

TENTH ANNUAL REPORT 1999-2000



Integrated Rubian Exports Ltd.

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INTEGRATED RUBIAN EXPORTS LTD.

Regd. Office : Rubian Complex, Aroor, Alappuzha - 688 534

Board of Directors:

Mr. K.A. KUNJUMOIDEEN
Chairman

Mr. C.H.A. RAHEEM, F.C.A.
Managing Director

Mr. C.A. SALIM, M.B.A.
Director - Marketing

Mr. T.A. MOHAMMED KUTTY
Whole-time Director

Mr. P.A. ZAFAR
Director

Mr. K.M. KUNHI, B.E.
Director

Mr. P.M. MUSTHAFA, B.E.
Director

Mr. S.A.M. JAFFARI
Director

Mr. B. CHANDRASEKHARAN NAIR
Nominee Director (KSIDC)

Dr. J. BOJAN
Nominee Director (MPEDA)

Mr. SHASHANK RAJURKAR
Nominee Director (RCTC)

General Manager:

Mr. K.G. MOHANAN PILLAI

Auditor:

Mr. K.A. NAZARULLA, F.C.A.
Chartered Accountant
Thrissur - 680 001.

Bankers:

INDIAN BANK
Overseas Branch, Ernakulam

THE FEDERAL BANK LTD.
Banerji Road, Ernakulam.



INTEGRATED RUBIAN EXPORTS LTD.

Regd. Office : Rubian Complex, Aroor, Alappuzha - 688 534, Kerala State

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Tenth Annual General Meeting of the Company will be held at Gemcy Hall, Kalathara Building, Opp. St. Augustine High School, Aroor – 688 534 on Saturday, the 30th September, 2000 at 3.30 P.M. to transact the following transactions:

As Ordinary Business:

1. To receive and adopt the Profit and Loss Account for the year ended 31st March, 2000 and Balance Sheet as at that date together with reports and annexures thereto.
2. To appoint a Director in place of Mr. S.A.M.Jaffari who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. K.M.Kunhi who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors of the Company for the year 2000-01 and to fix their remuneration.

As Special Business:

5. To consider and if thought fit, to pass with or without modification the following resolution which will be proposed as an ordinary resolution.

"RESOLVED that the Company hereby accord its approval and consent in accordance with the provisions of Section 198, 269, 309, 310 and Schedule XIII of the Companies Act, 1956 and other applicable statutory provisions, if any, to the appointment of and remuneration payable to Mr. C.H.A.Raheem as the Managing Director of the Company, for a period of 5 years from 16th November, 1999 on the terms and conditions of the agreement entered into with him by the Company, a copy of which is signed by the Chairman for the purpose of identification and is tabled before the meeting."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to add, vary or increase the remuneration including the perquisites and monetary value thereof to the extent the Board of Directors may consider appropriate from time to time and as may be permitted or authorised under Schedule XIII and other applicable provisions of the Companies Act for the time being in force or any statutory modifications or re-enhancement thereof and/or any Rules or Regulations framed thereunder."

6. To consider and if thought fit, to pass with or without modification the following resolution which will be proposed as an ordinary resolution.

"RESOLVED that the Company hereby accord its approval

and consent Section 198, 269, 309, 310 and Schedule XIII of the Companies Act, 1956 and other applicable statutory provisions, if any, to the appointment of and remuneration payable to Mr. C.A.Salim as Whole-time Director of the Company, for a period of 5 years from 16th November, 1999 under the terms and conditions of the agreement entered into with him by the Company, a copy of which is signed by the Chairman for the purpose of identification and is tabled before the meeting."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to add, vary or increase the remuneration including the perquisites and monetary value thereof to the extent the Board of Directors may consider appropriate from time to time and as may be permitted or authorised under Schedule XIII and other applicable provisions of the Companies Act for the time being in force or any statutory modifications or re-enhancement thereof and/or any Rules or Regulations framed thereunder."

