

20th Annual Report
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KARAN WOO-SIN LIMITED

CONTENTS

	Page No.
Notice	2
Directors Report	5
Management Discussion & Analysis	10
Report on Corporate Governance	11
Auditors Report	18
Balance Sheet	22
Statement of Profit and Loss	23
Cash Flow Statement	24
Notes Forming part of the Financial Accounts	26
Attendance Slip/Proxy Form	35

BOARD OF DIRECTORS:

Mr. A.G.Ravindranath Reddy
Mr. Srikishan Badruka
Mr. Rakesh Garg
Mr. Hemant Kumar Agarwal
Mr. Anil Agarwal

MANAGER:

Mr. N.C.Reddy

AUDITORS:

Niranjan & Narayan
Chartered Accountants
HimayathNagar
Hyderabad - 500 029

BANKERS:

State Bank Of India
Main Branch, Patny Circle
Secunderabad - 500 003

REGISTERED OFFICE & WORKS:

S.No.321, Kallakal Village
Toopran Mandal, Medak District
Andhra Pradesh- 502 336

Ph: 040-27848700 Fax: 040-40021946
E-Mail: info@karanwoosinltd.com

REGISTRARS & SHARE TRANSFER AGENTS:

Cil Securities Limited
214, Raghava Ratna Towers
Chirag Ali Lane
Hyderabad - 500 001.

Ph: 040-23202465 Fax: 040-23203028
E-Mail: cilsec@rediffmail.com

NOTICE

Notice is hereby given that the 20th Annual General Meeting of the members of **KARAN WOO-SIN LIMITED** will be held on Saturday, the 29th September, 2012 at 11.00 A.M at the Registered Office of the Company situated at S. No. 321, Kallakal Village, Toopran Mandal, Medak District – 502 336, Andhra Pradesh, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2012 and Statement of Profit and Loss for the year ended on that date and the reports of Directors' and Auditors' report thereon.
2. To appoint a director in the place of Mr. Hemant Kumar Agarwal, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a director in the place of Mr. Srikishan Badruka, who retires by rotation and being eligible offers himself for re-appointment.
4. To consider and if thought fit to pass the following resolution as an Ordinary Resolution.

RESOLVED THAT Pursuant to Section 224 and other applicable provisions, if any, of the Companies Act, 1956 M/s. Niranjana & Narayan, Chartered Accountants, Hyderabad be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting of the Company at a remuneration of Rs. 15,000/- per Annum plus out of pocket expenses on actual basis.

//By Order of the Board//

For **Karan Woo-Sin Limited,**
Sd/-

Place : Hyderabad
Date : 04th August, 2012

Anil Agarwal
Director

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY INSTEAD OF HIMSELF / HER SELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORMS TO BE VALID SHALL BE LODGED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. The Share Transfer books of the Company will be closed from 24th September, 2012 to 29th September, 2012 (both days inclusive).
3. All the documents referred to in the notice are open for inspection at the registered office of the company during office hours on all working days upto the date of the Annual General Meeting.
4. The register of Directors shareholding shall be open for inspection to any member of the company during the period beginning 14 days before the date of company's AGM and ending 3 days after the date of its conclusion. The said register shall also remain open and accessible during the AGM to any person having a right to attend the meeting.
5. The Ministry of Corporate Affairs ("MCA") has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by companies and has issued circulars on 21st April, 2011 and 29th April, 2011 inter-alia stating that a company would have complied with Section 53 of the Companies Act, 1956, if the service of document has been made through electronic mode. Accordingly the Annual Reports are being sent through email to the members whose email ids are available with the Company. The members who have not provided their email id are requested to update their email ids with the Depository Participant, if the shares are in Demat mode and to CIL Securities Limited, Registrars and Transfer Agents of the Company, in case the shares are in physical mode.

Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued Circulars stating that service of documents including Annual Report to the members can be made through electronic mode. SEBI vide circular Ref. No. CIR/CFD/DIL/7/2011 dated 5th October 2011, has also advised listed companies to supply soft copies of full annual reports to all those members who have registered their e-mail addresses for the purpose. In order to support the said initiative, **KARAN WOOSIN LTD** has sent the copy of the Annual Report for the year 2011-12 along with the notice convening the Annual General Meeting through e-mail to those members who have registered their e-mail id with the DP's / R&T agents.

MEMBERS WHO HAVE NOT YET REGISTERED THEIR EMAIL ADDRESS ARE REQUESTED TO SUPPORT THE GREEN INITIATIVES BY REGISTERING THEIR EMAIL ADDRESS EITHER WITH DEPOSITORIES OR WITH THE COMPANY IN THE FORMAT GIVEN BELOW.

FORM FOR REGISTRATION OF EMAIL ADDRESS FOR RECEIVING DOCUMENTS / NOTICES BY ELECTRONIC MODE

To
Cil Securities Limited
214, Raghava Ratna Towers
Chirag Ali Lane
Hyderabad - 500 001

Company/Unit : Karan Woo-Sin Limited

I agree to receive all documents / notices including the Annual Report from the Company in electronic mode. Please register my email address given below in your records for sending communication through email.

Name of Sole / First Holder : _____
DP ID / Client ID / Regd. Folio No. : _____
PAN No. : _____
E-mail Address : _____

Date :

Place :

(Signature of Member)

DIRECTORS' REPORT

Your Directors have pleasure in presenting the 20th Annual Report of your Company along with the Audited Accounts for the year ended 31st March, 2012.

