, India Exchange Place, Kol-1	30.09.2011	10.00 A.M.
2009-2010	16th A G M	9, India Exchange Place, Kol-1	29.09.2010	10.00 A.M.
2008-2009	15th A G M	9, India Exchange Place, Kol-1	29.09.2009	10.00 A.M.

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 COMMUNICATIONS

The un-audited Financial Results and other notices are published in the Local Newspapers, like and no individual communications are sent to the Shareholders except the notices convening the General Body Meetings and the Annual Reports & Accounts, which are sent to all shareholders and others concerned by pre-paid post and in the manner prescribed under the Companies Act, 1956 and other statutory regulations.

6. SHAREHOLDERS INFORMATIONS

a) Annual General Meeting

Date & Time :- Saturday, the 29th September, 2012 at 10 A.M.

Venue :- 9, India Exchange Place, Kolkata - 700 001.

b) Financial Calendar

The Financial Calendar of the Company is April to March every year and the un-audited quarterly results are declared in the month following the respective quarter.

c) Date of Book Closures:-

From Saturday the 22nd September 2012 to Saturday, 29th September 2012 both days inclusive.



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d) Listing on Stock Exchange:-

The securities of the Company continue to remain listed on the Stock Exchanges at Calcutta (CSE) and at Mumbai (BSE). The Shares of the Company have since been delisted from the Delhi Stock Exchange as there had been no or hardly any trading of Company's share on that exchange and the Shareholders by a resolution dated 08.09.2001 resolved for voluntary delisting from that exchange.

The Company is up-to-date payment of its annual listing fees to the concerned Stock Exchanges.

e) Registrar & Share Transfer Agents:-

M/s. S. K. Info solution (P) Ltd
34/1, Sudhir Chatterjee Street
Kolkata - 700 006
Phone : (033) 2219-4815 / 6797

With effect from 1st August 2005 M/s. S. K. Info solution (P) Ltd. (formally S K Computers) a Sebi Registered category Share Transfer Agent has been appointed to act as the RTA common agency of the company for transfer of share & maintenance of share accounts both in Demat & Physical.

f) Share Transfer System:-

Request for transfer of Physical Shares are received at the office of the Registrar of the Company or at the Registered Office of the Company. The Share Transfer Deeds and other papers lodged with the transfer request are processed at the office of the Registrar and being found in order, the corresponding Transfer Transmission are effected within 30 days from the date of receipt of the respective requests and transferred Certificates are returned to the Transferees within 30 days from the date of receipt. On the other hand, shares held in a dematerialized form are traded electronically in the depository and on a fortnightly basis the RTA of the Company is informed of the beneficial holding so that RTA is enabled to update its records.

Physical Shares received for dematerialisation are processed and computerized within a period of 15 days from the date of receipt thereof, provided they are found in order. Bad deliveries are returned immediately to the depository participants under advice to the shareholders.

g) Shareholdings Pattern of the Company as at 31st March, 2012

<u>CATEGORY</u>	<u>NO. OF SHARES</u>	<u>%</u>
INDIAN PROMOTERS	1600	0.05
PERSONS ACTING IN CONCERT INSTITUTIONAL INVESTORS OTHER BODIES CORPORATE NR'S/OCB's	1788200	54.03
RESIDENT INDIVIDUALS	1520100	45.92
GRAND TOTAL	3309900	100.000



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h) Distribution of Share Holdings as on 31st March, 2012

No. of Shares Held	No. of Share Holders		No. of Share	
	TOTAL	PERCENT	TOTAL	PERCENT
1 - 500	1114	69.58	455150	13.75
501 - 1000	255	15.93	223200	6.74
1001 - 5000	197	12.31	451700	13.65
5001 - 10000	20	1.25	151350	4.57
10001 - 50000	5	0.31	89300	2.70
50001 - 100000	1	0.06	67500	2.04
100001 - ABOVE	9	0.56	1871700	56.55

i) Dematerialisation of Shares & Liquidity

About 18.19% of the shares have been dematerialized as on 31st March, 2012. The equity shares of the company are permitted to be trade only in dematerialized w.e.f. 26.12.2000.

