



47th ANNUAL REPORT 2008-2009

MODELLA WOOLLENS LIMITED



12.12.1925 – 30.07.2008

BRIJMOHAN GROVER

Founder Managing Director

of

MODELLA WOOLLENS LTD.

MODELLA WOOLLENS LIMITED



Board of Directors

Mr. V. K. Grover (Chairman & Managing Director)

Mr. B. K. Khemka

Mrs. G. Grover

Registered Office :

4-C, Vulcan Insurance Building,
Veer Nariman Road,
Churchgate, Mumbai-400 020.

Tel. : (022) 2204 7424/9879

Fax : (022) 2287 2620

E-mail : modella@vsnl.com

E-mail for investor

grievance:modella@hathway.com

Bankers :

Union Bank of India

Solicitors :

Malvi Ranchoddas & Co.

Auditors :

Desai & Bhagtaney

Registrar & Share Transfer Agent :

Purva Sharegistry (India) Pvt. Ltd.

9, Shiv Shakti Industrial Estate,
Ground Floor, Sitaram Mill Compound,
J. R. Boricha Marg, Lower Parel,
Mumbai-400 011

Tel.: 2301 6761/8261

E-mail: busicomp@vsnl.com

Website : www.busi-comp.com

MODELLA WOOLLENS LIMITED

NOTICE TO MEMBERS

NOTICE is hereby given that the 47th Annual General Meeting of the members of MODELLA WOOLLENS LIMITED will be held at the Walchand Hirachand Hall, Indian Merchants' Chamber Building, 76 Veer Nariman Road, Churchgate, Mumbai-400 020 on Wednesday the 12th day of August, 2009 at 12.00 noon to transact the following:

As Ordinary Business :

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2009 and the Profit & Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. B.K. Khemka who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Messrs Desai & Bhagtaney, Chartered Accountants, Mumbai as the Auditors of the Company and to fix their remuneration.

Place : Mumbai,
Dated : 28th April, 2009

By Order of the Board of Directors

V. K. Grover

Chairman & Managing Director

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER, IN ORDER TO BE EFFECTIVE, THE PROXY FORM DULY COMPLETED AND STAMPED MUST REACH THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE TIME OF HOLDING THE AFORESAID MEETING.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday 29/07/2009 to Wednesday 12/08/2009 (both days inclusive).
3. Members may kindly note that the Company's share can now be held in de-materialised form with Central Depository Services Ltd.(CDSL). The ISIN is INE 380D01012. The Company has appointed M/s. Purva Sharegistry India Pvt. Ltd., 9, Shiv Shakti Industrial Estate, Ground Floor, Sitaram Mill Compound, J.R. Boricha Marg, Lower Parel, Mumbai-400 011 as the Registrar & Transfer Agent.
4. Members can avail of the Nomination facility by filling Form 2B of the Companies (Central Government's) General Rules and Forms, 1956 with the Company or its Registrar & Transfer Agent viz. M/s. Purva Sharegistry India Pvt. Ltd.
5. Members are requested to notify immediately change in their address, if any, to the Company, or to its Registrar & Transfer agent viz. M/s. Purva Sharegistry India Pvt. Ltd. or to respective Depository Participant in case of shares held in de-materialised form.
6. Members desiring any information as regards the accounts & operations of the Company are requested to write to the Company at an early date so that the information sought can be made readily available at the meeting.
7. Members are requested to bring their copy of the Annual Report as the practice of distributing copies of the Annual Report at the place of meeting has been discontinued as an austerity measure.
8. Members/Proxies are requested to bring their admission slip, duly filled, while attending the meeting.

Place : Mumbai,
Dated : 28th April, 2009

By Order of the Board of Directors
V. K. Grover
Chairman & Managing Director

MODELLA WOOLLENS LIMITED

DIRECTORS' REPORT TO THE MEMBERS FOR THE YEAR ENDED 31ST MARCH, 2009

Your Directors present their 47th Annual Report together with the audited statement of accounts of your Company for the year ended 31st March, 2009.

