

15th
annual
report

2001-02

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SPENTA INTERNATIONAL LIMITED



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SPENTA INTERNATIONAL LIMITED

Corporate Information

Mr. Danny F. Hansotia : *Managing Director*

Mr. Sanjay S. Gadodia : *Whole Time Director*

Mr. Sandeep S. Gadodia : *Whole Time Director*

FACTORY & REGISTERED OFFICE : Plot No. 15 & 16
Dewan Industrial Estate
Village Navali,
Palghar.

ADMINISTRATION OFFICE : 86 & 87, Mahendra Chambers,
2nd Floor, 134/136
D. N. Road, Fort,
Mumbai - 400 001.

BANKERS : **DENA BANK**
Share Bazar Branch, Mumbai

**BANK OF BAHRAIN
& KUWAIT**
Nariman Point, Mumbai

AUDITORS : **A. R. PARIKH & CO.**
Chartered Accountants
321, Parikh Market,
Opera House,
Mumbai - 400 004.

SHARE TRANSFER AGENT : **Intime Spectrum Registry Ltd.**
260-A, Shanti Industrial Estate,
Sharojini Naidu Road,
Mulund (W),
Mumbai - 400 080.



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NOTICE

NOTICE is hereby given that **15th Annual General Meeting** of the members of the Company **SPENTA INTERNATIONAL LIMITED** will be held on **Thursday the 26th September, 2002** at 11.30 a.m. at the Registered office of the Company situated at Plot No. 15 & 16, Dewan Industrial Estate, Village Navali, Dist. Thane, Palghar to transact the following business:-

- *****
1. To receive, consider and adopt the Audited Accounts of the Company for the year ended 31st March, 2002 and the Reports of Directors and Auditors Report thereon.
 2. To appoint Auditors and to authorize the Board to fix their remuneration.

By order of the Board
FOR SPENTA INTERNATIONAL LIMITED

PLACE : MUMBAI
DATE : 17/06/2002.

DANNY F. HANSOTIA
(MANAGING DIRECTOR)

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE ENCLOSED PROXY FORM, IF INTENDED TO BE USED SHOULD REACH THE REGISTERED OFFICE OF THE COMPANY DULY COMPLETED NOT LESS THAN FORTY EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE MEETING.
2. The Register of Members and Share Transfer Register shall remain closed from **Thursday the 19th September, 2002 to Thursday the 26th September, 2002 (both days inclusive)**.
3. Members are requested to bring their own copies of Annual Report to the Meeting.
4. Members desiring to seek any information on the annual accounts are requested to write to the Company at an early date to enable compilation of information.

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**spenta****SPENTA INTERNATIONAL LIMITED****DIRECTORS REPORT**

To,
The Members,
SPENTA INTERNATIONAL LIMITED

Your Director's have great pleasure in presenting the 15th Annual report together with the Audited Statement of accounts for the year ended 31st March, 2002.

1. FINANCIAL RESULTS :


The financial Results are briefly indicated below :

	(Rs. In lacs)	
	<u>YEAR ENDED</u> <u>31.03.2002</u>	<u>YEAR ENDED</u> <u>31.03.2001</u>
Sales	465.33	459.91
Profit before interest and Depreciation	117.01	124.08
Less : Interest & finance charges.	7.85	12.78
profit after interest but before Depreciation	109.16	111.30
Less : Depreciation	34.96	25.41
Profit before tax	71.53	83.22
Less : Provision for Taxation	3.50	—
Profit after tax	68.03	83.22
Balance brought forward	1.74	(81.48)
Profit carried to Balance sheet	69.77	1.74

2. HIGHLIGHT OF PERFORMANCE :

During the year under review your company has done well to keep itself ahead of competition. We have shifted our focus from exports to domestic markets where the price realisations are higher and the product is better accepted due to limited availability of similar quality product. We have done well to keep our current customers satisfied and added new valued clients to our list. At the moment, besides our own brand "SPENTA". We are manufacturing socks for various reputed international brands who are based in India consistency in quality and maintaining of timely delivery schedules have been our key to success which we hope to carry on in the future also.

3. FUTURE PROSPECTUS :

Your company has embarked upon an expansion project in which it proposes to install additional 9 new socks knitting machines from M/s Lonati, Italy, the proposed expansion project would be completed by end of August 2002 and would increase the production and profitability by around 30% and 20% respectively, annually. This increased production would be mainly utilised to cater to the local markets under your company's own Brand name " spenta" which, since its launch in July 2001 in North and East India has been accepted very well. The new capacity to be created would be used to launch our products at various other centres including Mumbai where we expect a very good response. A healthy Brand recognition would ultimately go to enhancing the image of the company and its SHAREHOLDERS.

