

GUMMADI INDUSTRIES LIMITED



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SIXTH ANNUAL REPORT 1999 - 2000

GUMMADI INDUSTRIES LIMITED

2012-13

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Directors	: Mr. K.B. Srinivasan Mr. Johan F Aasen Mr. T.M. Narasimhan Mr. V. Srinivas
Managing Director	: Mr. Gummadi J Satyanarayana
Jt. Managing Director	: Mr. V. Madhava Rao
Dy. Managing Director	: Mr. V. Venkata Rao
Auditors	: M/s Subramanian & Swaminathan
Bankers	: Bank of Madura Limited
Registered Office	: No. 34 (Old No. 72/A) IV Main Road, Gandhi Nagar, Adyar, Chennai - 600 020.
Factory	: Plot Nos A 71, B 87, 88, 96 & 97 Sedarapet Industrial Estate, Sedarapet, Pondicherry - 605 101.

GUMMADI INDUSTRIES LIMITED**NOTICE**

To

The Members

Notice is hereby given that the Sixth Annual General Meeting of the Company will be held on Saturday the 30th day of September 2000 at 11 a.m. at the Registered Office of the Company at No. 34, (Old No. 72/A) IV Main Road, Gandhinagar, Adyar, Chennai - 600 020 to transact the following business.

As Ordinary Business

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March 2000 and Profit & Loss account for the year ended 31st March 2000 and the Report of the Auditors and Report of Directors attached thereto.
2. To appoint a Director in place of Mr. V. Madhava Rao who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Mr. V. Srinivas who retires by rotation and being eligible offers himself for reappointment.
4. To appoint Auditors to hold their office from the conclusion of this meeting upto the conclusion of the next Annual General Meeting and to fix their remuneration (M/s. Subramanian and Swaminathan are retiring Auditors and being eligible offer themselves for re-appointment).

As Special Business

5. To consider and if thought fit, to pass with or without modifications(s), the following resolution as a Special Resolution:

"RESOLVED THAT the existing Clause V of the Memorandum of Association of the Company be replaced with the following Clause viz :

V The Authorised Share Capital of the Company is Rs 6 Crores (Rupees Six Crores only) divided into 48,00,000 equity shares of Rs 10/- each and 12,00,000 Preference Shares of Rs. 10/-each

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as Special Resolution.

RESOLVED THAT pursuant to Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 and subject, wherever required, to any other approval of Appropriate Authorities, including Securities and Exchange Board of India, (hereinafter referred to as "SEBI") the Board of Directors of the Company (hereinafter referred to as 'the Board' which term shall be deemed to include any duly authorised Committee thereof for the time being exercising the powers conferred on the Board by this Resolution) be and is hereby authorised, on behalf of the Company, to issue Redeemable Preference Shares of Rs. 10/- each Cumulative or Non-Cumulative, either at par or at premium, redeemable at par or at premium and in such numbers as the Board may decide for a sum not exceeding Rs. 120 crores (Rupees One Crore and Twenty Lacs only) and to offer them on a Private Placement basis to the Bodies Corporate, Financial Institutions, Foreign Institutional Investors, Mutual Funds, Banks, Individuals including Non-resident Indians or any other persons/parties as may be deemed fit by the Board in the manner and on the terms and

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conditions set out below and/or on such other terms and conditions as may be prescribed in granting the approvals by the Appropriate Authorities which the Board may at its absolute discretion consider proper or expedient :

- i. The Preference Shares to be issued and allotted by the Company in the manner aforesaid, will be subject to the provisions of the Companies Act, 1956 and Memorandum & Articles of Association of the Company
- ii. The Preference Shares will carry such rate of dividend as the Board may decide at its absolute discretion.
- iii. The rate of dividend may vary for each series of Preference Shares to be issued.
- iv. The dividend will be either Cumulative or Non-Cumulative as the Board may decide.
- v. The Preference Shares will be redeemed at such price, in one or more instalments on expiry of specified period(s) as may be determined by the Board".

