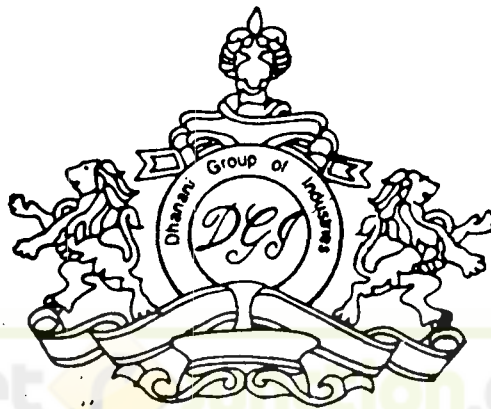




5th

ANNUAL REPORT



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**WELTERMAN
INTERNATIONAL
LTD.**

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CS	<input checked="" type="checkbox"/>	DIR	<input checked="" type="checkbox"/>
EO	<input checked="" type="checkbox"/>	DE	<input checked="" type="checkbox"/>
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AGM	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
YE	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>

1996 - 97



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WELTERMAN INTERNATIONAL LTD.

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BOARD OF DIRECTORS

RAZAK D. DHANANI	CHAIRMAN
SAJID R. DHANANI	VICE CHAIRMAN
KAYUM R. DHANANI	MANAGING DIRECTOR
S. R. PATEL	NOMINEE - I.F.C.I
D.L.V. RAO	DIRECTOR
KANTILAL R. PATNI	DIRECTOR
R. L. WADHWA	DIRECTOR

AUDITORS

V.SHAH & ASSOCIATES

Chartered Accountants
Behind Niraj Clinic,
Near World Trade Centre,
Sayajigunj, VADODARA - 390 005.

BANKERS

UNION BANK OF INDIA

REGISTERED OFFICE

11th Floor,
Commerce Centre,
Sayajigunj, Vadodara - 390 005.

FACTORY

Plot No. 1135, At & Post. Manjusar
Lamdapura Road, Tal. Savli,
Dist. Vadodara.



NOTICE

NOTICE is hereby given that the FIFTH Annual General Meeting of the Members of *Walterman International Limited* will be held on Thursday, the 13th November, 1997 at 11.30 a.m. at 'Sayaji Hotel', Opp. Rajshree Talkies, Kala Ghoda, Sayajigunj, Vadodara - 390 005 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 the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Razak D. Dhanani, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Kantilal R. Patni, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting 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. R. L. Wadhwa be and is hereby appointed as the Director of the Company and shall be liable to retire by rotation."

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

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310, 311 and other applicable provisions, if any, of the Companies Act, 1956 (here-in-after referred to as "the Act" read with Schedule XIII (as amended) to the said Act, the Company hereby accords its approval and consent to the re-appointment of Mr. Kayum R. Dhanani as Managing Director of the Company for a further period of five years with effect from 1st June, 1997 on the below mentioned terms and conditions :

1. Salary : Rs. 15,000/- p.m.
2. Reimbursement for Medical expenses incurred for self and family subject to a ceiling of one month's salary in a year or three month's salary in a period of three years.
3. Leave Travel Concession for self and family in accordance with the rules of the Company.
4. Provident Fund in accordance with Provident Fund rules, as applicable to the Company.
5. Bonus in accordance with the rules of the Company.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to review and/or revise the terms, conditions, remuneration, perquisites and other benefits being given or to be given to Mr. Kayum R. Dhanani in lines and in conformity with any amendments to the relevant provisions in the Act and/or the rules and regulations made thereunder and/or guidelines as may be announced by the Central Government from time to time and in accordance with the limits specified in Schedule XIII to the Act or any amendment thereto as may be agreed between the Board of Directors and Mr. Kayum R. Dhanani.



WELTERMAN INTERNATIONAL LTD.

Registered Office :

11th Floor, Commerce Centre, Sayajigunj, Vadodara - 390 005.

ATTENDANCE SLIP

5th Annual General Meeting on Thursday, the 13th November, 1997.

Regd. Folio No. _____

No. of Shares held _____

Mr./Mrs./Miss _____

I certify that I am a Registered shareholder/proxy for the registered shareholder of the Company. I hereby record my presence at the 5TH ANNUAL GENERAL MEETING of the Company to be held at 'Sayaji Hotel', Opp. Rajshree Talkies, Near Kala Ghoda, Sayajigunj, Vadodara - 390 005, at 11.30 a.m. on Thursday, the 13th November, 1997.

Proxy's name in Block Letter

Member's/Proxy's Signature

NOTES :

1. This Meeting is of Members only and you are requested not to bring with you any person who is not a member.
2. A member/proxy/authorised representative wishing to attend the meeting must complete this Attendance Slip before coming to the Meeting and hand it over at the entrance.
3. Shareholders are requested to bring their copy of the Annual Report alongwith them at the Annual General Meeting.
4. If it is intended to appoint a proxy, the Form of Proxy should be completed and deposited at the Registered Office of the Company at least 48 hours before the Meeting.



WELTERMAN INTERNATIONAL LTD.

Registered Office :

11th Floor, Commerce Centre, Sayajigunj, Vadodara - 390 005.

PROXY FORM

Regd. Folio No. _____

No. of Shares held _____

I/We _____ of _____

_____ in the district of _____ being a member/members of
Welterman International Limited hereby appoint _____

_____ of _____

_____ in the district of _____ or failing him
_____ of _____

_____ in the district of _____ as my/our

Proxy to vote for me/us, on my/our behalf at the FIFTH ANNUAL GENERAL MEETING of the Company to be held on Thursday, the 13th November, 1997 at 11.30 a.m. and at any adjournment thereof.

AS WITNESS my/our hand this _____ day of _____ 1997.