j) Market Price

The shares of the company are not actively traded in the market. There had been hardly any quotation for the shares of the company during the year.

k) Exchange Code No. for Company's Scrips

ISIN Code	INE797C01019
CSE Code	1002909
BSE Code	526877

l) Address of Correspondence :

9, India Exchange Place, (3rd Floor)
Kolkata - 700 001, Phone : 2210-7234

BUSINESS OUTLOOK

The Company has since suspended its manufacturing activities. The entire proceeds as sale of the manufacturing unit at Prafula Kanan has been parked in interest earning short-term deposits pending commencement of new venture compatible with the company's capital structure and found viable under the changed economic scenario of the country.

ON BEHALF OF THE BOARD

Sanjay Kr. Shah
Director

Abhishek Poddar
Director



Siddheswari Garments Limited

ANNEXURE - B

S. K. GHOSH
Company Secretary

AB-198, SALT LAKE CITY
SECTOR - I, KOLKATA - 700 064
PHONE : 2359 2065

COMPLIANCE CERTIFICATE (CIN - L17111WB1994PLC065519)

To,
The Members,
Siddheswari Garments Limited.
9, India Exchange Place, 3rd Floor
Kolkata - 700001

I have examined the registers, records, books and papers of **SIDDHESWARI GARMENTS Ltd.** (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2012 (financial year). In my opinion and to the best of my information and according to the examination carried out by me and explanations furnished to me by the company, its officers and agents, I certify that in respect of the aforesaid financial year :

1. The company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
3. The company being a public limited company has the minimum prescribed paid-up capital.
4. The Board of Directors duly met five (5) times respectively on 29.04.2011, 12.08.2011, 27.08.2011, 10.11.2011 and 31.01.2012, in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including circular resolutions passed in the Minutes Book maintained for the purpose.
5. The company has closed its Register of Members during the financial year after giving due notice in terms of section 154 of the companies act 1956.
6. The annual general meeting for the financial year ended on 31st March 2011 was held on 30.09.2011 after giving due notice to the members of the company and the resolution passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year.
8. The company did not advance any loan to its Directors and / or persons or Firms or Companies referred to under Section 295 of the Act.
9. The Company has not entered into any contract falling within the purview of Section 297 of the Act.
10. The company was not required to make any entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the company has not obtained any approvals from the Board of Directors, Members or Central government as the case may be.
12. The Company has not issued any duplicate share certificates during the financial year.
13. The Company has :
 - i) Not effected any transmission of shares during the financial year nor was there any allotment of shares.
 - ii) Not declared dividend during the financial year.
 - iii) Duly complied with the requirements of section 217 of the Act.



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14. The Board of Directors of the company is duly constituted. During the year there was no appointment or resignation of director.
15. The company has not appointed a Managing Director / Whole time Director Manager as per the requirements of Section 269 of the Act.
16. The company has not appointed any sole-selling agents during the financial year.
17. The company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Register of Companies and / or such other authorities prescribed under the various provisions of the Act.
18. The Directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to provisions of the Act, and the rules made there under.
19. The company has not issued any Equity Shares / debentures / other securities during the financial year, nor was there any outstanding debenture.
20. The company has not bought back any share/s during the financial year.
21. There was no redemption of preference share(s) / debenture (s) during the financial year.
22. There were no transactions necessitating the company to keep in abeyance the rights to dividends, rights shares and bonus shares pending registration of transfer of shares.
23. The company has not invited / accepted any advances or deposits including any unsecured loans falling within the purview of section 58A during the financial year.
24. The company has not made any arrangements for cash credit during the year within the limits prescribed under section 293(1) (d) of the Act.
25. During the year the Company made loans and investments to other bodies corporate within the permissible limits under the provisions of Section 372A of the Act.
26. The company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one state to another during the year under scrutiny.
27. The company has not altered the provisions of the memorandum with respect to the objects of the company during the year under scrutiny.
28. The company has not altered the provisions of the memorandum with respect to name of the company during the year under scrutiny.
29. The company has not altered the provisions of the memorandum with respect to share capital of the company during the year.
30. The company has not altered its articles of association during the financial year.
31. As informed by the company, there was no prosecution initiated against or show cause notices received by the company during the financial year, for offence under the Act.
32. The company has not received any money as security from its employees during the financial year.
33. As reported by the directors of the company, the provisions of employees' provident fund act was not applicable to this company.

