



KOLUTHARA EXPORTS LTD.

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TWENTIETH ANNUAL REPORT 2008 - 2009

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BOARD OF DIRECTORS

ANTONY VARGHESE KOLUTHARA

Managing Director

JOSEPH VARGHESE

Director

A.C.MATHEW

Director

K.P. GEORGE

Director

REGISTERED OFFICE & FACTORY

VII/45, Keltron Road

Aroor - 688 534

Alappuzha District, Kerala.

BANKERS

1. State Bank of India,
Overseas Branch,
Cochin - 682 003.
2. ING Vysya Bank Ltd.,
M.G.Road,
Cochin - 682 035.

AUDITORS

M/s. George, John and Prabhu,
Chartered Accountants,
Cochin - 682 016.

» KOLUTHARA EXPORTS LTD.

NOTICE

Notice is hereby given that the Twentieth Annual General Meeting of the members of Koluthara Exports Limited will be held at the Registered Office of the Company at VII/45, Keltron Road, Aroor - 688 534, Alappuzha District, Kerala, on Tuesday, the 29th September 2009 at 10 AM, to transact the following business

1. To consider and adopt the accounts of the Company for the financial year ended 31st March 2009, Balance Sheet as on that date and Report of the Directors and of the Auditors thereof.
2. Mr. K.P. George, Director, retires by rotation at the Annual General Meeting and being eligible offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration in the place of retiring Auditors MESSRS GEORGE, JOHN & PRABHU, Chartered Accountants, M.G.Road, Ernakulam and are eligible for re-appointment.

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy and vote instead of himself. A proxy need not be a member of the Company. The proxy form and attendance slip are enclosed.
2. Members are requested to notify immediately any change in their addresses to the Company and all correspondences including share transfer and endorsement matters should be made to the Company directly at the AROOR address.

BY ORDER OF THE BOARD

sd/-

AROOR,
03-08-2009.

ANTONY VARGHESE KOLUTHARA
MANAGING DIRECTOR

KOLUTHARA EXPORTS LTD.

DIRECTORS' REPORT

Your Directors are presenting the Twentieth Annual Report of the Company together with the Audited Accounts for the year ended 31st March 2009. The salient features are highlighted below:

DECLARATION AS A SICK COMPANY

The Hon. BIFR declared our Company as sick and directed to submit a rehabilitation scheme for revival. The Company have submitted the scheme on the basis of the Committee Report of the Central Government and the Order of the Kerala Government. Both the State Bank of India and ING Vysya Bank Ltd accepted our proposal of one time settlement at 25% of the principal outstanding. But the KSIDC and KFC have not given their approval to the Hon. BIFR. Since the KSIDC and KFC have not complied with the Government Order, the Company approached the Hon. High Court of Kerala and filed a Writ Petition which is pending for want of affidavit of the Government of Kerala. The Hon. BIFR had ordered for liquidation of the Company and forwarded the order to the Hon. High Court of Kerala. The High Court appointed Official Liquidator. The Company filed an Appeal before the Hon. AAIFR, New Delhi against the order of Hon. BIFR. The Hon. AAIFR admitted our case and stayed the order of Hon. BIFR. The Case is pending before the Hon. AAIFR. The High Court of Kerala also ordered to keep in abeyance all liquidation proceedings.

OPERATIONS

The Company could not continue with its own operation during the year, since the Banks and Financial Institutions did not extend any credit facilities which were withdrawn by them. As in the previous year, job works were continued to be undertaken on behalf of two other exporters and the income from job works and others came to Rs 250.55 lakhs. Due to shortage of raw material, job work was also limited. This resulted in a net loss of Rs 708.54 lakhs during the year 2008-09 which included the interest provided by the Company towards the credit facilities/ loans and the cumulative loss was Rs. 5309.14 lakhs up to 31.3.2009.

FUTURE PROSPECTS

It is still hoped that with the approval of Hon. BIFR and with the support of the SBI, Overseas Branch, Cochin - 682003, other Banks, and the connected public institutions and with the active participation and assistance of M/s. Tai Aqua Research Foundation Ltd., the liabilities of the Company could be settled and operations revived during 2009-10.

BOOK CLOSURE

The Share Transfer Books of the Company will remain closed for the period from 22nd to 29th September 2009 (inclusive of both the days) for the purpose of Annual General Meeting of the Company.

