

MD	✓		BKC	✓
CS	MA		DPY	✓
RO	✓		DIV	✓
TRA	MA		AC	✓
AGM	✓	✓	SH	✓
YE	✓	✓		

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**SUPER TANNERY  
(INDIA) LIMITED**

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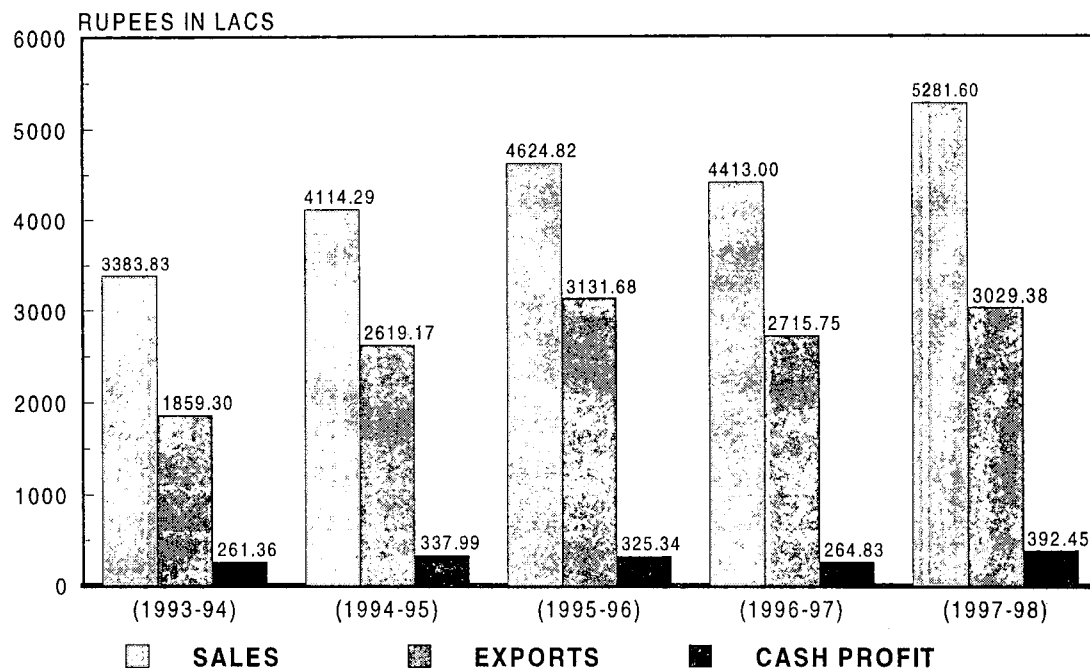
Fourteenth Annual Report

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1997-98

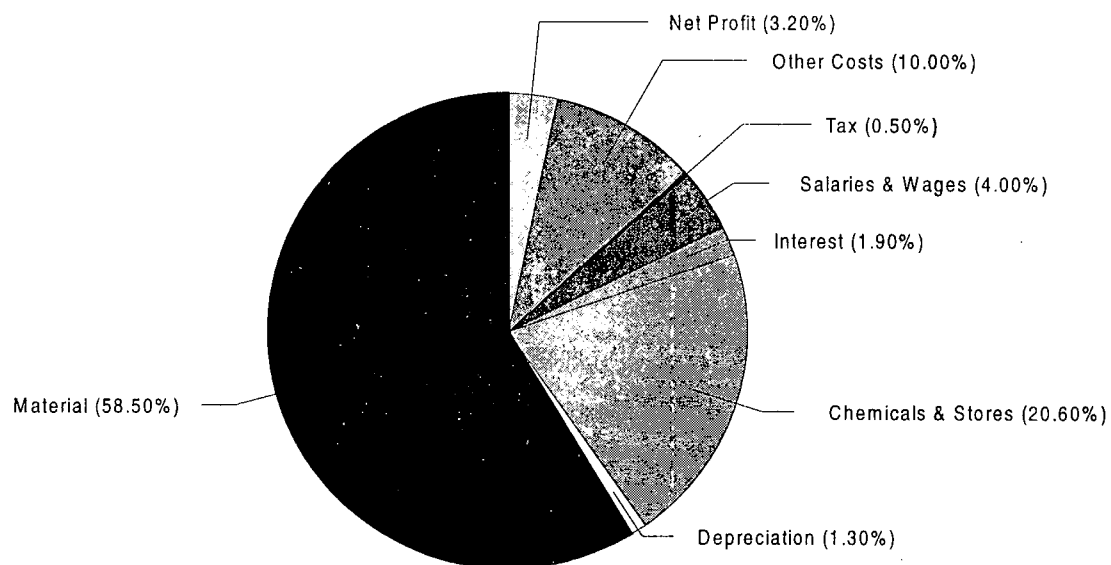
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## PERFORMANCE HIGHLIGHTS



