



Chitradurga Spintex Limited

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**Eighth Annual Report
1998-1999**

CHITRADURGA SPINTEX LIMITED

BOARD OF DIRECTORS:

Sri.S.RAJASEKHARAPPA
Sri.S.CHANDRASHEKAR
Sri.K.S.SATHYANARAYANA
Sri.A.K.RAJENDRA
Sri.S.VISHWANATH

Chairman
Director
KSIIDC Nominee
KSFC Nominee
Managing Director

WORKS & REGISTERED OFFICE:

Bangalore Road,
Siddapura Village,
Challakere-577 522
Karnataka State.

AUDITORS:

M/s.H.M.V.Murthy & Co.,
Chartered Accountants,
BANGALORE-560 002.

BANKERS:

STATE BANK OF MYSORE

SHARE TRANSFER AGENTS: M/s.Karnataka Financial Services Ltd.,

No.29, Hospital Road,
BANGALORE-560 001.

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NOTICE

Notice is hereby given that the **8th Annual General Meeting of the Company** will be held at the Registered Office at Bangalore Road, Siddapura Village, Challakere, Chitradurga Dist. Karnataka, Pin - 577 522 on 27th September 1999 at 11.00 a.m. to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance sheet as on 31st March 1999 and the Profit and Loss Account for the year ending 31st March 1999 together with the reports of the Auditors and Directors thereon.
2. To appoint Auditors and fix their remuneration.

Place: CHALLAKERE

Date : 12-08-1999

By order of the Board

S.Rajasekharappa
Chairman.

NOTES:

1. A member entitled to attend and vote is entitled to appoint a proxy and vote instead of himself and proxy need not be a member of the Company. Proxies in order to be effective must be lodged with the Company at its registered office at least 48 hours before the commencement of the meeting.
2. The Register of members and the Share Transfer books of the Company will remain closed from 21.09.1999 to 27.09.1999 (both days inclusive).
3. Members seeking any information with regard to Accounts are requested to write to the Company at least 7 days before the date of the meeting so as to enable the Management to keep information ready.
4. Members are requested to bring their Copies of Report and Attendance slip duly filled for attending the Meeting.

DIRECTORS REPORT

Your Directors have pleasure in presenting their 8th Annual Report and Audited Accounts for the year ended 31.03.1999.

FINANCIAL RESULTS:

	(Rupees in lakhs)	
	Year ended	year ended
	31.03.1999	31.03.1998
Gross Profit from operation	(66.78)	25.17
Depreciation	23.50	23.58
Net Profit	(90.28)	4.94
Profit brought forward	94.96	91.11
Balance carried forward	2.30	94.96

OPERATIONS:

The working results during the period were adversely affected due to the scarcity in availability of cotton and cotton waste and the hike in raw materials cost due to allowing export of cotton waste, which is our main raw material. And yarn prices are not getting improved proportionately. The Company has resorted to reduced production due to slack in demand for cotton yarn due to continued adverse condition in domestic and overseas cotton yarn markets.

The prospectus for the current year depends mainly upon the future market conditions. Your directors, will try their best to improve the companies performance.

PROJECTIONS VERSES PERFORMANCE:

In terms of clause 43 of the Listing Agreement, your Directors give below the actual performance for 1998-99 as against the projections made in the prospectus.

Total Income	1720.00	605.31
Net Profit	214.86	(90.28)
EPS	4.66	Nil

PARTICULARS OF EMPLOYEES:

During the year there was no employee drawing remuneration beyond the limits prescribed under section 217 (2A) of the Companies Act, 1956.

FOREIGN EXCHANGE EARNING AND OUT GO:

Earnings: Nil (Previous Year Rs.35,92,800)
Outgo: Nil (previous year Rs.3,54,216)

CONSERVATION OF ENERGY:

Disclosure in respect of conservation of energy in form A is annexed.

TECHNOLOGY ABSORPTION:

There is no technology absorption during the year.

PROVIDENT FUND:

Your Company has been remitting employees Provident Fund regularly to the Department.

AUDITORS:

M/s. H.M.V. Murthy & Co., Chartered Accountants, retire as Auditors of the Company and are eligible for re-appointment.

ACKNOWLEDGEMENTS:

The Board wishes to express its thanks to the share holders for their continuing confidence in the management of the company. The Board expresses its gratitude to all financial institutions, Banks, and the State and Central Government for their help and co-operation. The Board also thanks the employees of the Company for their dedication and contribution to the growth of the Company.

For and on behalf of the
Board of Directors

Place:Challakere
Date: 12-08-1999

(S.RAJASHEKARAPPA)
Chairman

FORM-A**PART-A****POWER AND FUEL CONSUMPTION:**

	1998-99	1997-98
A)Electricity:		
Units in lakes	4.89	9.29
Total Amount Rs. in Lakes	23.61	35.52
Rate/unit (Rs.)	4.82	3.77
B) Own Generation:		
(Through D.G)		
Units in lakhs	3.77	3.98
Units per ltr. Of Diesel	3.41	3.36
Cost/Unit (Rs)	2.95	3.27