RESOLVED FURTHER THAT the Board be and is hereby authorised to agree and to make such modifications and alterations from time to time as it deems fit and to take all steps as it may deem necessary, desirable or expedient and to resolve all questions of doubt and to do all acts, deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the Members of the Company and the decision of the Board shall be final and conclusive"

NOTES

1. In accordance with Section 173 (2) of the Companies Act 1956 the explanatory statement in respect of special business set out in item 5 and item 6 is annexed herewith.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy and to vote on a Poll in his behalf. Such proxy need not be a member of the company.
3. The Register of Members and Share Transfer Books of the Company will be closed from 28th September to 30th September 2000 (both days included).
4. The proxy form should be deposited at the Registered Office of the Company duly completed and signed not later than 48 hours before the commencement of the meeting.
5. Members/proxies should bring the attendance slip sent herewith duly filled in for attending the meeting. Only member/proxies will be admitted into the meeting.
6. Member desirous of obtaining any information concerning the accounts or operations of the Company are requested to send in their queries at least 10 days before the date of the meeting so that information required by the members may be made readily available at the meeting.
7. Members are requested to bring their copies of Annual Report while attending Annual General Meeting.

By order of the Board
for GUMMADI INDUSTRIES LIMITED

Sd/-

Place: Chennai
Date: 03.08.2000

V MADHAVA RAO
Jt. Managing Director

GUMMADI INDUSTRIES LIMITED

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Explanatory Statement pursuant to Section 173(2) of the Companies Act 1956**ITEM No. 5**

The Company has decided to augment capital without further increasing the paid up Equity component. Hence, it was decided to issue Preference Shares. The present Authorised Capital of Rs 6 Crores has been split into Rs. 4.80 crores towards Equity Capital and Rs. 1.20 Crores towards Preference Capital. As per the provisions of Section 16 and 94 of the Companies Act, 1956, the alteration of Capital clause has to be approved by the members by passing a special resolution. Hence, this resolution.

ITEM No. 6

In order to augment resources for the Company, it is proposed to raise a sum of Rs. 1.20 Crores by way of Preference capital as set out in the notice for issue 12,00,000 Redeemable Preference shares of Rs.10/- each on private placement basis to institutional investors, bodies corporate, mutual funds, banks, individuals including Non-resident Indians and any other person(s).

Section 81 of the Companies Act, 1956 provides inter alia, that when it is proposed to increase the subscribed capital of the Company by allotment of further shares, such further shares shall be offered to the existing members of the company unless the members otherwise decide by a Special Resolution.

The Board commend the resolutions for your approval.

None of the directors is directly or indirectly concerned or interested in these resolutions except to the extent of shares that may be allotted to them.

Report

By order of the Board
for **GUMMADI INDUSTRIES LIMITED**

Place : Chennai

Date : 03.08.1999

Sd/-

V MADHAVA RAO**Jt. Managing Director**

ANNUAL REPORT 1999 - 2000**DIRECTORS REPORT**

To

The Members

The Board of Directors of the Company are pleased to present the Sixth Annual Report of the Company together with audited statement of accounts for the financial year ended 31st March 2000.

FINANCIAL RESULTS

Summarised financial results for the year ended 31st March 2000 are as under :

	(Rs. in lacs)
Income	219.99
Profit before Depreciation and taxation	(10.81)
Less Depreciation	21.04
Loss before tax	(31.85)
Provision for tax	—
Loss for the year	(31.85)

Your Company has achieved a turnover of Rs. 232.97 lacs as against Rs. 90.86 lacs during 1998-99. The loss for the year was Rs. 31.85 lacs as against Rs. 35.76 lacs in the last year.

Your Company has been registering better volume during the current year as well and has already registered a turnover of about Rs. 104 lacs for the first 4 months of the financial year. Your Directors are hopeful that the financial performance during the current year will be satisfactory.

Your Company is potentially sick within the meaning of subsection (1) of Section 23 of the Sick Industrial Companies (Special Provisions) Act, 1985. However, the company is taking every steps to turnaround in this current financial year.

DIVIDEND

In view of the loss during the year under review and the carried forward losses of previous years no dividend is proposed for the year.

DEPOSITS

The Company has no deposits which are overdue.

DIRECTORS

Mr. V. Madhava Rao and Mr. V. Srinivas are liable to retire by rotation in this General Meeting and being eligible offer themselves for reappointment.

AUDITORS

M/s. Subramnian and Swaminathan, Chartered Accountants, Chennai retire at the conclusion of ensuing Annual General Meeting and are eligible for reappointment to hold office till the conclusion of the next Annual general Meeting at a remuneration to be fixed by the Board.

Regarding Auditors' qualification, your Directors wish to state that the Note No. 5 referred to by them is self explanatory.