



ANUSHA INTERNATIONAL LIMITED

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8th
ANNUAL
REPORT
2000-2001

BOARD OF DIRECTORS

Dr. P. Maruthai Pillai
Mr. M. Arunn Pillai
Mr. M. Uttam Reddi
Mr. G. Dwarakanathan

Chairman
Managing Director

Mr. S. Devadhirajan

Company Secretary & G.M.
Finance

Bankers

State Bank of India
Commercial Branch
Chennai - 600 001.

Auditors

Venkatesh & Co.
Chennai -600014.

Registered Office

12, Tankbund Road,
Nungambakkam,
Chennai - 600 034.

Factory

Shoe Division
117/118, SIDCO Indl. Estate
Ranipet - 632 403, Vellore Dist.
Tamil Nadu.

Finished Leather Division
60, Mukundarayapuram Village
Wallajah Taluk, Vellore Dist.
Tamil Nadu.

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ANUSHA INTERNATIONAL LIMITED

Registered Office : No. 12, Tankbund Road, Nungambakkam, Chennai 600 034.

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the Eighth Annual General Meeting of the members of the Company will be held on Wednesday, the 12th September 2001 at 10.15 AM. at the Kasturi Srinivasan Hall, Music Academy, 306, TTK Road, Chennai 600 014, to transact the following business :

1. To receive, consider and adopt the audited accounts for the year ended 31st March 2001 and the reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in the place of Mr. G. Dwarakanathan who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors and to fix their remuneration.

Chennai
30th June 2001

By order of the Board
for ANUSHA INTERNATIONAL LIMITED

DEVADHIRAJAN S.

General Manager (Finance) &
Company Secretary

NOTE

1. A member eligible to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead and a proxy need not be a member of the company.
2. Proxies in order to be effective should be lodged with the company not less than 48 hours before the meeting.
3. Change of address, if any, should be notified to the company immediately.
4. Members are requested to bring their copies of the Annual Report to the meeting.

Information pursuant to clause 49 VI (A) (c) of the listing agreement

Particulars of other directorships / committee memberships of persons proposed to be appointed / reappointed director.

Mr. G. Dwarakanathan, IA & AS (Retd.) aged 69 years, has held coveted positions in Govt. of India, public sector undertakings and private sector companies. His experience in the Ministry of Finance, Defence and Railways will be valuable. He was finance director in Tamilnadu Industrial Development Corporation Ltd. and SPIC Ltd. He was part of the team that successfully turned around SPIC Ltd. from a sick company to a profitable company. He retired as Managing Director, South India Shipping Corporation Ltd.

He has been on the Board since October 94. Particulars of his other directorships are given below :

| Name of the company | Nature of Interest |
|--------------------------------|--------------------|
| 1. Subhapradha Finance P. Ltd. | Director |





DIRECTORS' REPORT

Your Directors have pleasure in presenting the Eighth Annual Report together with the audited accounts for the year ended 31st March 2001 and the auditors' report thereon.

We had reported last year that your company was declared sick by the Board for Industrial and Financial Reconstruction (BIFR). The draft rehabilitation report submitted by the company is being finalised by IDBI, the operating agency and we are told that the proposal will then be placed before a joint meeting with SBI, the Company's bankers for their concurrence. We expect the proposal to take effect, with BIFR approval, during the currency of this year.

The financial results for the year show a turnover of Rs. 171.32 lakhs representing job charges. Due to paucity of working capital no direct exports could be done. Total expenditure for the year was Rs. 423.88 lakhs, including interest Rs. 166.23 lakhs and depreciation Rs. 74.79 lakhs. Loss for the year was Rs. 544.60 lakhs. This includes stocks written off 292.04 lakhs.

Audit Observations

As in the previous year we have provided simple interest at concessional rates being demanded by us as per our proposal in contrast to earlier years, when we had provided interest as per applicable bank rates on compounded basis. Final adjustments will be done when the proposal is finalised by the operating agency.

Having subsisted entirely on conversion jobs, the company's finances were under tremendous strain. The company could not therefore remit Provident Fund, ESI, TDS and Profession Tax liabilities on time.

