

| | | | | |
|-----|---|--|-----|---|
| MD | ✓ | | BKC | ✓ |
| CS | ✓ | | DPY | ✓ |
| RO | ✓ | | DIV | ✓ |
| TRA | ✓ | | AC | ✓ |
| AGM | ✓ | | SHH | ✓ |
| YE | ✓ | | | |



ANUSHA INTERNATIONAL LIMITED

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ANUSHA INTERNATIONAL LIMITED**BOARD OF DIRECTORS**

| | |
|-------------------------------|-------------------|
| Dr. P. Maruthai Pillai | Chairman |
| M. Arun Pillai | Managing Director |
| M. Sivaram | |
| Dr. K. Ampikaipakan | |
| R. Palanisamy | |
| G. Davidly Moses | TIDCO Nominee |
| M. Uttam Reddi | |
| G. Dwarakanathan | |
| Bapty Seshasayee | |

| | |
|---------------------------|--|
| V. Ramasubramanian | Company Secretary & Finance Manager |
|---------------------------|--|

| | |
|----------------|---|
| Bankers | State Bank of India Commercial Branch Madras - 600 001. |
|----------------|---|

| | |
|-----------------|--------------------------------------|
| Auditors | Venkatesh & Co. Madras - 600 014. |
|-----------------|--------------------------------------|

| | |
|--------------------------|--|
| Registered Office | 7, Jagannathan Street, Nungambakkam, Madras - 600 034. |
|--------------------------|--|

| | |
|------------------|--|
| Factories | Shoe Division : 117/118, SIDCO Indl. Estate, Ranipet - 632 403. Vellore Dist. Tamil Nadu Finished Leather Division 60, Mukuntarayapuram Village Wallajah Taluk, Vellore Dist. Tamil Nadu |
|------------------|--|

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ANUSHA INTERNATIONAL LIMITED**NOTICE OF THE ANNUAL GENERAL MEETING**

Notice is hereby given that the Fourth Annual General Meeting of the Members of Anusha International Limited will be held on Monday, the 15th December 1997 at 10.15 A.M. at "New Woodlands Hotel Pvt. Ltd.", 72-75, Dr.Radhakrishnan Road, Madras - 600 004, to transact the following business :

1. To receive, consider and adopt the audited accounts for the fifteen months period ended 30th June 1997 and the reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in the place of Dr.P.Maruthai Pillai, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in the place of Mr.Bapty Seshasayee, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS

5. To consider and, if thought fit, to pass the following resolution, with or without modification as an Ordinary Resolution :
 "RESOLVED THAT in supersession of the Ordinary Resolution passed at the Annual General Meeting of the Company held on 22nd July 1994 and pursuant to Section 293(1) (d) and other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow from time to time such sum or sums of monies as it may consider fit for the purpose of the business of the Company notwithstanding that the monies to be so borrowed together with the monies already borrowed by the Company and remaining outstanding (apart from the temporary loans obtained from the Company's bankers in the course

of business) shall not exceed Rs.25 Crores (Rupees twenty five crores only)".

6. To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution :

"RESOLVED THAT pursuant to the provisions of Sections 198, 269 and 309 and other applicable provisions, if any, read with Schedule XIII of the Companies Act, 1956, approval of the Company be and is hereby accorded for the reappointment of Mr.M.Arun Pillai as the Managing Director of the Company for a period of five years with effect from 1.3.1997 upon the principal terms and conditions including the remuneration as set out in the Explanatory Statement attached hereto for the period from 1.3.1997 to 28.2.2002, i.e., till the expiry of the present tenure of appointment".

7. To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution :

"RESOLVED THAT pursuant to Section 94 and other applicable provisions, if any, of the Companies Act, 1956, the authorised capital of the Company be increased from Rs.7,00,00,000/- to Rs.12,00,00,000/- by the creation of 30,00,000 equity shares of Rs.10/- each ranking in all respects pari passu with the existing equity shares and 20,00,000 preference shares of Rs.10/- each".

8. To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution :

"RESOLVED THAT pursuant to Section 16 and other applicable provisions, if any, of the Companies Act, 1956, the existing Clause V of the Memorandum of Association of the Company relating to Share Capital and is hereby altered in the manner following :



CLAUSE V :

The authorised share capital of the Company is Rs.12,00,00,000/- (Rupees Twelve Crores only) divided into 1,00,00,000 equity shares of Rs.10/- each and 20,00,000 preference shares of Rs.10/- each.