By Order of the Board

C.H.A. RAHEEM
Managing Director

24th August, 2000

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 of the Company. The proxies, in order to be effective, must be received by the Company not less than 48 hours before the time fixed for the Meeting.
2. The Register of Members and the Transfer Books of the Company will be closed from Monday, the 25th September, 2000 to Saturday, the 30th September, 2000, both days inclusive.
3. All correspondence regarding transfers, change of address etc. may be addressed to the Company Secretary and sent to the Registered Office of the Company at Rubian Complex, Aroor – 688 534.
4. Members are requested to bring their copies of Annual Report to the Meeting, as no fresh copies shall be distributed at the Meeting.
5. Members/Proxies are also requested to bring the Attendance Slip attached herewith, duly filled in.
6. Members are requested to forward any questions on the Accounts in writing to the Company so as to reach the Registered Office one-week before the date of the Annual General Meeting. Relevancy of questions and the order of speakers at the Meeting will be decided by the Chairman.



EXPLANATORY STATEMENT

Pursuant to Section 173(2) of the Companies Act, 1956

Item No. 6

Mr. C.A. Salim, submitted his resignation from the post of Managing Director w.e.f. 30.09.1999 due to certain unavoidable personal reasons. The Board accepted the same with due appreciation of the services rendered by him. The Board of Directors at its meeting held on 16.11.1999 appointed Mr. C.H.A.Raheem as Managing Director for a period of five years. Your Directors considered the association of Mr. C.H.A.Raheem with the Company for a long period of time and also his professional qualification as a Chartered Accountant in arriving at the decision. The following are the principal terms and conditions contained in the agreement for appointment.

Salary: Rs. 15,000/- per month

Perquisites: Medical reimbursement:- Expenses incurred for self and family subject to a ceiling of one month's salary for each financial year of his tenure of appointment.

Provision of Vehicle and Telephone at residence for business purpose of the company.

Entitlement to leave as per the rules of the Company from time to time and with provisions for encashment of leave.

Payment of Gratuity as per the provisions of the payment of Gratuity Act, 1972.

Schedule XIII of the Companies Act, 1956 makes the confirmation by the Shareholders of appointment of Managing Director mandatory. Hence this resolution to confirm the appointment.

The Board of Directors have to be authorised to revise the terms and conditions, specifically remuneration, within the limits specified under the applicable provisions of the Companies Act, 1956.

Your Directors therefore seek the approval of appointment of and remuneration payable to the Managing Director, as well as the authorisation to revise the terms and conditions as and when necessary.

The above may be treated as an abstract of the Board Resolution appointing Mr.C.H.A.Raheem as Managing Director pursuant to section 302 of the Companies Act, 1956.

The agreement appointing the Managing Director is open for inspection by the members of the Company at its Registered Office during business hours and will also be available for inspection at the Meeting.

None of the Directors except Mr. C.H.A.Raheem is interested in the resolution.

Item No. 7

Consequent to the resignation of Mr. C.A.Salim from the post of Managing Director, the Board of Directors appointed him as Director-Marketing at its meeting held on 16th November, 1999 for a period of five years. Mr. C.A.Salim has been with the Company since its inception and has been primarily in-charge of marketing function and he is an MBA with specialisation in Marketing. The following are the principal terms and conditions contained in the agreement for appointment.

Salary: Rs. 15,000/- per month

Perquisites: Medical reimbursement:- Expenses incurred for self and family subject to a ceiling of one month's salary for each financial year of his tenure of appointment.

Provision of Vehicle and Telephone at residence for business purpose of the company.

Entitlement to leave as per the rules of the Company from time to time and with provisions for encashment of leave.

Payment of Gratuity as per the provisions of the payment of Gratuity Act, 1972.

Schedule XIII of the Companies Act, 1956 makes the confirmation by the Shareholders of appointment of Whole-time Director mandatory. Hence this resolution to confirm the appointment.

The Board of Directors have to be authorised to revise the terms and conditions, specifically remuneration, within the limits specified under the applicable provisions of the Companies Act, 1956.

Your Directors therefore seek the approval of appointment of and remuneration payable to the Whole-time Director, as well as the authorisation to revise the terms and conditions as and when necessary.

The above may be treated as an abstract of the Board Resolution appointing Mr.C.A.Salim as Whole-time Director pursuant to section 302 of the Companies Act, 1956.

The agreement appointing the Whole-time Director is open for inspection by the members of the Company at its Registered Office during business hours and will also be available for inspection at the Meeting.