Industry

The uptrend in export of leather footwear established in 1999-2000 continue to be maintained. An increase of 7.40% over last year in rupee value terms was registered during the year in the exports of leather foot wear. The increase was 6.89% in US\$ terms, but this was largely upset by dearer US\$ to Indian rupee, and therefore the real increase was 1.88% in US\$ terms over the previous year.

The rising trend is likely to be maintained in the current year as well.

Company Prospects

Your directors are confident that a viable rehabilitation scheme will be in place during the current year and will thus set the ground for take off in the next year.

Directors

Mr. G. Davidly Moses representing Tamilnadu Industrial Development Corporation Ltd. had resigned during the year. Your directors place on record his valuable advice, guidance and support during his tenure as director on the board of your company.

Mr. G. Dwarakanathan retires by rotation at the ensuing meeting and has offered himself for reappointment. Your directors recommend his continuance on the board.

Particulars of Employees

There was no employee drawing remuneration requiring reporting under section 217(2A) of the Companies Act, 1956.

Technology absorption / foreign exchange earnings and outgo :

During the year under review, there was no fresh technology absorption, nor there were foreign exchange earnings or outgo.

Report on Corporate Governance :

As per SEBI guidelines and stock exchange listing agreement, the company is permitted to implement the various requirements under this new concept upto 31st March 2003. However your directors are aware of the importance of implementing these requirements sooner than later. It has been decided to implement these requirements in phases, after the scheme of rehabilitation is sanctioned and an expanded Board is constituted.

Directors' Responsibility Statement u/s 217(2AA) of the Companies Act, 1956.

The directors confirm that

- i. the accounts have been prepared conforming to the applicable accounting standards and generally accepted accounting principles.
- ii. such principles and standards have been consistently followed and applied to the accounts and the statements give a true and fair view of the affairs of the company.
- iii. adequate care has been taken to ensure that proper books of accounts have been maintained in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for detecting frauds and irregularities.
- iv. the accounts have been prepared on a going concern basis.

Auditors

M/s. Venkatesh & Co., Chartered Accountants, statutory auditors of the company retire at the ensuing meeting and have offered themselves for reappointment.

Acknowledgement

Your directors place on record their appreciation of the continued support and cooperation from institution and banks, TIDCO and Maika Holdings Berhad, Malaysia.

Due acknowledgement is also made to all employees of the organisation for their forbearance and loyalty to stand by the management during the difficult times. We solicit your good wishes and cooperation to put the company back on the growth track.

for and on behalf of the Board

Chennai
30th June 2001

Dr. P. MARUTHAI PILLAI
Chairman



ANUSHA INTERNATIONAL LIMITED

AUDITORS' REPORT

To The members of ANUSHA INTERNATIONAL LIMITED

We have audited the attached Balance Sheet of **ANUSHA INTERNATIONAL LIMITED** as at 31st March, 2001 and also the annexed Profit and Loss Account of the company for the year ended on that date and report that :

1. As required by Manufacturing and other Companies (Auditor's Report) Order, 1988, issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the annexures, a statement on the matters specified in the paragraphs 4 & 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph (1) above.
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) In our opinion, proper books of accounts as required by law, have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet and the Profit and Loss Account, dealt with by this report, are in agreement with the books of accounts of the company.
 - (d) Subject to the matters stated in para (f) below, regarding provision of interest to Banks and Financial Institution, the company's Balance Sheet and Profit & Loss account comply with the Accounting standards laid down u/s. 211(3c) of the Companies Act, 1956.
 - (e) On the basis of written representation received from the directors of the Company as at 31.03.2001 and taken on record by the board of directors, we report that no director is disqualified from being appointed as director of the Company under clause (g) of subsection (1) of section 274 of the Companies Act, 1956.
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read with the schedules attached thereto and the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and **subject to note 18 of Schedule 14 regarding interest to Financial Institutions and Banks.**

give a true and fair view

- (i) In the case of Balance Sheet, of the state of affairs of the company as at 31st March, 2001 and
- (ii) In the case of the Profit and Loss Account of the Loss for the year ended on that date.

For **VENKATESH & CO.**
Chartered Accountants

PLACE : CHENNAI

DATE: 30th June 2001

V.DASARATY
Partner