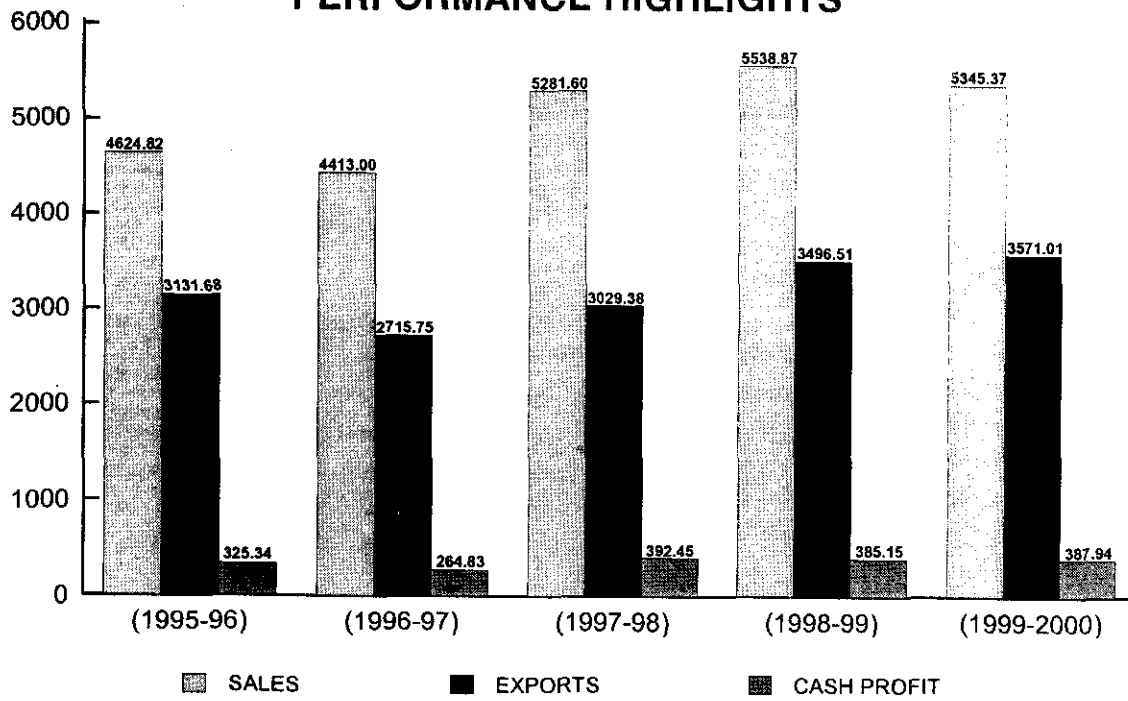


SUPER TANNERY (INDIA) LIMITED

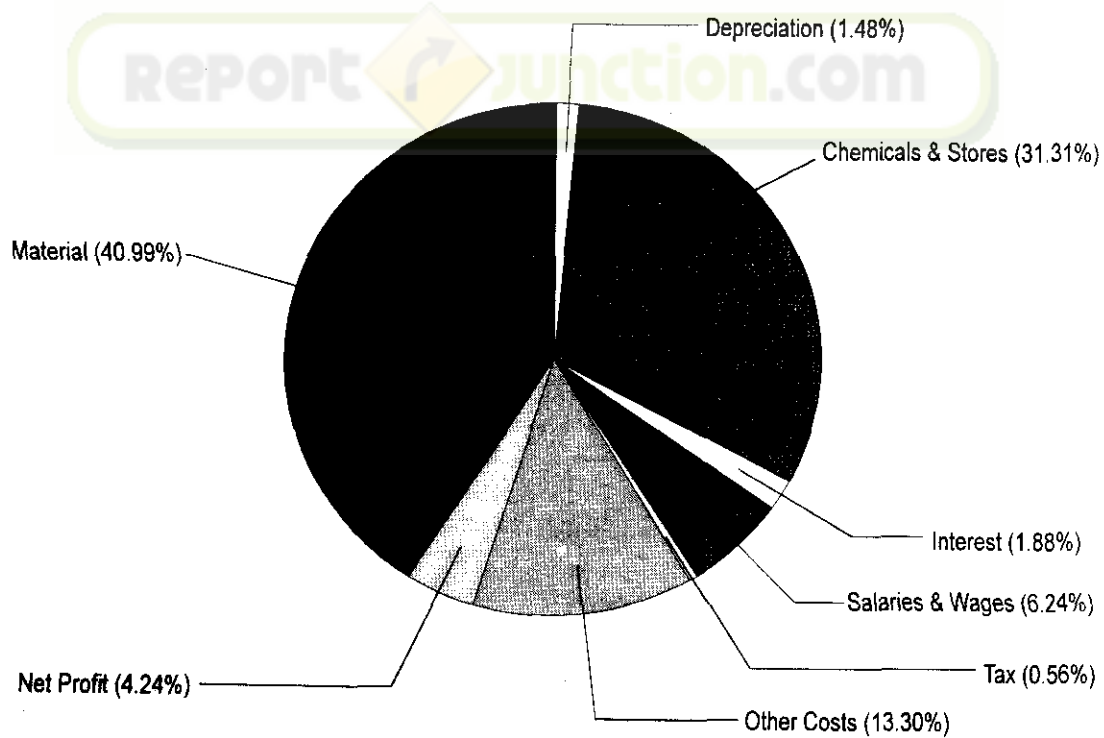


SIXTEENTH ANNUAL REPORT
1999-2000

PERFORMANCE HIGHLIGHTS



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. Imran Siddiqui
Mr. Arshad Khan
Mr. Mohsin Sharif
Mr. Altaf Hussain Parpia
Mr. Sujit Kumar Sil