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## DISTRIBUTION OF INCOME





## SUPER TANNERY (INDIA) LIMITED

### BOARD OF DIRECTORS

Mrs. ZAHIDA BEGUM, *Chairperson*  
 Mr. IFTIKHARUL AMIN, *Managing Director*  
 Mr. IQBAL AHSAN, *Joint Managing Director*  
 Mr. VEQARUL AMIN, *Director-Technical*  
 Mr. SHARIQ JAMAL  
 Mr. R.S.ROOFI WAKI  
 Mr. ALTAF HUSSAIN PARPIA  
 Mr. IMRAN SIDDIQUI  
 Mr. S.K. SIL

### FINANCE MANAGER

Mr. VINOD KUMAR KALA

### AUDITORS

M/s. KAPOOR TANDON & CO.,  
*Chartered Accountants*  
 KANPUR

### BANKERS

STATE BANK OF INDIA  
 OVERSEAS BRANCH  
 KANPUR

### REGISTERED OFFICE

JAJMAU ROAD, KANPUR-208 010  
 PHONES: (0512) 450122, 137, 138, 450

CABLE: 'SUPER' KANPUR  
 FAX: 91-512-450792, 451227

E. MAIL : supertan @ lw1.vsnl.net.in

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14th Annual General Meeting on  
 Tuesday, the 29th September, 1998 at  
 the Registered Office of the Company  
 at 9.00 a.m.

## SUPER TANNERY (INDIA) LIMITED

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### NOTICE

NOTICE is hereby given that the 14th Annual General Meeting of Super Tannery (India) Limited will be held on Tuesday, the 29th September, 1998 at 9.00 a.m. at the Registered Office of the Company at 187/170, Jajmau Road, Jajmau, Kanpur-10, to transact the following business :-

### ORDINARY BUSINESS :

1. To receive, consider and adopt the Profit & Loss Account of the Company for the year ended 31st March, 1998, the Balance Sheet as on that date and Reports of the Board of Directors and Auditors thereon.
2. To declare a dividend.
3. To appoint a Director in place of Mr. Riaz Saeed Roofi Waki, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

### SPECIAL BUSINESS :

5. To consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution :-

"RESOLVED THAT Mr. Imran Siddiqui, who holds office as an Additional Director upto the date of forthcoming Annual General Meeting under the provisions of Section 260 of the Companies Act, 1956 and Article 112 of the Articles of Association of the Company, be and is hereby appointed as a Director of the Company liable to retire by rotation."

6. To consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution :-

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310 and 311 of the Companies Act, 1956, read with Schedule XIII and all other applicable provisions, if any, of the said Act, including any modification or re-enactment thereof, consent of the Company be and is hereby accorded to the reappointment of Mr. Riaz Saeed Roofi Waki as Whole Time Director of the Company for a further period of five years w.e.f. 01.11.1998 to 31.10.2003 on the following terms and conditions :-

1. **SALARY :**  
Rs. 15,000/- per month with such annual increment as may be decided by the Board subject to maximum of Salary of Rs. 20,000/- p.m.
2. **PERQUISITES :**  
Perquisites will be restricted to an amount equal to the annual Salary or Rs. 50,000/- per annum, whichever is less.



In addition to Salary, the Director will be allowed perquisites as specified in the Categories A, B & C below :-

#### **CATEGORY - A**

##### **1. HOUSING :**

- (a) The expenditure incurred by the Company on hiring unfurnished accommodation for him will be subject to a ceiling of 50% of the Salary, over and above 10% payable by him.
- (b) In case the accommodation is owned by the Company and provided to him then 10% of his Salary shall be deducted by the Company.
- (c) In case no accommodation is provided by the Company, he shall be entitled to House Rent Allowance subject to the ceiling laid down in Housing (A) above.

The expenditure incurred by the Company on Gas, Electricity, Water and Furnishings shall be valued as per the Income-Tax Rules, 1962. This shall, however, be subject to a ceiling of 10% of his Salary.

##### **2. MEDICAL REIMBURSEMENT :**

Reimbursement of expenses actually incurred, the total cost of which to the Company, shall not exceed one month's Salary in a year or three month's Salary over a period of three years.

