

6th Annual Report 1997-98

MD	✓	BKC	✓
CS	NA	DPY	NA
RO	✓	DIV	NA
TRA	NA	AC	✓
ACM	✓	SHI	✓
Y&E	✓		



KARAN WOO-SIN LIMITED

BOARD OF DIRECTORS

SHRI SATYANARAYANA ENDURI

Chairman

SHRI ANIL AGARWAL

Director

SHRI PERCY H. ITALIA

Director

AUDITORS

M/s Niranjan Venkata & Omprakash
Chartered Accountants.
Himayatnagar
Hyderabad.

BANKERS

STATE BANK OF INDIA
OVERSEAS BRANCH
GUNFOUNDRY
HYDERABAD

REGISTERED OFFICE AND WORKS

S.NO.321, KALLAKAL VILLAGE,
GAJWEL Tq., MEDAK DIST
ANDHRA PRADESH

NOTICE

Notice is hereby given that the Sixth Annual General Meeting of the members of KARAN WOO-SIN LIMITED will be held on 30th September, 1998, at Survey No.204/3, opposite to Bangaramma Temple, Kallakal Village, Gajwel Tq., Medak District, Andhra Pradesh at 11.00 a.m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 1998, the Profit and Loss Account as on that date and the Reports of Auditors and Directors thereon.
2. To appoint a director in place of Mr. Satyanarayana Enduri who retires by rotation and is eligible for re-appointment.
3. To appoint auditors and fix their remuneration. The retiring auditors, M/s.Niranjan Venkata & Omprakash, Chartered Accountants are eligible and are willing to continue as company's auditors.

SPECIAL BUSINESS

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

"RESOLVED that the Authorised Share Capital of the Company be increased to Rs. 6,75,00,000/- (Rupees Six crores seventy five lakhs only) divided into 67,50,000 Equity Shares of Rs. 10/- each with power to increase, reduce, consolidate and sub-divide its capital in accordance with the provisions of the Companies Act, 1956".

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

"RESOLVED that the Clause V of the Memorandum of Association be amended and read as follows :

The Authorised Share Capital is Rs. 6,75,00,000/- divided into 67,50,000 (Sixty seven lakhs fifty thousand) Equity Shares of Rs. 10/- (Rs. Ten) each".

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

"RESOLVED that Article 3 of the Articles of Association be amended and read as follows :

6th Annual Report**KARAN WOO-SIN LIMITED**

The Authorised Share Capital of the Company is and shall consist of Rs. 6,75,00,000 (Rupees Six crores seventy five lakhs only) divided 67,50,000 Equity Shares of Rs. 10/- (Rs. Ten) each with, power to increase, reduce, consolidate and sub-divide its capital in accordance with the provisions of the Companies Act, 1956.

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY OR PROXIES NEED NOT BE A MEMBER OR MEMBERS OF THE COMPANY. A PROXY TO BE EFFECTIVE HAS TO BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LATER THAN 48 HOURS BEFORE THE MEETING.
2. The register of members and share transfer books of the company will remain closed during the period from 21st September, 1998 to 30th September, 1998 (both days inclusive).
3. Members are advised to bring their copies of the Annual Report to the meeting.

By Order of the Board
For **KARAN WOO-SIN LIMITED**

Place : Secunderabad
Date : 29th June, 1998

PERCY H. ITALIA
Director

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

ITEM NO.1

Keeping in view the business plans and expansion of the company's business, the authorised share capital of the company is required to be increased from Rs.6,00,00,000/- to Rs.6,75,00,000/-. The Board commends the resolution, for acceptance by the Members.

ITEM NO.2

Consequent to increase in authorised share capital an amendment to the Memorandum of Association is required and hence the alteration to Clause V of Memorandum of Association is needed. The shareholders are requested to pass this resolution.

ITEM NO.3

Consequent to increase in authorised share capital it is required to amend Article 3 of Articles of Association of the Company. The share holders are requested to pass the resolution.

By Order of the Board
For KARAN WOO-SIN LIMITED

Place : Secunderabad
Date : 29th June, 1998

PERCY H. ITALIA
Director

Registered Office
S.No.321, Kallakal Village,
Gajwal Tq., Medak District,
Andhra Pradesh

DIRECTORS' REPORT

We have pleasure in presenting the Sixth Annual Report and the Audited Statement of Accounts for the Financial Year ended 31st March, 1998.

1. FINANCIAL RESULTS :	(Rs.in lakhs)
Income	131.64
Gross Profit/(Loss)	(8.68)
Interest	5.15
Depreciation	15.55
Net Profit/(Loss)	(29.39)

2. REVIEW OF OPERATIONS

Your directors are pleased to inform you that your Company has successfully commenced commercial production and has achieved an export turnover of Rs.1,24,60,996/-. The goods produced by the Company have been accepted by its buyers in Japan and have passed all quality standards.