Place : Kolkata
Date : 27.08.2012

S. K. Ghosh
Company in Practice Secretary
C.P. No.-2018



Siddheswari Garments Limited

S. K. GHOSH
Company Secretary

**AB-198, SALT LAKE CITY
SECTOR - I, KOLKATA - 700 064
PHONE : 2359 2065**

ANNEXURE - A

1. Register of Members	:	u/s 150
2. Register of Contracts	:	u/s 301
3. Register of Directors	:	u/s 303
4. Register of Director's Shareholding	:	u/s 307
5. Books of Accounts	:	u/s 209
6. Minutes Books	:	u/s 196

ANNEXURE - B

Forms and Returns filed by the Company with the Registrar of Companies, during the financial year ended 31st March, 2012.

Annual Return Filed u/s 159 for the year 2010 - 2011 on 28.10.2011

Balance Sheet Filed u/s 220 for the year 2010 - 2011 on 21.02.2012

Compliance Certificate u/s 383A for the year 2010 - 2011 on 28.10.2011



Siddheswari Garments Limited

AGARWAL MEMANI & CO.

Chartered Accountants

1, BRITISH INDIAN STREET
1ST FLOOR, ROOM NO. 105
KOLKATA - 700 069
TEL.: 2248-4427

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of Siddheswari Garments Limited.

We have examined the compliance of conditions of Corporate Governance by Siddheswari Garments Ltd. for the year ended on 31st March, 2012, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our Examinations was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Registrar of the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Kolkata

Dated: 27.08.2012

For **AGARWAL MEMANI & CO.**

Chartered Accountants
firm registration No.317014E

(RAJ KUMAR AGARWAL)

Proprietor
Membership No. 53026



Siddheswari Garments Limited

AUDITORS' REPORT

TO
THE MEMBERS
SIDDHESWARI GARMENTS LIMITED

- 1) We have audited the attached Balance Sheet of **SIDDHESWARI GARMENTS LIMITED**, Kolkata, as at 31st March, 2012 and also the statement of Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2) We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3) As required by the Companies (Auditor's Report) order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a Statement on the matters specified in Paragraphs 4 and 5 of the said order.
- 4) Further we report that :-
 - i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - ii) In our opinion, proper books of account as required by law have been kept by Company so far as appears from our examination of those books;
 - iii) The balance Sheet and Profit & Loss Account dealt with by this report, are in agreement with the books of account;
 - iv) In our opinion, the Balance Sheet and Profit & Loss Account dealt with in this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - v) On the basis of written representations received from the Directors as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the directors disqualified as on 31st. March, 2012 from being appointed as a director under of Clause (g) of Sub-Section (i) of Section 274 of the Companies Act, 1956.
- 5) Subject to the following Notes to the Financial Statements
Note No. 22 regarding Non-provision of short fall in marketable value of Investment to the extent of Rs. 15,939/-
In our opinion, and to the best of our information and according to the explanations given to us, the said account read together with other notes thereon, give the information required by the Companies Act. 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :-
 - i) in the case of the Balance Sheet of the state of affairs of the Company, as at 31st. March, 2012; and
 - ii) in case of the Profit & Loss Account, of the **PROFIT** for the year ended on that date.
 - iii) in the case of Cash Flow Statement of the cash flows for the year ended on that date.

Place : Kolkata
Dated : the 27th. Day of August, 2012.