##### **3. LEAVE TRAVEL CONCESSION :**

For self, wife and dependent children once in a year in accordance with the rules of the Company.

##### **4. CLUB FEES :**

Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.

##### **5. PERSONAL ACCIDENT INSURANCE :**

Premium not to exceed Rs. 1,000/- per annum.

#### **CATEGORY-B**

##### **1. PROVIDENT FUND :**

Company's contribution to Provident Fund, Superannuation Fund or Annuity Fund will not be included in the computation of the ceiling on perquisites to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961.

##### **2. GRATUITY :**

Gratuity payable shall not exceed half-a-month's Salary for each completed year of service subject to a ceiling of Rs. 1,00,000/-.

#### **CATEGORY-C**

The Company will provide a Car and Telephone at his residence. However, provision of car and telephone at residence, for use on Company's business, will not be considered as perquisites. Personal long distance calls on Telephone and use of Car for private purpose shall be billed by the Company to him.

**SUPER TANNERY (INDIA) LIMITED**

He shall be entitled to earned/privilege leave on full pay and allowances as per rules of the Company, but not more than one month's leave for every eleven months of service. Leave accumulated but not availed of, will not be allowed to be encashed.

"RESOLVED FURTHER THAT where in any financial year closing on or after 1st April, 1998, the Company has no profits or its profits are inadequate, the Company may pay to Mr. Riaz Saeed Roofi Waki as Whole Time Director, remuneration by way of salary, perquisites and other allowances not exceeding the ceiling limit of Rs. 10,50,000/- per annum or Rs. 87,500/- per month and in addition thereto the perquisites not exceeding the limit specified under Section II of Part II of Schedule XIII to the Companies Act, 1956, including any statutory modification(s) or re-enactment thereof for the time being in force."

7. To consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution :-

"RESOLVED THAT pursuant to Section 372, Section 4 and other applicable provisions (if any) of the Companies Act, 1956 and Sub-Clause 23, 26 and 32 of Clause III (B) of the Memorandum of Association of the Company and subject to the approval of the Central Government and Reserve Bank of India, sanction of the Company be and is hereby accorded to the Board to establish a joint venture abroad in United Kingdom in collaboration with NRIs or Foreign Institutions by subscribing upto £ 25,500 (Sterling Pound Twenty five Thousand Five Hundred Only) (equivalent to Indian Rs. 17,85,000 at the current rate of exchange) equivalent to 51% in the Authorised Equity Share Capital of £ 50,000 (Sterling Pound Fifty thousand only) divided into 50,000 (Fifty thousand) Equity Shares of £ 1 (Sterling Pound One) each of Super Shoes (U.K.) Limited (or any other name as may be available as per the Act & Rules of U.K.), a new Company to be incorporated and registered in U.K.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to settle all matters arising out of and incidental to the proposed investment and generally to take all such steps as are necessary to implement this resolution."

8. To consider and, if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution :-

"RESOLVED THAT subject to all applicable provisions of the Companies Act, 1956, including any statutory modification(s) or re-enactment thereof and any Ordinance promulgated in this regard for the time being in force and/or as may be promulgated/enacted from time to time, and subject to such other approvals, permissions and sanctions, as may be necessary and subject to such conditions, modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company, the consent of the Company, by means of a special resolution, be and is hereby accorded to the Board to buy-back Equity Shares (voting power), from the existing members of giving right to subscribe for shares of the Company, on a proportionate basis or from the open market or purchasing of odd lots, from out of its free reserves or out of the securities premium account of the Company or from such other sources as may be permitted by law, on such terms and conditions and in such manner, as may be prescribed, from time to time, by law, provided that the aggregate of the securities so bought back shall not exceed 5% (five percent) of the total called up Equity Capital/ paid-up Equity Capital of the Company or upto the extent as may be permitted by the Act/Ordinance whichever is higher.



RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things and take such steps in this regard as it may, in its absolute discretion, deem necessary, fit or proper."

9. To consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution :-

"RESOLVED THAT pursuant to Section 293 (i) (e) of the Companies Act, 1956, consent of the members be and is hereby given to the Board of Directors of the Company to donate to charitable and other funds not directly relating to the business of the Company or the welfare of its employees upto the extent of Rs. 15 lacs (Rupees Fifteen lacs only) during the financial year ending March 31, 1999."