None of the Directors except Mr. C.A.Salim is interested in the resolution.



INTEGRATED RUBIAN EXPORTS LTD.

Regd. Office : Rubian Complex, Aroor, Alappuzha - 688 534, Kerala State

DIRECTORS' REPORT

Dear Shareholders,

Your Directors are glad to present the report on the operation of the Company and the Audited statement of accounts for the year ended 31st March, 2000.

1. Financial Results:

(Rs. in lacs)

Profit/(Loss) after interest, but before depreciation, amortisation and taxation	106.73
Depreciation & Amortisation	47.73
Taxation	Nil
Profit/(Loss) after depreciation and Taxation	59.00
Balance of Profit/(Loss) brought forward from Previous year	13.88
Profit/(Loss) carried forward	72.88

2. Operations:

The Company was unable to sustain the operation at the same level as last year. It has achieved a turn over of Rs.23.50 Crores, which is slightly below the last year turnover of Rs. 26 crores, essentially due to the shortfall in Orissa, consequent to the cyclone.

The Seafood Industry continuous to be highly sensitive and most of the uncertainties remain unresolved. The raw-material scarcity and under utilisation of capacity is the major problem faced by the industry. The aquaculture developments are still under retarded growth due to the failure of the Government in passing the aquaculture bill in the parliament. The industry continuous to be a low-priority sector for the financial institutions. The hard-line stand taken by the Government of Kerala on Fishermen Welfare Fund is another impending problem facing the industry.

However, considering the strength of the Company in the European market and a long standing customer base there, the Company is projecting a turn over of above Rs.30 crores for next year.

3. Finance:

The IFCI loan is still remaining partially settled. The cash flow from operation was not sufficient to pay the dues in full, as per the one-time settlement. The efforts to obtain alternate fund are still in progress and in the meanwhile IFCI has allowed additional time for settling the dues.

The working capital credit facilities remain at the same level as last year.

4. Dividends and reserves:

In view of the financial situation of the Company, your Directors do not recommend any dividend for the year under review.

5. Directors:

During the year, Mr.Ranjith Jacob (KSIDC) ceased to be Director of the Company. The Board of Directors placed on record the valuable contributions made by Mr.Ranjith Jacob as Director of the Company.

Mr. B.Chandrasekharan Nair, joined the Board as the nominee of KSIDC during the course of the year. The Board welcomed him and hoped that his presence will add strength to the Company.

Mr. P.A.Zafar, Mr. S.A.M.Jaffari and Mr. K.M.Kunhi are to retire from their office by rotation.

6. Auditors:

The Auditor of the Company Mr.K.A.Nazarulla, retires at the ensuing Annual General Meeting and is eligible for re-appointment.

7. Conservation of energy, technology absorption and Foreign Exchange earnings and outgo:

The information required to be given as per provision of Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is placed in the annexure to the report and is to be considered as part of the report.

8. Particulars of employees:

There were no employees who were in receipt of remuneration in excess of limits under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

9. Acknowledgement:

Your Directors place on record their sincere gratitude for the support provided by the Bankers, Financial Institutions, buyers, employees, Central Government and State Government authorities and shareholders of the Company.

For and on behalf of the Board

Aroor
24th August, 2000

C.H.A. RAHEEM
Managing Director

ANNEXURE TO DIRECTORS' REPORT

(Additional information given in terms of the Companies
(Disclosure of Particulars in the Report of Board of Directors) Rules, 1988)

A. Conservation of Energy :

- The Company has taken all steps possible to improve methods of energy generation and utilisation. The generator and production equipment were overhauled as and when required.
- No additional investment is proposed in equipment for reduction of consumption of energy.
- Details of energy consumption are given in Form A.

B. Technology Absorption :

- Efforts made in technology absorption as per Form B attached.

C. Foreign Exchange Earnings & Outgo :

- Great importance is attached by the Company to earning valuable foreign exchange for the Country.
- Total Foreign Exchange earnings and outgo are as under:
(Rs. in lacs)

	1999-2000	1998-99
Foreign Exchange Earnings	2315.06	2540.98
Foreign Exchange Outgo	6.76	7.02