9. To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution :

"RESOLVED THAT pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the existing Article 4 of the Articles of Association of the Company relating to Share Capital be and is hereby altered in the manner following :

CLAUSE 4 :

The authorised share capital of the Company is Rs.12,00,00,000/- (Rupees Twelve Crores only) divided into 1,00,00,000 equity shares of Rs.10/- each and 20,00,000 preference shares of Rs.10/- each.

10. To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution :

RESOLVED THAT pursuant to the provisions of Section 81 (1-A) and other applicable provisions, if any, of the Companies Act, 1956, and subject to the approvals, consents, permissions and / or sanctions as may be necessary from the Central Government, Reserve Bank of India (RBI), the Securities and Exchange Board of India (SEBI), Stock Exchange, and / or any other appropriate authority, institution or body and subject to such conditions and / or modifications as may be described by any one or all of them in granting such approval, consent, permission and / or sanction, consent of the company be and is hereby accorded to the Board of Directors of the company (hereinafter

referred to as "the Board" which item shall be deemed to include any Committee constituted by the Board of Directors).

to issue, offer and allot by way of private placement not exceeding 30,00,000 equity shares of Rs. 10/- each in the equity share capital of the company and / or 20,00,000 redeemable cumulative preference shares of Rs. 10/- each in such combination as may be finalised by the Board for an aggregate amount of Rs. 4,40,00,000/- to the company's promoters, viz., Dr. P. Maruthai Pillai and Associates, Tamilnadu Industrial Development Corporation Ltd., and Maika Holdings Berhad, Malaysia, in such proportion as may be mutually agreed upon among them, at par on the basis of the SEBI Guidelines presently in force and/ or such other guidelines of SEBI and/or other authorities that may hereafter be issued and may become applicable.

"RESOLVED FURTHER THAT the equity shares to be allotted shall rank pari passu with the existing equity shares provided however, that the dividend, if any declared, shall be paid proportionately for the period commencing from the date of allotment of the said shares in the year of allotment".

"RESOLVED FURTHER THAT the preference shares to be allotted shall be redeemable cumulative preference shares with such rate of dividend as may be finalised by the Board".

"RESOLVED FURTHER THAT for the purposes of giving effect to the above resolution, the Board be and is hereby authorised on behalf of the company to do all such acts, deeds, matters and things as it may at its discretion deem necessary or desirable for such purpose and with power on behalf of the company to settle any questions, difficulties or doubts that may arise in this regard as it may in its absolute discretion deem fit and proper".

ANUSHA INTERNATIONAL LIMITED

NOTES :

1. A Member entitled to attend and vote is entitled to appoint a proxy and vote instead of himself and such a proxy need not be a Member.
2. Proxies in order to be effective, should be lodged with the Company at the Registered Office not less than 48 hours before the Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 11.12.97 to 15.12.97 (both days inclusive).
4. Change of address, if any, should be notified to the Company immediately.
5. Shareholders are requested to bring their copies of the Annual Report for the Meeting.

By Order of the Board
for Anusha International Limited
V. Ramasubramanian
Co. Secretary &
Fin. Manager.

Madras,
12th Nov. 1997.

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EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item 5 :

The Company is in the process of raising additional funds to finance the project cost overrun and also to augment the long term working capital requirements of the Company.

At the Annual General Meeting held on 22nd July 1994, approval of the Shareholders was obtained under Section 293 (1) (d) of the Companies Act, 1956, authorising the Board of Directors to borrow monies (apart from temporary loans obtained from the company's bankers in the ordinary course of business) upto a limit of Rs.15 Crores.

In view of the proposed borrowing by way of long term loans and also keeping in mind the future loan requirements of the Company, it is considered desirable to increase the borrowing powers of the Board of Directors upto Rs.25 Crores. This requires the approval of the Shareholders at a General Meeting. Accordingly, an Ordinary Resolution under Section 293 (1) (d) of the Companies Act, 1956, is set out under Item 5 of the notice for the approval of the Shareholders.

None of the directors is interested in the subject matter.