For **AGARWAL MEMANI & CO.**
Chartered Accountants
(RAJ KUMAR AGARWAL)
Proprietor Membership No. 53026
Firm Regn No. 317014E



Siddheswari Garments Limited

ANNEXURE REFERRED TO IN PARAGRAPH (3) OF OUR REPORT OF EVEN DATE

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) The Company has not carried out physical verification of Fixed Assets during the year under review. Hence discrepancies between physical verification and book records could not be ascertained.
- c) There was no substantial disposal of fixed assets during the year.
- ii) a) The Management has conducted physical verification of inventory at reasonable intervals during the year.
- b) The procedures of physical verification of inventory followed by the management are commensurate in relation to the size of the Company and the nature of its business.
- c) The Company is maintaining proper records of inventory. As informed, no material discrepancies were noticed on such physical verification.
- iii) The Company has not granted or taken loans to/from secured companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956 and hence clause iii(a), iii(b), iii(c) and iii(d) of paragraph 4 of the aforesaid order is not
- iv) There is an adequate internal control procedure commensurate with the size of the Company and the nature of the business, for the purchase of inventory and fixed assets and for the sale of goods and services and we have not observed any continuing failure to correct major weaknesses in such internal control system.
- v) According to the information and explanations provided by the management there have been no transactions that need to be entered into the register maintained under Section 301 of the Companies Act, 1956.
- vi) The Company has not accepted any deposit from the public.
- vii) The Company has an internal audit system, which in our opinion is commensurate with the size and nature of its business.
- viii) The Company is not required to maintain cost records.
- ix) a) The Company is regular in depositing undisputed statutory dues including Provident fund, investor education and protection fund, employee's state Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs duty, Excise duty, cess and other material statutory dues as applicable with the appropriate authorities except Rs,9,008/- to be deposited with Investor Education And Protection Fund. There are no outstanding dues in respect of the above items which are more than six months as at the balance sheet date. No undisputed amount payable in respect of Income tax, Wealth Tax, Service Tax, Sales Tax, Custom duty, Excise duty and cess were in arrears as at the end of the financial year for a period of more than six months from the date they became payable.



Siddheswari Garments Limited

- b) According to the information and explanations given to us, there are no dues of Sales Tax, Income Tax, Custom duty, Wealth Tax, Service Tax, Excise duty, cess which have not been deposited on account of any dispute,
- x) The Company has no accumulated losses at the end of the financial year and it has not incurred any cash losses in the current financial year, and immediately preceding financial year.
- xi) The Company has not taken any term loan from any financial institution or Bank. The Company does not have any borrowings by way of debentures.
- xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) In our opinion the Company is not a chit fund or a nidhi / mutual benefit fund/society and therefore the provisions of Clause 4(xiii) of the order are not applicable.
- xiv) In respect of dealing in shares, securities, debentures and other investment in our opinion and according to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. The Shares, Securities, debentures and other investments have been held by the Company in its own name.
- xv) The Company has not given any guarantee for the loans taken by other parties from any bank or financial institution.
- xvi) The Company has not taken the term loans and hence Clause 4(xvi) of the order is not applicable.
- xvii) The Company has not raised funds, and hence clause 4(xvii) of the order is not applicable.
- xviii) The Company has not made any preferential allotment of shares during the year to parties or Companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- xix) The Company has not issued any debenture during the year and therefore Clause (xix) of the aforesaid order is not applicable.
- xx) The Company has not raised any money through a public issue during the year.
- xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statement and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

Place : Kolkata

Dated : the 27th. Day of August, 2012.

For **AGARWAL MEMANI & CO.**
Chartered Accountants

(RAJ KUMAR AGARWAL)
Proprietor Membership No. 53026
Firm Regn No. 317014E



Siddheswari Garments Limited

BALANCE SHEET AS AT 31ST MARCH, 2012

	NOTES No.	As at 31st March, 2012	As at 31st March, 2011
EQUITY AND LIABILITIES			
SHAREHOLDERS FUNDS			
Share Capital	2	38,270,500.00	38,270,500.00
Reserves & Surplus	3	6,302,470.32	5,866,440.39
NON CURRENT LIABILITIES :			
Deferred Tax Liabilities	4	558,588.00	560,588.00
CURRENT LIABILITIES :			
Other Current Liabilities	5	731,939.00	731,593.00
TOTAL		<u>45,863,497.32</u>	<u>45,429,121.39</u>
ASSETS			
NON CURRENT ASSETS :			
Fixed Assets	6	1,854,943.52	1,865,051.52
Non Current Investments	7	16,587,824.00	16,587,824.00
Long Term Loans & Advances	8	25,462,166.00	11,080,000.00
CURRENT ASSETS :			
Inventories	9	55,703.00	55,703.00
Trade Receivables	10	-	218.15
Cash and Bank Balances	11	1,888,019.80	13,968,098.72
Short Term Loans and Advances	12	11,191.00	1,868,576.00
Other Assets	13	3,650.00	3,650.00
TOTAL		<u>45,863,497.32</u>	<u>45,429,121.39</u>