10. To consider and, if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution :-

"RESOLVED THAT pursuant to Section 81 of the Companies Act, 1956, and all other applicable provisions, if any, of the said Act, including any modification and re-enactment thereof for the time being in force, and subject to approval of Reserve Bank of India/Government of India under the provisions of Foreign Exchange & Regulation Act, 1973, if required and approval of Securities & Exchange Board of India and approval of Stock Exchanges where shares of the Company are listed and all other authorities and such other approvals, permission as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors of the Company for issue of 15,00,000 (Fifteen Lacs) Equity Shares of Rs. 10/- each out of the unissued Capital for cash at par or on such premium and on such terms and conditions as the Board deems it fit and proper by issue of prospectus or through private placement to the specified persons or through rights issue.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to increase or reduce the number of Equity Shares to be issued at their full discretion in the interest of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of clause (b) of Rule 19 (2) of Securities Contract (Regulation) Rules, 1957, as amended upto date, and subject to guidelines of the Securities & Exchange Board of India (SEBI) relating to reservation, firm allotment, promoter's contribution in the Public Issue, the Board of Directors be and is hereby authorised to make, at their full discretion, such reservation, firm allotment, promoter's contribution in the Public Issue as they may deem it fit and proper.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors be and is hereby authorised to do such acts and things and also to accept on behalf of the Company such conditions, terms or modifications, if any, relating to the issue as may be desired by the statutory or other authorities, while according their consent or approval to the proposed issue of Equity Shares and take all such actions as are incidental to or ancillary in this connection."

By order of the Board of Directors

IFTIKHARUL AMIN  
Managing Director

Place : KANPUR  
Dated : 19th August, 1998

**SUPER TANNERY (INDIA) LIMITED****NOTES :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The explanatory statement pursuant to Section 173 (2) of the Companies Act, 1956, in respect of business set out in Item No. 5 to Item No. 10 are annexed hereto.
3. The Register of Members and Share Transfer books shall remain closed from Tuesday the 23rd September, 1998 to Tuesday the 29th September, 1998 (both days inclusive) for the purpose of dividend.
4. The dividend if declared, will be made payable on or after 30th September, 1998 to those members whose names appear on the Register of the Members of the Company as on 29th September, 1998.
5. Members are requested to intimate to the Company, their queries, if any, regarding these accounts/notice at least seven days before the meeting to enable the management to keep the information ready at the meeting.
6. The address of the Stock Exchanges where Company's shares are listed are :-
  1. The Calcutta Stock Exchange Association Limited, 7, Lyons Range, CALCUTTA - 700 001.
  2. The Delhi Stock Exchange Association Limited, West Plaza, I.G. Stadium, Indraprastha Estate. NEW DELHI - 110 002.
  3. The Madras Stock Exchange Limited, Exchange Building, Post Box No. 183, 11, Second Line Beach, CHENNAI - 600 001.
  4. The Stock Exchange, Mumbai, Phiroze Jeejeebhoy Towers, Dalal Street, MUMBAI - 400 001.
  5. The U.P. Stock Exchange Association Limited, Padam Towers, 14/113, Civil Lines, KANPUR - 208 001.
7. The unpaid dividend that are due for transfer to the Central Government are as follows :-

Financial Year ended	Due for Transfer on
31.03.1995	10.11.1998
31.03.1996	10.11.1999
31.03.1997	10.11.2000

Members who have not encashed their dividend warrants for the aforesaid financial year are requested to approach the Company for obtaining duplicate Dividend Warrant.





## ANNEXURE TO THE NOTICE

### EXPLANATORY STATEMENT

(Pursuant to the provisions of Section 173 (2) of the Companies Act, 1956)

#### ITEM NO. 5 :

Mr. Imran Siddiqui was co-opted on the Board on 30.7.98 as an Additional Director of the Company under the provisions of Section 260 of the Companies Act, 1956 and Article 112 of the Articles of Association of the Company who ceases to be a director at the date of ensuing Annual General Meeting. The Company has received notice in writing together with a sum of Rs. 500/- under Section 257 of the Companies Act, 1956 from a member proposing his candidature for the office of Director of the Company. The Board of Directors recommend the proposed resolution as set out in Item No. 5, for your approval.

None of the Directors, except Mr. Imran Siddiqui, is in any way either directly or indirectly concerned or interested in the resolution except as Shareholder generally.

