



Kareems Spun Silk Limited

9th

Annual Report and Accounts

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NINTH ANNUAL GENERAL MEETING at the
Institution of Engineers (India), No. 3, Dr. B.R. Ambedkar
Veedhi, Opp Indian Express Building, Bangalore-560 001
on Monday, the 27th March, 2000 at 11.30 A.M.

BOARD OF DIRECTORS

Sri. S. MUNIRAJU
Chairman

Sri. A.K. ABDUL SAMAD
Managing Director

Sri. MOHAMMED MOHSIN
Joint Managing Director

DIRECTORS

Dr. G. Rangaswami
Sri. J. Mohammed Azam Jan
Sri. Mohammed Wajid
Sri. Abdul Qadir A. Rahaman

AUDITORS

M/s. S. Janardhan & Associates
Chartered Accountants
Bangalore

LEGAL ADVISER

Sri. N. Jayaraman

BANKERS

State Bank of India
Industrial Finance Branch
Residency Road
Bangalore - 560 025

FACTORY

Doddajala Post
Via Bettahalsoor
Bangalore North - 562 157

REGISTERED OFFICE

City Point, TF 11/12
No. 13, Infantry Road
Bangalore - 560 001



Kareems Spun Silk Limited

NOTICE

Notice is hereby given that the Ninth Annual General Meeting of the Members of Kareems Spun Silk Limited will be held at the Institution of Engineers (India), No. 3, Dr. B.R. Ambedkar Veedhi, Opp Indian Express Building, Bangalore-560 001 on Monday, the 27th March, 2000 at 11.30 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the audited accounts for the year ended 30th September, 1999 together with the annexures thereto, the Report of the Auditors thereon and the Directors' Report.
2. To appoint a Director in place of Dr. G. Rangaswami, who retires by rotation and who being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Sri. J. Mohammed Azam Jan, who retires by rotation and who being eligible, offers himself for re-appointment.
4. To appoint an Auditor till the conclusion of the next Annual General Meeting and to fix their remuneration. The present Auditors, M/s. S. Janardhan & Associates, Chartered Accountants, Bangalore, retire at this Annual General Meeting and are eligible for re-appointment.

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE, INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The Register of Members and the Share Transfer Book of the Company will remain closed from Thursday, the 23rd March 2000 to Monday, the 27th March, 2000 (both days inclusive).

By Order of the Board of Directors
for **KAREEMS SPUN SILK LIMITED**

Bangalore
15th February 2000

A.K. ABDUL SAMAD
Managing Director

Kareems Spun Silk Limited

**DIRECTORS' REPORT:**

To the Members of the Company,

Your Directors hereby present their Ninth Annual Report on the business and the operations of your Company and the audited Statement of Accounts for the year ended 30th September, 1999.

SHARE CAPITAL :

The Authorised Share Capital and the Paid-up Share Capital of the Company remained at Rs. 10.00 Crores and Rs. 6.50 Crores respectively.

PRODUCTION :

During the year under review, the production of Spun Silk Yarn was 2,193.72 Kgs.

SALES:

The Sales turnover during the current year was Rs. 109.04 Lakhs.

The quantity of Spun Silk Yarn sold during the year was 8,686.92 Kgs.

PERFORMANCE OF THE COMPANY:

Your Directors report that during the year 1998-99, the recession in spun silk market continued especially on account of continued export of silk waste, thereby escalating the financial cost. Thus the Company has incurred a Loss of Rs. 728.04 Lakhs and consequently the Company has become a Sick Industrial Company within the meaning of Section 3 (1) (o) of the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA), as the accumulated losses exceed the entire networth as per the Audited Accounts for the year ended 30th September, 1999.

TECHNOLOGY :

By updating the technology, the Company anticipates a further higher rate of production during the year 1999-2000.

BOARD OF DIRECTORS :

Dr. G. Rangaswami and Sri. J. Mohammed Azam Jan, will be retiring at the ensuing Annual General Meeting by rotation and being eligible, offer themselves for re-appointment.

ICICI Limited withdrew Sri. E.V. Hariharan, as its Nominee Director during the year.

AUDITORS :

M/s. S. Janardhan & Associates, Chartered Accountants, Bangalore, the Auditors of the Company retire at the conclusion of this Annual General Meeting and being eligible, are recommended for re-appointment.

DISCLOSURE OF PARTICULARS :

The particulars relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and out-go as required under Section 217 (i) (c) of the Companies Act, 1956, and the Companies (Disclosure of particulars in the Report of Directors) Rules, 1988 are enclosed as part of the report.

for and on behalf of the Board of Directors

A.K. ABDUL SAMAD
Managing Director

MOHAMMED MOHSIN
Joint Managing Director

Place : Bangalore
Date : 15th February 2000



Karcems Spun Silk Limited

ANNEXURE TO THE DIRECTORS' REPORT

The Companies (Disclosure of particulars in the Report of Directors) Rules 1988.

A. CONSERVATION OF ENERGY

- a) Energy Conservation measures taken:
- Plant has been kept continuously running and idle time has been reduced to the bare minimum.
 - Power factor on electrical energy has been maintained at the rate of 95% consistently throughout the year.

- b) Total energy consumption and energy consumption per unit of production is given in the prescribed Form- 'A' below:

B. TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION

The Company's technical personnel are trained in reputed Spun Silk Industry in Europe. No foreign technology has been employed by the Company.

C. FOREIGN EXCHANGE EARNINGS AND OUT-GO

Particulars of Foreign Exchange earnings and out-go are given in Notes on Accounts.

FORM - 'A'

POWER AND FUEL CONSUMPTION

	Current Year	Previous Year
Electricity:		
a) Purchased Units (KWH)	NIL	416,334
Total Amount (Rs.)	NIL	1,482,149
Rate per unit (Rs.)	NIL	3.56
b) Own Generation		
i) Through Diesel Generator		
Units (KWH)	553,492	762,510
Units (KWH) per Litre of Diesel Oil	3.03	4.10
Cost per unit (Rs.)	1.85	2.63
ii) Through Steam Turbine/Generator	N.A.	N.A.

for and on behalf of the Board of Directors

A.K. ABDUL SAMAD
Managing Director

MOHAMMED MOHSIN
Joint Managing Director

Place : Bangalore
Date : 15th February 2000