Significant Accounting Policies

1

The accompanying notes are an integral part of the Financial statements

Place : Kolkata

Dated : 27th August, 2012

For **AGARWAL MEMANI & CO.**

Chartered Accountants
(**RAJ KUMAR AGARWAL**)

Proprietor

Membership No. 53026

ABHISHEK PODDAR
SANJAY KR. SHAH

Director



Siddheswari Garments Limited

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

	NOTES	2011-12	2010-11
INCOME			
Revenue from Operations	14	5,278,980.00	3,400,000.00
Other Income	15	2,820,368.00	2,573,064.00
TOTAL REVENUE		<u>8,099,348.00</u>	<u>5,973,064.00</u>
EXPENSES			
Purchase of Traded goods	16	6,414,440.00	4,200,000.00
Changes in Inventories	17	-	-
Employee Benefit Expenses	18	331,669.00	315,248.00
Depreciation		10,108.00	10,108.00
Other Expenses	19	641,216.07	852,769.35
TOTAL EXPENSES		<u>7,397,433.07</u>	<u>5,378,125.35</u>
Profit / (Loss) Before Tax		701,914.93	594,938.65
Tax Expenses			
Current Tax		267,381.00	185,712.00
Current Tax relating to prior years		504.00	-
Deferred Tax		(2,000.00)	(1,875.00)
Profit / (Loss) for the Year		<u>436,029.93</u>	<u>411,101.65</u>
Earnings per equity share of face value of Rs. 10 each			
Basic and Diluted (in Rs.)	20	0.13	0.12
Significant Accounting Policies	1		
The accompanying notes are an integral part of the Financial statements			

For **AGARWAL MEMANI & CO.**
Chartered Accountants
(RAJ KUMAR AGARWAL)
Proprietor
Membership No. 53026

ABHISHEK PODDAR
SANJAY KR. SHAH
Director

Place : Kolkata
Dated : 27th August, 2012



Siddheswari Garments Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

Pursuant to Clause 32 of Listing Agreement(s) (as amended)

	2011 - 2012		2010 - 2011	
	Rs.	P.	Rs.	P.
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax & Extraordinary items				
Adjustments for :				
Depreciation	10,108.00		10,108.00	
Interest Received	(2,820,368.00)		(2,573,064.00)	
		701,914.93		594,938.65
Operating Profit Before Working Capital Changes		(2,810,260.00)		(2,562,956.00)
Adjustment for :				
Decrease/(Increase) in Debtor	218.15		83,196.72	
Decrease/(Increase) in Loans & advances	(13,194,166.00)		11,000,000.00	
Increase/(Decrease) in Creditors	-	(13,193,947.85)	4,000.00	11,087,196.72
Cash Generated from Operations		(15,302,292.92)		9,119,179.37
Direct Taxes Paid		401,846.00		247,641.00
Net Cash from Operating Activities		(14,900,446.92)		9,366,820.37
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of Investment			(330,000.00)	
Interest Received	2,820,368.00		2,573,064.00	
Net Cash from Investment Activities		2,820,368.00		2,243,064.00
C. CASH FLOW FROM INVESTING ACTIVITIES :				
Net Cash from Financing activities				
Net increase/(decrease) in Cash & Cash Equivalents		(12,080,078.92)		11,609,884.37
Cash & Cash Equivalents as on 1st April, 2011		13,968,098.72		2,358,214.35
Cash & Cash Equivalents as on 1st April, 2012		1,888,019.80		13,968,098.72

This is the Cash Flow Statement referred to in our report of even date.

1, British Indian Street
Kolkata - 700 069
Dated : 27th August, 2012

For **AGARWAL MEMANI & CO.**
Chartered Accountants
(RAJ KUMAR AGARWAL)
Proprietor
Membership No. 53026

ABHISHEK PODDAR
SANJAY KR. SHAH
Director