Your directors are now focussing their attention to broadening the company's export market, full utilisation of capacity and achieving higher realisation for its products. The success of the effort made in these areas will be reflected in the results of the current year.

3. FUTURE PROSPECTS

Having re-commenced commercial production after a lapse of four years and having been able to produce goods of internationally acceptable quality, your company is for the first time able to look at the future with confidence.

The company has now embarked on a vigorous export marketing campaign buoyed by its success in producing top quality products.

The order book position of the company at present is quite healthy and it shall be the endeavour of your directors to continue to build on the success achieved in the year under review.

4. FIXED DEPOSITS

The Company has not raised any fixed deposits as on 31st March, 1998 in terms of the provisions of Section 58 A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975 as amended from time to time.

5. PARTICULARS OF EMPLOYEES

During the year under review, no employee of the company was in receipt of remuneration which in the aggregate was Rs.3,00,000/- or more nor was any employee in receipt of remuneration exceeding Rs.25,000/- per month for any part of the year.

6. PARTICULARS REGARDING ENERGY CONSERVATION ETC.

Details of Energy Conservation, Research and Development activities undertaken by the Company alongwith the information in accordance with



the provisions of Section 217 (1) (e) of the Companies Act, 1956, read with the companies (Disclosure of Particulars in the Report of Boards of Directors) Rules, 1988, are given in the Annexure "A" to the Directors Report.

7. DIRECTORS

In accordance with the requirements of the Companies Act, 1956 and the Articles of Association of the company, Mr. Satyanarayana Enduri, retires by rotation and is eligible for re-appointment.

8. AUDITORS

M/s. Niranjana Venkata & Om Prakash, Chartered Accountants, the Company's Auditors, hold office till the conclusion of this Annual General Meeting. They have signified their willingness to accept their re-appointment and have further confirmed their eligibility under section 224 (1-B) of the Company's Act, 1956.

9. ACKNOWLEDGEMENTS

Your Directors would like to thank and place on record their sincere appreciation for the assistance and cooperation received from the Visakhapatnam Export Processing Zone and also to the State Bank of India during the year under review.

Your directors thank and appreciate the dedicated services of the executives, staff and workers of the Company.

By Order of the Board
For KARAN WOO-SIN LIMITED

Place : Secunderabad
Date : 29th June, 1998

SHRI SATYANARAYANA ENDURI
Chairman

ANNEXURE TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 1998

Statement under the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.

Conservation of Energy

1. Energy Conservation measures taken.
 2. Additional Investments and Proposals, if any, implemented for reduction of consumption of energy.
 3. Impact of the measures at (1) and (2) above for reduction of energy consumption and consequent impact of the cost of production of goods.
- } Nil

ANNEXURE

FORM - A

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

	Current Year 1997 - 98	Previous Year 1996 - 97
A. Power & Fuel Consumption		
1. Electricity		
Purchased		
Units	1,26,929.00	37,399.00
Total Amount (Rs.)	5,66,412.10	2,78,052.00
Cost/Unit	4.46	7.43
B. Own Generation		
i. Through diesel generator		
Units	Nil	Nil
Total Amount (Rs.)	3,34,022.32	10,649.30
Cost/Unit	Nil	Nil
ii. Through steam turbine/generator		
Units	Nil	Nil
Total Amount	Nil	Nil
Cost/Unit	Nil	Nil
2. Furnace Oil		
Quantity (Tonnes)	Nil	Nil
Total Amount	Nil	Nil
Average	Nil	Nil
3. Others/Internal Generation		
Quantity (Tonnes)	Nil	Nil
Total Amount	Nil	Nil
C. Consumption per unit of production		
Standards (if any)	Nil	Nil
Electricity (Unit)	Nil	Nil
Furnace oil/unit	Nil	Nil


FORM B
(See Rule 2)
Form of Disclosure of Particulars with respect to Technology Absorption

	Current Year 1997 - 98	Previous Year 1996 - 97
Research and Development (R & D)	Nil	Nil
Technology Absorption, Adaptation and Innovation	Nil	Nil

Foreign Exchange Earnings and outgo :

1. Activities relating to exports : Your company is manufacturing cotton and acrylic socks.

	Current Year 1997 - 98 Rs.	Previous Year 1996 - 97 Rs.
2. Foreign exchange earnings	1,15,66,693.00	Nil
3. Foreign exchange used	18,93,127.00	Nil

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