1. Financial Results:

(Amount in Lakhs)

Particulars	Year ended	
	31 st March, 2012	31 st March, 2011
Turnover	267.27	348.51
Other Income	7.55	10.81
Increase / (Decrease) in stock	(18.00)	38.86
Total	256.82	398.18
Total Expenditure except Interest and Depreciation	233.32	338.91
Profit/(Loss) Before Interest, Depreciation and Tax (PBIDT)	23.50	59.28
Interest	14.26	19.45
Depreciation	31.30	32.03
Profit/ (Loss) Before Tax	(22.06)	7.80
Less: Provision for Taxation	-	0.02
Net Profit/ (loss) before prior period items	(22.06)	7.78
Prior Period Items	0.70	0.06
Net Profit / (Loss)	(22.76)	7.72

2. Review of Operations:

The company operations have continued to be severely hit due to absence of demand from Europe.

fashion socks for the young and to monetise some of the company's surplus fixed assets to fund domestic market creation.

3. Future Prospects:

The company continues to be a strong player in the domestic private label market. Your directors do not see strong demand emanating from our traditional market in Europe in the short and medium term. The domestic market too is not enlarging substantially. Your directors are working on developing new markets in the USA and other countries, acquiring new machines to produce

4. Directors' Responsibility Statement:

To the best of their knowledge and belief and according to the information and explanations obtained by them your directors make the following statement in terms of Section 217 (2AA) of the Companies Act, 1956:

- (i) In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper

explanation relating to material departures, if any.

- (ii) Appropriate accounting policies have been selected and applied consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2012 and of the loss of the company for the year ended on that date.
- (iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- (iv) The annual accounts have been prepared on a going concern basis.

5. Corporate Governance:

- (a) Management Discussion and Analysis Report is enclosed.
- (b) As per Clause 49 of the Listing Agreement with the Stock Exchange, a separate section on Corporate Governance Practices followed by the Company together with a certificate from the Company's Auditor confirming compliance is set out in the Annexure forming part of this report.

6. Fixed Deposits:

The Company has not invited and raised any fixed deposits as on 31st March, 2012 in terms of the provisions of Section 58A of the Companies Act, 1956 read with the

Companies (Acceptance of Deposits) Rules, 1975 as amended from time to time. There are no outstanding or unclaimed deposits as on 31st March, 2012.

7. Particulars of Employees:

During the year under review, no employee of the company was in receipt of remuneration for the whole year which in the aggregate was Rs 60,00,000/- or more per annum nor was any employee in receipt of remuneration Rs.5,00,000/- or more per month for the any part of the year in accordance with the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended.

During the year under review, industrial relations of the company continued to be cordial and peaceful.

8. Particulars regarding Energy Conservation, Technology Absorption and Foreign Exchanges Earnings & Outgo:

Details of Energy Conservation, Research & Development, Technology Absorption, Foreign Exchange Earnings and Outgo as required under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are given in Annexure "A" and Annexure "B" respectively, to the Directors Report.

9. Directors:

In accordance with the requirement of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Hemant Kumar

Agarwal and Mr. Srikishan Badruka, who retire by rotation and the board, recommend their reappointment.

10. Auditors:

M/s Niranjana & Narayan, 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 Companies Act, 1956.

11. Directors clarification on the qualification of Auditors:

Ref.No.	Auditor Qualifications	Directors Clarification
4	In our opinion, the Balance Sheet and the Statement of Profit and Loss dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956, except for Accounting Standard-15, Accounting for retirement benefits in the financial statements of employer - refer point no. 4 of Notes on Accounts.	The Company is in touch with the Life Insurance Corporation of India to conduct an actuarial valuation and to issue a gratuity policy to the Company.
9. a.	According to the information and explanations given to us, and on the basis of our examination of the books of account, the Company has not been regular in depositing with appropriate authorities undisputed statutory dues including Service Tax, Excise Duty, Provident Fund, ESI and Income Tax Deducted at Source.	It was confirmed to the Board that payments towards Service Tax, Provident Fund and Income Tax Deducted at Source have already been remitted with the appropriate authorities along with Interest.

12. Listing at Stock Exchanges:

The Equity Shares of the company are listed on Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.

Listing fees to the Bombay Stock Exchange Limited has been paid up-to-date.

13. Acknowledgements:

Your directors thank all the executives, staff and workers of the Company for their dedicated services. Your directors also thank the company's customers and its bankers for their continued trust and co-operation.

//By Order of the Board//

For **Karan Woo-Sin Limited,**

Place : Hyderabad
Date : 04th August, 2012

Sd/-
Anil Agarwal
Director

Sd/-
Hemant Kumar Agarwal
Director

ANNEXURE "A"**Energy Conservation and Technology Absorption**

Statement pursuant to Section 217 (1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.

1. Energy Conservation measures taken.

The company does not have a major requirement of energy. However it is upgrading some of its electrical systems to bring itself up to date with the new hardware available for its motor driven machines.

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

FORM – A**Form for disclosure of particulars with respect to conservation of energy**

Particulars	Current year 2011 - 12	Previous year 2010 - 11
A. Power & Fuel Consumption		
1. Electricity		
a. Purchased Units	3,98,494	3,37,138
Total Amount (Rs.)	14,59,534	15,73,873
Cost/Unit (Rs.)	3.66	4.67
b. Own Generation		
i. Through diesel generator Units	10,200	10,800
Total Amount (Rs.)	25,830	28,498
Cost/Unit (Rs.)	2.53	2.64
ii. Through steam turbing/generator (Units)	-	-
Total Amount	-	-
Cost/Unit	-	-
2. Furnace Oil	-	-
Quantity (Tonnes)	-	-
Total Amount	-	-
Average	-	-
3. Others/Internal Generation	-	-
Total Amount	-	-
B. Consumption per unit of production		
Standards (if any)	-	-
Electricity per deca pair (Units)	6.81	3.60
Furnace oil/unit	-	-