Signed by the Said _____

Affix
1 Rupee
Revenue
Stamp

Note : The Proxy, in order to be effective, should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the meeting.

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RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary or desirable to give effect to this resolution."

Registered Office :
11th Floor,
Commerce Centre,
Sayajigunj,
Vadodara - 390 005.

By Order of the Board
For Welterman International Limited

Vadodara, 13th September, 1997

Kayum R. Dhanani
Managing Director

NOTES

1. A MEMBER ENTITLED TO ATTEND THE MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES, IN ORDER TO BE VALID MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The relevant explanatory statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of business under item Nos. 5 & 6 set out above is Annexed hereto.
3. Members/Proxies should bring the attendance slip sent herewith duly filled in and signed, for attending the meeting and also their copies of the Annual Report.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from Monday, the 10th November, 1997 to Thursday, the 13th November, 1997 (both days inclusive).
5. All the documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Registered Office of the Company prior to the date of the Annual General Meeting on any working day between 11 A.M. and 1 P.M.
6. Members desirous of obtaining any information regarding accounts and operations of the Company are requested to write to the Company atleast 7 days before the meeting to enable the Company to keep the required information ready at the meeting.
7. Members holding shares in the same name under different Folios are requested to apply for consolidating of such Folios and send relevant share certificates.
8. Members are requested to quote Folio Nos. in all future correspondence. Members are also requested to inform any changes in their addresses from time to time.
9. Non Resident Indian (NRI) shareholders are requested to inform the Company immediately :
 - a) The change in the residential status on return to India for permanent settlement.
 - b) The particulars of NRE bank account in India, if not furnished earlier.
10. If you have not paid the allotment money due on Equity Shares allotted to you, please deposit the same alongwith interest @15% from 1-7-1994 till the date of payment through Demand Draft favouring "Welterman International Limited" payable at Vadodara.



ANNEXURE TO NOTICE

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956.

Item No. 5

Mr. Raghunath L. Wadhwa was appointed as an Additional Director of the Company w.e.f. 2nd August, 1997 and vacates his office at this Annual General Meeting, pursuant to Section 260 of the Companies Act, 1956 and Articles of Association of the Company.

Notice under Section 257 of the Said Act has been received from a member signifying his intention to propose the name of Mr. R. L. Wadhwa for appointment as a Director of the Company.

Mr. R. L. Wadhwa is the Ex-Chairman and Managing Director of Allahabad Bank and has vast experience in Banking and Finance.

Hence, your Directors recommend the passing of Resolution in Item No. 5 of the Notice.

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

Item No. 6

Mr. Kayum R. Dhanani has been in the office of Managing Director since 1st June, 1992 and his five years' term of office as the Managing Director of the Company expired on 31st May, 1997. The Board of Directors at its meeting held on 20th March, 1997 has considered it necessary to re-appoint Mr. Kayum R. Dhanani as the Managing Director of the Company for a further period of five years with effect from 1st June, 1997, subject to the approval of the members of the Company.

In the aforesaid Board Meeting the remuneration of Mr. Kayum R. Dhanani, Managing Director, was also reviewed and revised as mentioned in the resolution.

During the tenure of Mr. Kayum R. Dhanani as the Managing Director, the Company has made considerable progress in all the spheres and has since acquired good name and reputation in Footwear Industry. The Directors confidently feel that the Company should continue to avail of the services of Mr. Kayum R. Dhanani as a very able and experienced person.

The Directors therefore recommend that the resolution be passed.

Mr. Kayum R. Dhanani is interested in the Resolution in respect of his re-appointment and to the extent of revision/increase carried out in his remuneration and perquisites. Mr. Razak D. Dhanani and Mr. Sajid R. Dhanani may be deemed to be concerned or interested in the said resolution as they are relatives of Mr. Kayum R. Dhanani.

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

The above may be regarded as an abstract of the terms of the contract/agreement between the Company and Mr. Kayum R. Dhanani and Memorandum of concern or interest pursuant to Section 302 of the Companies Act, 1956.

By Order of the Board

For Welterman International Limited

Registered Office :
11th Floor,
Commerce Centre,
Sayajigunj,
Vadodara - 390 005.

Kayum R. Dhanani
Managing Director

Vadodara, 13th September, 1997



DIRECTORS' REPORT

To,

The Members,

Your Directors have pleasure in presenting the FIFTH ANNUAL REPORT of your Company together with the Audited Accounts of the Company for the year ended 31st March, 1997.

FINANCIAL RESULTS :

(Rs. in Lacs)

	YEAR ENDED 31.03.1997	YEAR ENDED 31.03.1996
Sales and other Income	1271.40	1438.53
Less : Expenses	1211.70	1334.71
Profit before Depreciation and Taxes	59.70	103.82
Less : Depreciation	45.35	22.66
Profit for the year	14.35	81.16
Add/(Less) Balance Brought forward from previous year	13.18	1.17
Amount available for appropriation	27.53	82.33
Appropriations :		
Previous Years Depreciation	2.82	---
Dividend	---	19.15
General Reserve	---	50.00
Balance Carried Forward	24.71	13.18

OPERATIONS :

During the year under review, exports sales increased from Rs.20.22 Lacs to Rs.45.91 Lacs showing rise of 127%. However, domestic sales was adversely affected due to recessionary conditions in the economy resulting into overall decrease in sales of 11.64% as compared to the previous year. However, the materials cost controls has resulted into containing the further damage. During the year under review, the Company has changed the method of providing depreciation on Plant & Machinery from Straight Line method to Written down value method resulting into higher charge for depreciation provision to the extent of Rs.20.45 lacs. Efforts are being made to increase exports and Control costs.

DIVIDEND :

In view of inadequate profits and the need to conserve resources, your Directors do not recommend any dividend for the year.