

PRIYADARSHINI THREAD LIMITED



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16 TH ANNUAL REPORT
1999-2000

BOARD OF DIRECTORS

Directors : *Sri N. Radhakrishna Reddy*
Sri V. Ramakrishna Rao
Sri N. Sujith Kumar Reddy
Sri Sathishchandran Tampi (SBT Nominee)
Sri K. L. Krishna (BIFR Nominee)
Sri G.B.K. Reddy

Auditors : *M/s. P. Srinivasan & Co.*
Chartered Accountants
Hyderabad

Bankers : *State Bank of Travancore*

Regd. Office : *6-3-901, Shantiniketan,*
Rajbhavan Road,
Somajiguda,
Hyderabad - 500 082.

Factory : *Chandapur,*
Narsapur Taluk,
Medak Dist.,
Andhra Pradesh

PT PRIYADARSHINI THREAD LIMITED

NOTICE TO SHARE HOLDERS

Notice is hereby given tht the sixteenth Annual General Meeting of the Company will be held on 30-12-2000 at 4-00 p.m. at JAYA GARDENS, 6-3-1106, Raj Bhavan Road, Somajiguda, Hyderabad - 500 082 to transact the following business.

ORDINARY BUSINESS :

01. To receive consider and adopt the Profit and Loss account for the year ended 31st March 2000 and Balance Sheet as on that date and the Report of Directors and Auditors thereon.
02. To appoint a Director in place of Sri N. Sujith Kumar Reddy, who retires by rotation and being eligible, offers himself for reappointment.
03. To appoint a Director in place of Sri G.B.K. Reddy, who retires by rotation and being eligible, offers himself for reappointment.
04. To appoint Auditors and to fix their Remuneration.

By order of the Board
For **PRIYADARSHINI THREAD LIMITED**

N. RADHAKRISHNA REDDY

Director

Place : HYDERABAD

Date : 25-11-2000

NOTES :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy insted of himself/herself and such proxy need not be a member of the Company. The instrument of the proxy shall, however, be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. The register of Members and Share Transfer Books of the Company will remain closed from 29-12-2000 to 30-12-2000 (both days inclusive).

Pt PRIYADARSHINI THREAD LIMITED**DIRECTORS' REPORT**

To
The Members,

Your Directors are pleased to present the Annual Report and the audited accounts for the financial year ended 31st March, 2000.

THE WORKING RESULTS OF THE COMPANY ARE :

	Year ended 31-03-2000	(Rs. in laksh) Year ended 31-03-1999
a) FINANCIAL :		
Sales & Other Income	297.49	971.99
Profit before interest and depreciation	(193.25)	(202.39)
Interest & Finance Charges	61.04	63.82
Profit/(Loss) after Interest but before depreciation	(254.29)	(266.21)
Depreciation	16.73	16.82
Profit/(Loss) for the year	(271.02)	(283.03)
Prior period adjustment	(2.28)	22.26
Net Profit/(Loss)	(273.30)	(260.77)
b) OPERATIONS :		
Production (in Kgs)	96,584	4,18,545
Sales (in Kgs)	139,958	4,48,641

REVIEW OF OPERATIONS :

During the year under review, production was less than the previous year mainly due to Working Capital shortage as well as non-availability of yarn as per our specifications and also as Factory stopped its production from Sept. '99 onwards. Consequently, sales were lower than the previous year. The company has sustained a loss of Rs. 273.30 lakhs as against a loss of 260.77 lakhs during the previous year.

FUTURE OUTLOOK :

Due to erosion of Working Capital the operation in the Plant have been stopped. A scheme has been prepared for rehabilitating and revival of the unit based on a study conducted by M/s. A.F. Ferguson & Co., Chennai, and Sri A. S. Narayanan, Textile Technologist. Meanwhile about 300 Employees left the services by resignation. Keeping in view all the above factors and the future market the Company proposes to prepare a fresh scheme of rehabilitation and obtain the approval of BIFR.

Pt PRIYADARSHINI THREAD LIMITED**DIRECTORS :**

During the period under report Directors Sri D. Balasundaram and Sri C. Satyanarayana have resigned from the board due to their pre-occupation. IDBI has withdrawn their nominee from the the board as we have paid their dues by OTS.

Sri N. Sujith Kumar Reddy, who retires by rotation and being eligible, offers himself for reappointment.

Sri G. B.K. Reddy, who retires by rotation and being eligible, offers himself for reappointment.

AUDITORS :

M/s. P. Srinivasan & Co., Chartered Accountants, the Company's Auditors retire at the conclusion of this Annual General Meeting. They are eligible for reappointment.

FIXED DEPOSITS :

The Company has not invited any deposits from public in terms of section 58(A) of the Companies Act, 1956.

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

The information 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 with respect to these matters is given in Annexure-1 and form part of this report.

PARTICULARS OF EMPLOYEES :

Particulars of Employees as required under section 217(2a) of the Companies Act, 1956 during the year under review is NIL. The Employee relationship continued to be cordial during the year.

ACKNOWLEDGEMENTS :

The Directors take this opportunity to express their deep sense of gratitude to Financial Institutions, Banks, Central and State Government Departments and local authorities for their continued guidance and support.

Directors are ever grateful for the confidence and faith reposed in the Company by all of you as Share Holders

For and on behalf of the Board

Place : HYDERABAD
Date : 25-11-2000

N. RADHAKRISHNA REDDY
Director

G.B.K. REDDY
Director

Pt PRIYADARSHINI THREAD LIMITED**ANNEXURE-I****CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO :**

- a) Energy conservation measures taken
 - i) We have installed power capacitors to improve the power factor.
 - ii) Lighting load is reduced by providing more natural light.
- b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy.
 - i) Energy losses due to steam leakage etc., are being minimised.
 - ii) Thermal losses are being reduced by providing better insulation.
 - iii) Improvement of boiler efficiency.
- c) Impacts of the measures at (a) and (b) above for reduction of energy consumption and subsequent impact on the cost of production of goods are shown in item (b) of Form 'A'.
- d) Total energy consumption per unit of production is as under.

FORM 'A'

	<u>Current Year</u> <u>1999-2000</u>	<u>Previous Year</u> <u>1998-99</u>
A) POWER AND FUEL CONSUMPTION :		
1. Electricity		
a) Purchased Units	4.11 Lakhs	11.96 Lakhs
Total Amount (Rs.)	20.59 Lakhs	42.60 Lakhs
Rate/Unit (Rs.)	5.01	3.56
b) Own Generation		
Through Diesel General sets (units)	0.11 Lakhs	0.47 Lakhs
Units/Ltr. of Diesel Oil	2.11	2.11
Cost/Unit(Rs.)	4.95	4.84
Through Steam Turbine/		
Gen. Units	---	---
Units/Ltrs. of Fuel Oil	---	---
Gas	---	---
Cost/Unit(Rs.)	---	---
2. Coal (Specify quantity and where used) Average CV 3000 Cal/Kg. and ash 30% average and used for burning to produce steam.		
Quantity (Tonnes)	277	1350
Total Cost (Rs)	5.19 Laksh	25.28 Laksh
Average Rate (Rs.)	1874 /MT	1873 /MT