COMPANY SECRETARY

Mr. I.S. Srivastava

AUDITORS

M/S. KAPOOR TANDON & CO.,
Chartered Accountants
KANPUR

BANKERS

STATE BANK OF INDIA
OVERSEAS BRANCH
KANPUR

REGISTERED OFFICE

187/170, JAJMAU ROAD, KANPUR-208 010

Phones : (0512) 460137, 462138,
461450, 461079, 462122

FAX : 0512-460792, 462227

E-Mail : supertan@lw1.satyam.net.in
super@lw1.vsnl.net.in

Website : www.supertannery.com

CONTENTS

Notice	2
Directors' Report	12
Auditors' Report	15
Balance Sheet	20
Profit & Loss Account	21
Schedules 1 - 20	22
Notes on Accounts	31
Cash Flow Statement	38
Balance Sheet Abstract	39
Attendance Slip	41

16th Annual General Meeting on
Thursday, the 28th September, 2000 at
the Registered Office of the Company
at 8.30 a.m.

SUPER TANNERY (INDIA) LIMITED

NOTICE

NOTICE is hereby given that the 16th Annual General Meeting of Super Tannery (India) Ltd. will be held on Thursday the 28th September, 2000 at 8.30 A.M. at the Registered Office of the Company at 187/170, Jajmau Road, Jajmau, Kanpur, 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, 2000, 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 Mrs. Zahida Begum, who retires by rotation and being eligible offers herself for re-appointment.
4. To appoint a Director in place of Mr. Altaf Hussain Parpia, who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS :

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

"RESOLVED THAT Mr. Arshad Khan, who holds office as an Additional Director upto the date of forthcoming A.G.M. 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.

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

"RESOLVED THAT Mr. Mohsin Sharif, who holds office as an Additional Director upto the date of forthcoming A.G.M. 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."

8. 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 re-appointment of Mr. Arshad Khan as Whole Time Director of

the Company for a period of five years w.e.f. 01.10.2000 to 30.09.2005 liable to retire by rotation on the following terms and conditions :

1. **SALARY :**

Rs. 9,500/- per month with such annual increment as may be decided by the Board subject to maximum of salary of Rs. 15,000/- p.m.

2. **PERQUISITES :**

Perquisites will be restricted to an amount equal to the annual salary or Rs. 75,000/- per annum, whichever is less.

In addition to Salary, the Director will be allowed perquisites as specified in the Category in (A), (B) and (C) below :

CATEGORY - A

1. **HOUSING :**

The expenditure incurred by the Company on hiring unfurnished accommodation for him will be subject to a maximum ceiling of 50% of the Salary, over and above 10% payable by him.

2. **LEAVE ENCASHMENT AND BONUS :**

He shall be entitled to earned/privilege leave on full pay and allowances as per rules of the Company, but not more than forty five days leave for every completed year of service. Bonus as per Rules of the Company will also be available to the Director.

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.

CATEGORY - C

The Company will provide a Car and Telephone at his residence. However, provision of Car for use on Company's business and Telephone at residence 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

"RESOLVED FURTHER THAT where in any financial year closing on or after 1st April, 2000, the Company has no profits or its profits are inadequate, the Company may pay to Mr. Arshad Khan as Whole Time Director, remuneration by way of salary, perquisites and other allowances not exceeding the ceiling limit 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 or re-enactment thereof for the time being in force."

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 related to the business of the Company or the welfare of its employees upto the extent of Rs. 20 lacs (Rupees twenty lacs only) during the financial year ending March 31, 2001."

10. 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, the excess contribution of Rs. 34,000/- made by the Board of Directors to charitable and other funds, not directly related to the business of the Company or the Welfare of its employees during the year 1999-2000, be and is hereby ratified and be treated as permitted by the general meeting."