FINANCIAL RESULTS :	2008-2009	2007-2008
	Rs./Lakhs	Rs./Lakhs
Deficit/(Profit)		
before Interest and Depreciation	21.90	(183.79)
Add/(Less) : Interest	---	0.37
Depreciation	1.32	1.52
Deficit/(Profit) for the year before Tax	23.22	(181.90)
Less: Income Tax (FBT)	(8.62)	20.19
Deficit/(Profit) after Tax	14.60	(161.71)

In view of absence of significant business activity, the Managing Director continues to draw a token remuneration of Rs.100/- p.m. during the financial year.

DIVIDEND :

In view of the loss for the year, no dividend is recommended.

OPERATION :

Due to the economic slowdown and recession in the textile industry and in the absence of suitable trading partners trading activity remained suspended during the year.

Claim against Rajesh Industries was settled for Rs. 25,00,000/- as per minutes of order dated 24.4.2008 of the Bombay High Court. Against this till date Rs.5,00,000/- (Rs.1,00,000/-) have been received. The main partner Mr. Rajesh Shroff died sometime in April 2009. The default is being pursued in the Bombay High Court under legal advice.

The Company placed its funds in fixed deposits of banks that generated an income of Rs.1,65,145/- (Rs.1,88,579/-).

FUTURE OUTLOOK :

The Company is on the lookout for a suitable trading partner to restart commercial activities during 2009-10.

Your Company has no borrowings from any Bank or Financial Institution. The Company has also not accepted any deposit.

DIRECTORS' RESPONSIBILITY STATEMENT AS REQUIRED UNDER SECTION 217 (2) of the Companies Act, 1956.

Your Directors state that-

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed.
- (ii) they have selected such accounting policies and applied 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 the profit of the Company for the year..
- (iii) they have 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.
- (iv) they have prepared the annual accounts on a going concern basis because of financial support from promoters in the form of inter-corporate deposits.

COMPLIANCE CERTIFICATE :

As required under proviso to sub-section(1) of Section 383A of the Companies Act, 1956, a certificate dated 27.4.2009 from Messrs S. Dewan & Associates, Company Secretaries is attached to this Report.

PERSONNEL:

Your Directors place on record their appreciation for the co-operation of all the staff and officers of the Company and look forward to their continued co-operation in future.

There is no employee whose remuneration exceed the limit specified under Section 217(2A) of the Companies Act, 1956.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO :

Pursuant to Rules framed by the Central Government under Section 217, sub-section 1(e), the Board reports as under :

A. CONSERVATION OF ENERGY:

N.A.

B. TECHNOLOGY ABSORPTION:

N.A.

MODELLA WOOLLENS LIMITED

C. FOREIGN EXCHANGE EARNINGS:
NIL

D. FOREIGN EXCHANGE OUTGO:
NIL

DIRECTORS :

Mr. Binod Kumar Khemka retires by rotation and being eligible offer himself for re-appointment.

Mr. B.M. Grover the founder Managing Director of the Company and its Chairman passed away on 30.07.2008. Your Directors express their profound grief at the loss and place on record their appreciation of his services to the Company.

Mr. K.C. Narang resigned as Director on 31.12.2008. Your Directors place on record their appreciation of the services rendered by him to the Company since 19-12-1978.

Mr. V.K. Grover, the Managing Director of your Company has been appointed the Chairman of the Board of Directors.

Your Directors have informed your Company that they are not debarred for re-appointment/continuation as directors under Sec274(1)(g) of the Companies Act, 1956.

AUDITORS :

Messrs Desai & Bhagtaney, Chartered Accountants, Mumbai retire at the conclusion of the Annual General Meeting and being eligible are recommended for re-appointment.