Item 6 :

Mr.M.Arun Pillai was appointed as the Managing Director of the Company for a period of three years with effect from 1.3.1994. At the Annual General Meeting held on 30.11.1994, the Shareholders have approved the revision of salary payable to him with effect from 1.12.1994 for the remaining period of his term, viz., 1.12.1994 to 28.2.1997. His salary was revised from Rs.7,500/- to Rs.11,000/- per month on a time scale of Rs.11000-2000-15000 with commission and other perquisites in line with the conditions stipulated in Schedule XIII of the Companies Act, 1956.

The term of office of Mr.Arun Pillai as the Managing Director of the Company has expired

on 28.2.1997. The Board of Directors at their meeting held on 29.3.1997, reappointed Mr.Arun Pillai as the Managing Director of the Company for a further period of five years from 1.3.1997. The appointment and payment of remuneration to Mr. Arun Pillai is subject to the approval of the Shareholders at the General Meeting.

The details of remuneration payable to Mr.Arun Pillai are as follows :

- | | |
|--------------------------|---|
| i. Period of appointment | : 5 years with effect from 1.3.1997. |
| ii. Salary | : Rs.18,000/- per month. |
| iii. Annual Increment | : Rs.2,000/- in the time scale. |
| iv. House Rent Allowance | : 60% of the salary. |
| v. Managerial Allowance | : Rs.1,000/- per month. |
| vi. Perquisites | : In addition to the above, the Managing Director shall be entitled for Leave Travel Assistance for self and family, reimbursement of medical expenses as per the rules of the Company and also Club Fees, Personal Accident Insurance, etc. The total value of the above perquisites shall not exceed the annual salary. |
| vii. Other facilities | : Provision of car for the use of Company's business and telephone at |

ANUSHA INTERNATIONAL LIMITED

residence and Provident Fund, as per the rules of the Company. These benefits shall not be included in computing the value of perquisites.

As the above appointment requires the approval of the shareholders under Sections 198, 269 & 309 along with Schedule XIII of the Companies Act, 1956, an Ordinary Resolution is set out under Item 6 of the notice for the approval of the Shareholders.

INTEREST OF DIRECTORS :

Mr.M.Arun Pillai is interested in the above resolution in his capacity as the Managing Director of the Company and Dr.P.Maruthai Pillai and Mr.M.Sivaram are interested being the relatives of Mr.Arun Pillai.

Item 7, 8 & 9 :

The present authorised capital of the Company is Rs.7,00,00,000/- consisting of 70,00,000 Equity Shares of Rs.10/- each. The Company is proposing to issue additional shares for raising funds to finance the project cost overrun and also to augment the long term working capital requirements of the Company. The proposed issue may exceed the present authorised capital and hence it is suggested to increase the authorised capital from Rs.7,00,00,000/- to Rs.12,00,00,000/-. Consequently, the capital clause of the Memorandum and Articles of Association of the Company required to be amended.

Accordingly, two Ordinary Resolutions and one Special Resolution are set out separately

under Item 7 to 9 for the approval of the Shareholders.

A copy of the existing Memorandum and Articles of Association is kept open for inspection by the members at the Registered office of the Company on any working day during business hours and also at the time of the Annual General Meeting.

None of the Directors is interested in the above resolutions.

Item 10 :

The promoters of the company are proposing to infuse additional funds for financing the project cost overrun and also to augment the long term working capital requirements of the company. For this purpose, various proposals are being worked out for structuring the capital base of the company. The Board shall be allotting equity or preference shares to the promoters of the company in such combination as may be finalised by them taking into consideration various financial norms imposed by the Financial Institutions and the Bank. It was noted that the total equity / preference shares proposed to be allotted by the Board shall not exceed Rs. 440 Lacs.

In terms of Section 81(1-A) of the Companies Act, 1956, approval of the shareholders by way of a Special Resolution is required for issue of shares to the promoters on private placement basis and hence your Directors commend the resolution set out in Item 10 for your approval.

Dr. P. Maruthai Pillai, Chairman, Mr. M. Arun Pillai, Managing Director, and Mr. M. Sivaram, Director are interested in the above resolution.

By Order of the Board
for Anusha International Limited
V. Ramasubramanian
Co. Secretary &
Fin. Manager.

Madras,
12th Nov. 1997.