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Mozart, Wolfgang Amadeus (1756-91), Austrian composer. Composed his first piano concerto at age four, giving notice of what was to follow : a vast number of symphonies, operas, concertos and other orchestral music. Mozart's acclaim has survived the test of time and these days he is regarded as being among the very greatest of Western classical music composers.



Macaulay, Thomas Babington, historian and administrator. By the age of four, he wrote a brief history of the world; at eight years he composed a treatise on how to convert the natives of Malabar to Christianity. Later in life he was to play a prominent role in the British rule of India, as the architect of the country's penal code.



Anand, Vishwanathan, born 1969, chess player extraordinaire. Currently ranked number 4 in the world, Anand won his first tournament while at school and went on to become the youngest Asian International Master and one of the youngest ever Grandmasters in the world while still in his teens. In 1995 he played in the world championship finals against Garry Kasparov.



PATSPIN INDIA LIMITED

Patspin, India, born 1993. Parents : the GTN Group and Itochu Corporation of Japan. In its very first year, Patspin managed a profit and declared a dividend. As it has continued to do, at an average of 10% over the last two years inspite of still being in its gestation period.

Patspin's 100% export oriented ISO 9002 certified yarn processing unit turns out yarns that conform to 5% Uster level, the highest international standard. And recently, the plant's capacity has been increased from 26,208 to 44, 352 spindles.

PATSPIN INDIA LIMITED**BOARD OF DIRECTORS**

B K Patodia : *Chairman*
M K Patodia
R Balasundaram : *Nominee of Industrial Development Bank of India*
J Fukunaga : *Nominee of Itochu Corporation*
Toru Ota : *Alternate to Mr J Fukunaga*
Amitabh Kant : *Nominee of KSIDC*
P K Kurian
Kishore V Mariwala
P C Seksaria
Umang Patodia : *Managing Director*

COMPANY SECRETARY

E K Balakrishnan

BANKERS

Central Bank of India
State Bank of India
State Bank of Travancore
ANZ Grindlays Bank Ltd.

AUDITORS

M/s. M. S. Jagannathan & Visvanathan
Chartered Accountants

CORPORATE ADVISORS

M/s. Lodha & Co., Mumbai

FACTORY

5/345, Para Road, Patodia Nagar
Pudussery Central Village
Kanjikode East P.O. Palakkad
Kerala - 678 621

REGISTERED OFFICE

3rd Floor, 'Palal Towers'
M. G. Road, Ernakulam
Kochi - 682 016

CORPORATE OFFICE

43, Mittal Chambers
228, Nariman Point
Mumbai - 400 021

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N O T I C E

NOTICE is hereby given that the Sixth Annual General Meeting of PATSPIN INDIA LIMITED will be held at Bharat Hotel (BTH), Darbar Hall Road, Kochi - 682 016 at 10.00 A.M. on Wednesday, the 30th day of July, 1997 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 1997 and the Profit and Loss Account for the year ended on that date together with the Reports of Directors and the Auditors thereon.
2. To declare a Dividend.
3. To appoint a Director in the place of Shri. P. C. Seksaria, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint a Director in the place of Shri. Kishore V. Mariwala, who retires by rotation, and being eligible, offers himself for re-appointment.
5. To appoint the Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

ITEM NO.6 - CONSENT TO CREATE CHARGE, MORTGAGE ON THE COMPANY'S MOVABLE AND IMMOVABLE PROPERTIES UNDER SECTION 293(1)(a) OF THE COMPANIES ACT, 1956 IN FAVOUR OF CENTRAL BANK OF INDIA, STATE BANK OF INDIA, STATE BANK OF TRAVANCORE AND ANZ GRINDLAYS BANK LTD. ON SECOND CHARGE BASIS.

To consider, and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT the consent of the Company be and is hereby accorded in terms of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, to mortgaging and / or charging by the Board / Committee of Directors, of the Company of all the immovable properties of the Company, excluding assets on which exclusive charge was given, and hypothecation of all movable properties of the Company, subject to prior charges in favour of bankers for Working Capital, wheresoever situate, present and future, and / or conferring power to enter upon and to take possession of assets of the Company in certain events, to or in favour of the following, namely :-

- (1) Central Bank of India (CBI)
 - (2) State Bank of India (SBI)
 - (3) State Bank of Travancore (SBT) and
 - (4) ANZ Grindlays Bank Ltd. (ANZ Grindlays Bank)
- to secure on second charge basis :

1. Working Capital facilities aggregating to Rs.1570 lacs lent and advanced by CBI to the Company.
2. Working Capital facilities aggregating to Rs.765 lacs lent and advanced by SBI to the Company.
3. Working Capital facilities aggregating to Rs.760 lacs lent and advanced by SBT to the Company.
4. Working Capital facilities aggregating to Rs.455 lacs lent and advanced by ANZ Grindlays Bank to the Company.