PARTICULARS OF EMPLOYEES REQUIRED UNDER SEC.217(2A) OF THE COMPANIES ACT, 1956

There was no employee who was drawing remuneration above the limits mentioned under Section 217(2A) of the Companies Act, 1956 amended by the Companies Amendment Act, 1988.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information as per Section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given in the annexure, forming part of this report.

DIRECTORS

Mr. K.P. George, Director, retires by rotation, at the meeting and being eligible offers himself for re-appointment as a Director.

AUDITORS

The Company's Auditors, Mr. George, John & Prabhu, Chartered Accountants, Cochin-16 retire at the conclusion of this Annual General Meeting and are eligible for re-appointment.

KOLUTHARA EXPORTS LTD.

MEETING OF AUDIT COMMITTEE

As in the previous year the Audit Committee of the Board of Directors of the Company formed in pursuance of section 292 A of the Companies Amendment Act, 2000 had limited scope, in view of very little activity in the Company due to lack of Working Capital with it and being a sick unit declared by Hon. BIFR as in the previous year.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the Section 217(2AA) of the Companies Amendment Act 2000, the Directors affirm the following

- (1) In the preparation of the Annual Accounts, the applicable accounting standards have been followed, with proper explanation for any material departure.
- (2) The Directors had selected such accounting policies and applied them consistently and 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 at the end of the financial year and of the profit and loss of the Company for that period.
- (3) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (4) The Annual Accounts have been prepared generally on a going concern basis in spite of the fact the Hon. BIFR has declared the Company as a sick unit.

INDUSTRIAL RELATIONS

Industrial relations were satisfactory, as in the previous years.

APPRECIATION

The Directors convey their grateful thanks to the Hon. Appellate Authority for Industrial & Financial Reconstruction and the Hon. Board for Industrial and Financial Reconstruction, New Delhi, Kerala State Industrial Development Corporation Ltd., Kerala Financial Corporation, The Marine Products Export Development Authority, Central Institute of Fisheries Technology (CIFT), The Export Inspection Agency, the Seafood Exporters Association of India, the Forum for Revival & Reconstruction of Seafood Export Industries in India, State Bank of India, Centurion Bank of Punjab Limited and ING Vysya Bank Limited and M/s. Tai Aqua Research Foundation Ltd., Kochi and the merchant exporters, Canaan Marine Products and Penver Products Pvt. Ltd. and The Directors wish to place on record their sincere appreciation to the employees, share holders and suppliers of the Company for the co-operation and support extended by them.

BY ORDER OF THE BOARD

sd/-

AROOR,
03-08-2009.

ANTONY VARGHESE KOLUTHARA
MANAGING DIRECTOR.

ANNEXURE TO THE DIRECTORS' REPORT

Information as per Section 217(1) (e) read with Companies (Disclosure of particulars in the Report of Board of Directors) Rules 1988 and forming part of the Directors' Report for the year ended 31.03.2009.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO.

A. CONSERVATION OF ENERGY:-

a) Energy conservation measures taken:

Conservation of energy is a continuous process and the company had taken various steps in this direction during the year under review, as in the past years.

KOLUTHARA EXPORTS LTD.
b) The total energy consumption for production was as under:

i) Electricity:	2008-2009	2007-2008
Purchased Units (KWH)	1124014	908799
Total Value (Rs.)	6578928	4507458
Rate per Unit (Rs.)	5.85	4.96
Own Generation:		
(Through Diesel Generators)		
Units generated (KWH)	34304	17342
Litres of Diesel Oil per unit	0.32	0.29
Cost per unit (Rs.)	11.62	9.68
ii) Furnace Oil	NIL	NIL
Diesel for boiler	57314 Liters	41500 Litres

B. PARTICULARS REGARDING RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION
a) Research and Development.

The Company continued with its R & D programme in its Quality Assurance Laboratory in a limited way, as there was very little exports of its own.

b) Technology Absorption:

We had set up an IQF freezing facility in 1992 and the technology had already been fully absorbed.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

	2008-09	2007-08
a) Earnings:		
Export Sales (Rs.in lakhs)	NIL	17.82
b) Outgo:		
Capital Goods & other materials	NIL	NIL
Foreign Travel	NIL	NIL
Subscription/books	NIL	NIL
Sales Commission	NIL	NIL

BY ORDER OF THE BOARD

AROOR,
03-08-2009

sd/-

ANTONY VARGHESE KOLUTHARA
MANAGING DIRECTOR