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**spenta****SPENTA INTERNATIONAL LIMITED****4. DIVIDEND :**

During the year, your Directors in order to conserve resources for the expansion project do not recommend any dividend.

5. FIXED DEPOSITS :

Your Company has not accepted any fixed deposits within the meaning of Section 58-A of the Companies Act, 1956 and the rules framed there under.

6. SUBSIDIARIES :

The Company has no subsidiaries, within the meaning of section 212 of the Companies Act, 1956.

7. DIRECTORS :

During the year there is no change in the Board of Directors.

8. DIRECTORS' RESPONSIBILITY STATEMENT :

The Board of Directors hereby confirm

- (i) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) that the Directors have 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 or loss of the Company for that period;
- (iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors have prepared the annual accounts on a going concern basis.

9. THE CORPORATE GOVERNANCE CODE :

Pursuant to clause 49 of listing agreement, the corporate governance code has to be implemented by the Board by March, 2003. The Board is taking efforts to comply the same.

10. STOCK EXCHANGE REQUIREMENT :

Being listed at Mumbai & Ahmedabad Stock Exchanges, your company has paid listing fees till March, 2003.

11. AUDITORS

M/s A.R. PARIKH & CO., Chartered Accountants, Mumbai, Statutory Auditors of your company holds office until the conclusion of the forthcoming Annual General Meeting. He has signified his willingness to accept reappointment and has further confirmed his eligibility under Section 224 (1B) of the Companies Act, 1956.

12. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUT GO :

The information required under 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 with respect of these matters is given as below.

A. CONSERVATION OF ENERGY

The company has not adopted any special measures towards conservation of Energy during the year. The particulars in respect of conservation of energy as required by Section 217 (1) (e) of the Companies Act, 1956 are given as under.

**spenta****SPENTA INTERNATIONAL LIMITED**

POWER OR FUEL CONSUMPTION :		31/3/2002	31/3/2001
1.	Electricity		
	Purchased		
	Units (in lakhs) (in Kwh)	4.99	4.97
	Amount in Rupees (in lakhs)	20.26	20.29
	Rate per Unit (in Rupees)	4.06	4.08
2.	Coal	Nil	Nil
	Quantity (Tonnes)		
	Total Cost		
	Rate/Unit (in rupees)		
3.	Furnace Oil	Nil	Nil
	Quantity (K. Litres)		
	Total Cost		
	Rate/Unit (in Rupees)		
4.	Others internal Generation	Nil	Nil
	Quantity (in Units)		
	Total Cost		
	Rate / Unit (in Rupees)		
5.	CONSUMPTION PER UNIT OF PRODUCTIONS		
	Product with details		
	Knitted socks	0.77	0.71

B) RESEARCH & DEVELOPMENT / TECHNOLOGY ABSORPTION :

Research and Development (R&D)

Nil

Nil

TECHNOLOGY ABSORPTION & ADOPTION

Our manufacturing process is based on knowhow from Lonati, Spa, Italy. The plant is being operated at the optimum level. Continuous coordination is being maintained with LONATI to avail the benefits of further development in technology.

**spenta****SPENTA INTERNATIONAL LIMITED****C) FOREIGN EXCHANGE EARNINGS & OUTGO**

The details of Foreign Exchange Earning & outgoing are as follow :

	31.03.2002	31.02.2001
Foreign Exchange Earnings (FOB value of Exports)	189.95	208.06
Foreign Exchange outgo:		
C.I.F. Value of misc. Fixed Assets	Nil	0.30
C.I.F. Value of Spares & consumables	8.92	5.61
Travelling Expenses	1.18	1.81

13. PARTICULARS OF EMPLOYEES

In accordance with the provisions of Section 217 of the Companies Act, 1956 read with the companies (particulars of Employees) amendment Rules 1999 as amended up to date, there were no employees during the whole or part of the year who were in receipt of remuneration in excess of limits as mentioned in the section and hence no details are given as such.

14. ACKNOWLEDGEMENT

Your Directors take this opportunity to place on record, their gratitude for the cooperation and support received from their bankers, various departments and agencies of Central and state Government and dedication and commitment to the staff at all levels without which the all-round growth and prosperity of the Company would not have been possible. Your Directors also appreciate the support provided by the several overseas and local customers to the Company's marketing efforts and to the esteemed shareholders who have maintained confidence in the company.

By order of the Board
For **SPENTA INTERNATIONAL LIMITED**

Place : Mumbai
Date : 17/06/2002

Danny F. Hansotia
(Managing Director)