For and on behalf of the Board of Directors

Place : Mumbai,
Dated : 28th April, 2009

V. K. Grover
Chairman & Managing Director

COMPLIANCE CERTIFICATE UNDER SECTION 383A(1) OF THE COMPANIES ACT, 1956
[FORMING PART OF DIRECTORS' REPORT]

COMPLIANCE CERTIFICATE

27/04/2009

Registration No. of the Company : (011) 12080
Nominal Capital : Rs. 2,00,00,000/-

To,
The Members of,
MODELLA WOOLLENS LIMITED
4-C, Vulcan Insurance Bldg.,
Veer Nariman Road,
Churchgate, Mumbai 400 020

We have examined the registers, records, books and papers of MODELLA WOOLLENS LIMITED (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 Memorandum and Articles of Association of the Company for the financial year ended on 31/03/2009 (Financial Year). In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we 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 of the Act and the Rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed 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, comments are not required.
4. The Board of Directors duly met 5 times respectively on 22/4/2008, 12/5/2008, 28/7/2008, 27/10/2008 & 20/01/2009 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including circular resolutions passed in the minute Books maintained for the purpose.
5. The Company closed its Register of Members from 16/07/2008 to 30/07/2008 and necessary compliance of Section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended on 31/03/2008 was held on 30/7/2008 after giving due notice to the Members of the Company and the resolutions passed duly recorded in Minutes Books maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year.
8. The Company has not advanced any loans to its Directors or Persons or Firms or Companies referred to under section 295 of the Act.
9. The Company has duly complied with the provisions of Section 297 of the Act in respect of contracts specified in that Section.
10. The Company has made necessary entries in the Register maintained under Section 301 of the Act.

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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.
12. The duly constituted Committee of Directors has approved the issue of Duplicate Share Certificates.
13. The Company has:
 - (i) delivered all the Certificates on lodgment thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act;
 - (ii) The Company has not deposited any amount in separate Bank account as no Dividend was declared during the Financial Year.
 - (iii) The Company was not required to post warrants to any member of the Company as no Dividend was declared during the financial year.
 - (iv) The Company has nothing to transfer in unpaid Dividend Account.
 - (v) The Company has duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and appointment of Directors, additional Directors, have been duly made.
15. The Company has not appointed any Managing Director/Whole time Director/Manager during the Financial Year.
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, Registrar and/or such authorities prescribed under the various provisions of the Act during the Financial Year.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any shares, debentures or other securities during the Financial Year.
20. The Company has not bought back any shares during the Financial Year.
21. There was no redemption of preference shares or debentures during the Financial Year.
22. There was no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of section 58A during the financial year.
24. The Company has not borrowed any amount during the Financial Year ending 31/3/2009.
25. The provisions relating to Loans, Investments etc. are not applicable to the Company.
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 situation of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to the objects 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 under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. There was/were no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The provisions of Section 418 of the Companies Act, 1956 are applicable to the Company since the Company has deposited employees' and employer's contribution to Provident Fund with Recognised Provident Fund.

For S. DEWAN & ASSOCIATES

S. B. DEWANJEE

A.C.S. - 2447

C.P. - 4947

Encl : As Above

ANNEXURE A

REGISTERS AS MAINTAINED BY THE COMPANY

A) STATUTORY REGISTERS :

1. Registers of Investments u/s 49(7)
2. Register of Charges u/s 143 and Copies of instruments creating charges u/s 136.
3. Register & index of Shareholder u/s 150 & 151.
4. Register and Returns u/s 163.
5. Minutes Books of Board/General Meeting u/s 193.
6. Books of Accounts u/s 209.
7. Register of Particulars of Contracts in which Directors are interested u/s 301.
8. Register of Companies, Firms etc. in which Directors are interested u/s 301.
9. Register of Directors, Managing Director, Manager, Secretary u/s 303.
10. Register of Directors' Shareholding u/s 307.
11. Register of Renewed and Duplicate Share Certificates under Rule 7 of the Companies (issue of Share Certificate) Rules, 1960.