"RESOLVED FURTHER THAT the Board / Committee of Directors of the Company be and is hereby authorised to do all such acts and things as may be necessary for giving effect to the above resolution".

ITEM NO.7 - RESOLUTION FOR REVISION IN REMUNERATION OF MANAGING DIRECTOR, SHRI. UMANG PATODIA FOR THE RESIDUAL TENURE

To consider, and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 198, 309 and 310 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII thereto, as amended, and subject to the approval of the Financial Institutions, approval of the members be and is hereby accorded to the revision / increase in remuneration and perquisites payable to Shri. Umang Patodia as Managing Director of the Company from 1st April, 1997 to 3rd



August, 1999 being the residual period of his existing five-year terms of office as set out in the draft supplementary agreement between the Company and Shri. Umang Patodia produced at this meeting and, for the purpose of identification, initialled by the Chairman hereof".

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such steps expedient to give effect to this resolution".

By Order of the Board
For **PATSPIN INDIA LIMITED**

E. K. BALAKRISHNAN
Company Secretary

Place : Kochi
Date : 6th June, 1997

Registered Office

3rd floor, Palal Towers,
M. G. Road, Ravipuram,
Ernakulam,
Kochi - 682 016.

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN HIS STEAD. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies in order to be effective should be lodged with the Company at the Registered Office at least 48 hours before the commencement of the Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 22.07.1997 to 30.07.1997 (both days inclusive).
4. The dividend, if declared, will be paid to those Members whose names appear on the Company's Register of Members on 30.07.1997.

REQUEST TO THE MEMBERS

1. Members desiring any information on the accounts at the Annual General Meeting are requested to write to the Company at least 7 (seven) days in advance, so as to enable the Company to keep the information ready.
2. As a measure of economy copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies of the Annual Report to the Meeting.
3. Members are requested to inform immediately any change in their address to the Company's Registered Office.
4. Shareholders holding shares in identical order of names in more than one folio are requested to write to the Company enclosing their certificates to enable the Company to consolidate their holdings in one folio.

ANNEXURE TO NOTICE

Explanatory Statement Pursuant To Section 173(2) Of The Companies Act, 1956

ITEM NO.6

The Company has been recently sanctioned revised Working Capital facilities from CBI, SBI, SBT and ANZ Grindlays Bank. The said facilities has to be secured by way of a mortgage on a second charge basis on the immovable properties of the Company, present and future.

Section 293(1)(a) of the Companies Act, 1956, provides, inter alia, that the Board of Directors of a public company shall not, without the consent of such public company in general meeting, sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole, or substantially the whole, of any such undertaking.

Since the mortgaging by the Company of its immovable properties as aforesaid in favour of Banks may be regarded as disposal of the Company's properties / undertakings, it is necessary for the members to pass a resolution under Section 293(1)(a) of the Companies Act, 1956.

Copy of the letter of sanction No.WIL/96-97:650 dated 24.1.1997 received from CBI and copies of the relevant documents / correspondence between the said Banks and the Company are open for inspection at the Registered Office of the Company between 11.00 am and 1.00 pm on any working day prior to the date of the meeting.

None of the Directors is concerned or interested in the Resolution.

Your Directors commend the Resolution for approval.

ITEM NO.7

The members at the Annual General Meeting held on 26th September, 1994 approved the appointment and remuneration / perquisites of Shri. Umang Patodia as Managing Director for a period of five years from 4.8.1994 to 3.8.1999 in the scale of pay of Rs.20,000 - Rs.3,000 - Rs.32,000 plus usual perquisites.

In view of the increased activities due to Unit "B" expansion plans of the Company, the Board of Directors of the Company has at its meeting held on 6th June, 1997, carried out revision in terms of the Managing Director's remuneration as payable from 1st April, 1997 to 3rd August, 1999, being the residue period of his present term as set out below and also mentioned in the draft supplementary agreement between the Company and Shri. Umang Patodia, subject, however to the members' approving and ratifying the same.

Revised / increased remuneration of
Shri. UMANG PATODIA
w.e.f. 1. 4. 1997.

- I) Period
3 years from 1.4.1997 to 3.8.1999.
- II) Salary
Rs.40,000/- per month in the scale of Rs.40,000 - Rs.5,000 - Rs.50,000.
- III) Commission
Subject to the overall limits laid down in Sections 198 and 309 of the Companies Act, 1956, such percentage of net profits of the Company or such quantum as may be desired by the Board of Directors for each financial year with a minimum of 1% of the net profits of the Company each year.
- IV) Perquisites
In addition to the salary and commission as stated above, Shri. Umang Patodia shall be entitled to the following perquisites which are classified into three categories 'A', 'B' and 'C'.

CATEGORY 'A'

- (i) Housing I
The Expenditure by the Company on hiring / leasing furnished accommodation for the Managing Director will be subject to the following ceiling:-
Sixty per cent of the salary, over and above ten per cent payable by him.