#### ITEM NO. 6 :

The term of appointment of Mr. Riaz Saeed Roofi Waki as Whole Time Director shall expire on 31.10.1998. Keeping in mind the contribution of Mr. Riaz Saeed Roofi Waki, the Board of Directors of the Company in its meeting held on 19.08.1998 had decided to re-appoint Mr. Riaz Saeed Roofi Waki as Whole Time Director of the Company for a further period of five years w.e.f. 01.11.1998 to 31.10.2003.

The Board of Directors is also at liberty to alter and vary the terms and conditions as they may consider necessary and as may be agreed to by the Directors from time to time.

Mr. Riaz Saeed Roofi Waki has benefited the Company by providing his valuable services to the Company. With a view to keep his association continue as before, the Board of Directors recommend the resolution, as set out in Item No. 6, for your approval.

None of the Directors of the Company, is in any way either directly or indirectly concerned or interested in the resolution, except as Shareholder generally.

Mr. Riaz Saeed Roofi Waki is interested or deemed to be interested in the resolution upto the extent he earns remuneration and other benefits.

This may also be treated as disclosure and notice by Mr. Riaz Saeed Roofi Waki under the provisions of Section 302 of the Companies Act, 1956.

#### ITEM NO. 7 :

The Company has been considering for some time past to establish and participate in a joint venture with NRIs or Foreign Companies in United Kingdom (U.K.), (or in third country) with the object of setting up a modern full shoe division and also to do business in other neighbouring countries from there. It has been agreed to incorporate a new Public Limited Company for the said purpose under the name of Super Shoes (U.K.) Limited or any other name as will be made available by the Registrar of Companies, U.K. The Authorised Share Capital of the proposed Company will be £ 50,000 Sterling Pound. The Company would participate in the Authorised Equity Share Capital to the extent of 51% i.e. 25,500 Equity Shares of £ 1 (One Sterling Pound) each upto £ 25,500 Sterling Pound (equivalent to Indian Rs. 17,85,000/- at the current rate of exchange) in the form of technical know-how, expertise and money to be exported from India. It has also

## **SUPER TANNERY (INDIA) LIMITED**

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been agreed that Company would also render any other specialise services and assistance to be required by the said new Company to establish and operate its business in an effective manner.

Since the Company's proposed investment together with the investments, already held by the Company in other bodies corporate may exceed the required per-centage, as stated under Section 372 of the Companies Act, 1956, of the Subscribed Capital and free reserves of the Company as also 51% of the nominal value of the Equity Capital or the Subscribed Capital of the said new Company. It is necessary under Section 372 and Section 4 of the Companies Act, 1956, to obtain sanction of the Company in general meeting and approval from Reserve Bank of India and Central Government. The proposed Company on incorporation will become the subsidiary of your Company.

The Directors feel that the proposed investment will be in the interest of the Company so they recommend the resolution be passed.

None of the Directors of the Company, is in any way interested in the resolution, except to the extent the shares of the new company offered to them.

### **ITEM NO. 8 :**

At present Section 77 of the Companies Act, 1956, prohibit a Company to buy its own shares. The Honourable Finance Minister in its budget proposal indicated that in near future companies, by means of an enactment or promulgation of an ordinance, and/or subject to conditions/ approvals/such regulations as prescribed, companies will be allowed to buy-back its shares.

It is proposed to buy-back shares, from existing shareholders on a proportionate basis, or from open market, or odd lots shares, not exceeding 5% (five percent) of the paid-up/called-up Equity Capital of the Company or upto the extent as may be permitted by the Act/Ordinance whichever is higher.

The buy-back of shares as aforesaid would require investment of an amount which will not be less than the market price of the shares of the Company. The Company shall meet the above investment requirement out of the free reserve, and/or share premium account or from such other sources as may be permitted by law. The shares so bought back shall be dealt with as per the prevailing law/regulations.

The Board is of the opinion that it will be in the best interest of the Company, to permit buy-back. The Company will implement this resolution once the law is amended. The resolution is an enabling provision aimed at facilitating the Company to buy-back its shares as soon as legally permissible.

The Directors recommend the resolution for approval of the shareholders.

None of the Directors of the Company is in any way concerned or interested in the resolution.

### **ITEM NO. 9 :**

It is the policy of the Company that it make contribution in charitable funds, which serve the society at large, whether such charitable institutions directly related or not with the business of the Company or for the welfare of its employees.

The action of the Board is taken keeping in mind the responsibility that the Company owe to the society. Sometime the contribution so made exceeds the limit prescribed by Section 293 (1) (e) of the Companies Act, 1956. The Board can not do such welfare work, beyond prescribed limit,