11. 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 31 and all other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be altered as follows :

(a) Insert the following Article as Article 53 (iii) after Article 53 :

Nomination by Shareholders	53 (iii) A holder or joint holders of shares or debentures in (including fixed deposit holder under Section 58A of the Companies Act, 1956), of the Company may nominate, in accordance with the provisions of Section 109A of the Companies Act, 1956 (including amendment thereto or any re-enactment thereof) and in the manner prescribed thereunder, any person to whom all the rights in the shares or debentures in of the Company shall vest in the event of death of such holder(s). Any nomination so made shall be dealt with by the Company in accordance with and in manner prescribed under the provisions of Section 109B of the Companies Act, 1956 or any other statutory modification or re-enactment thereof for the time being in force.
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(b) Insert the following Article as Article 53 (iv) after Article 53 (iii) :

Transmission of Securities by Nominees	53 (iv)	A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided :
	(i)	elect, either to be registered himself/herself as holder of the share or debenture or to make such transfer of the share as the deceased shareholder, as the case may be, could have made;
	(ii)	if the nominee elects to be registered as holder of the share, himself/herself, as the case may be, he/she shall deliver or send to the Company a notice in writing signed by him/her stating that he/she so elects and such notice shall be accompanied with the death certificate of the deceased shareholder, as the case may be;
	(iii)	a nominee, upon becoming entitled to a share by reason of the death of the holder, shall be entitled to the same dividends and other advantages to which he/she would be entitled to, if he/she were the registered holder of the share except that he/she shall not, before being registered a member in respect of his share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company."

12. 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 31 and other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be altered as follows :

Insert the following Article as Article 22A after the present Article 22.

Definition	1.	For the purpose of this Article : 'Beneficial Owner' means a person or persons whose name is recorded as such with a depository; 'SEBI Board' means the Securities & Exchange Board of India; 'Depository' means a company formed and registered under the Companies Act, 1956, and which has been granted a certificate of registration under the Securities & Exchange Board of India Act, 1992; and 'Security' means such security as may be specified by SEBI from time to time.
Dematerialisation of Securities	2.	'Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the Depositories Act, 1996.

SUPER TANNERY (INDIA) LIMITED

Options for investors	3.	<p>Every person subscribing to securities offered in the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificates of Securities.</p> <p>If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security.</p>
Securities in depositories to be in fungible form	4.	All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.
Rights of depositories and beneficial owners	5. (a)	Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.
	(b)	Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of securities held by it.
	(c)	Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the liabilities in respect of his securities which are held by a depository.
Service of documents	6.	Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.
Transfer of Securities	7.	Nothing contained in the Act or these Articles shall apply to a transfer of securities effected by a transferor and transferee both or whom are entered as beneficial owners in the records of a depository.

Allotment of Securities dealt within a depository	8.	Notwithstanding anything in the Act or these Articles, where securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.
Distinctive number of Securities held in a depository	9.	Nothing contained in the Act or these Articles regarding the necessity of having of distinctive numbers for securities issued by the Company shall apply to securities held with a depository.
Register and Index of beneficial owners	10.	The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996, shall be deemed to be the Register and Index of Members and Security holders for the purposes of these Articles."

13. 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 31 and all other applicable provisions, if any, of the Companies Act, 1956, including any statutory modification or re-enactment thereof for the time being in force and the provisions of other statutes as applicable, the Articles of Association of the Company be and are hereby altered in the manner and to the extent as follows :

The existing Article 166 be substituted as under :

166. The Company shall comply with the provisions of Sections 205A and 205B read with Section 205C of the Act in respect of any dividend remaining unpaid, or unclaimed with the Company."

By order of the Board of Directors

Place : Kanpur
Dated : 31st July, 2000

I.S. SRIVASTAVA
Company Secretary

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

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. The explanatory statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of business set out in Item No. 6 to 13 are annexed hereto.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from Wednesday, the 20th September, 2000 to Thursday, the 28th September, 2000 both days inclusive.
4. The dividend, if declared, will be payable on or after 20th October, 2000 to those members whose names appear on the Register of the Members of the Company as on 28th September, 2000.
5. Members are requested to intimate to the Company, their queries, if any, regarding these accounts/notice at least five days before the meeting to enable the management to keep the information ready at the meeting.
6. Pursuant to Section 205-A of the Companies Act, 1956, all unclaimed/unpaid dividends upto the financial year ended 31st March, 1995 have been transferred to the General Revenue Account of the Central Government. Those members who have so far not claimed their dividends upto the said periods may claim the same by submitting an application in prescribed Form No. II to the Registrar of Companies, Westcott Building, The Mall, Kanpur.

Consequent upon amendment in Section 205-A of the Companies Act, 1956 and introduction of Section 205-C by the Companies (Amendment) Act, 1999, now the amount of dividend/debentures/fixed deposits remaining unclaimed for a period of seven years is required to be transferred to the Investor Education and Protection Fund being set up by the Government.

Members who have not encashed their dividend warrant(s) so far for the financial year ended 31st March, 1996 and onward are requested to make their claim to the Company.

7. The address of Stock Exchanges where Company's shares are listed :
 - i. The Calcutta Stock Exchange Association Limited, 7, Lyons Range, **CALCUTTA-700 001.**
 - ii. The Delhi Stock Exchange Association Limited, West Plaza, I.G. Stadium, Indraprastha Estate, **NEW DELHI-110 002.**
 - iii. The Madras Stock Exchange Ltd., Exchange Building, Post Box No. 183, 11, Second Line Beach, **CHENNAI-600 001.**
 - iv. The Stock Exchange, Mumbai, Phiroze Jeejeebhoy Towers, Dalal Street, **MUMBAI-400 001.**
 - v. The U.P. Stock Exchange Association Ltd., Padam Towers, 14/113, Civil Lines, **KANPUR-208 001.**