

71. KERALA GARMENTS LIMITED

I Date of incorporation	17th July, 1974
II Address - Registered Office & Factory	P.M.32/249, Thillery Road, Cannanore - 670 001
III Phone	0497 2768939
Fax	Fax 91-497-2701998
IV Administrative Dept. (Under Govt.)	Industries Department
V Name of Chairman	Shri P.R.Rajumon
VI Name of General Manager	Shri. K. Pocker
VII Present Activities	Manufacture and sale of readymade garments and executing job work order for readymades.

VIII Manpower as on 31-3-05	No.	Average Emoluments per person (Rs. per month)		
a. Workers (all non-supervisory employees in factory, office and field)	116	2900.00		
b. Supervisory Staff (in factory, office and field)	-	-		
c. Executives	2	8000.00		
d. Senior Executives (Heads of department and above)	-			
Total	118			
		2002-03	2003-04	2004-05
IX Bonus				
a. Payable (%)	8.33	8.33	8.33	8.33
b. Paid (%)	8.33	8.33	8.33	8.33
X Financial Position (Rs.in lakhs)				
A. Liabilities				
1. Capital				
a. Authorised capital	50.00	50.00	50.00	50.00
b. Paid up capital	48.00	48.00	48.00	48.00
2. Reserves & Surplus				
3. Long term Loans				
a. Government	4.40	4.40	4.40	4.40
b. Holding Company (KSHDL Ltd.)	20.20	20.20	20.20	20.20
c. KIRF Board	162.91	162.91	162.91	162.91
4. Current liabilities & provisions				
a. Sundry creditors	165.24	152.76	150.81	150.81
b. Outstanding expenses	277.92	331.83	375.48	375.48
c. Other current liabilities & provisions	7.73	8.14	5.73	5.73
Total	686.40	728.24	728.24	767.53
B. Assets				
5. a. Fixed assets:Gross Block	82.45	82.45	82.45	82.45

b. Less: Depreciation	59.04	61.94	64.43
c. Net fixed assets	23.41	20.51	18.02
6. Investments	-	-	-
7. Current assets			
a. Cash & Bank balance	1.69	5.19	1.45
b. Sundry debtors	4.66	6.44	1.21
c. Advances	3.78	2.94	1.84
d. Stock			
(i) Finished goods	45.16	28.87	24.72
(ii) General stores & spares	4.41	3.36	3.05
8. Miscellaneous expenditure not written off/adjusted			
a. P & L Account (Accumulated loss, if any)	603.29	660.93	717.24
Total	686.40	728.24	767.53

C. Other Details

1. Share distribution(%)			
a. Holding Co., KSHDC Ltd	100.00	100.00	100.00
2. Net worth	-555.29	-612.93	-669.24
3. Capital employed	-367.78	-425.42	-481.73
4. Capital invested	235.51	235.51	235.51
5. Working capital (Current assets - Current liabilities)	-391.19	-445.93	-499.75

XI Working results: (Rs. in lakhs)

1. Income

a. Sales/Service charges	53.27	62.12	27.19
b. Other Income	0.68	1.26	3.29
c. Financial assistance from Govt.	-	41.00	176.96
d. Increase/decrease in stock of finished goods & work-in-progress	-13.95	-16.28	-4.15
Total	40.00	88.10	203.29

2. Expenditure

a. Raw materials, chemicals etc. consumed	1.79	2.48	0.80
b. Power, fuel and water charges	4.51	4.58	3.56
c. Other expenses	1.25	1.85	1.95
d. Personnel expenses	91.67	85.44	204.38
e. Interest & Bank Charges	37.77	37.66	40.04
f. Selling & distribution expenses	1.05	2.44	0.42
g. Administration expenses	6.01	5.29	5.96
h. Depreciation	3.36	2.90	2.49
Total	147.41	142.64	259.60

Operating profit/loss(+/-)	-107.41	-54.54	-56.31
Prior period adjustment	-0.11	-3.10	-
Net Profit/Loss (+/-)	-107.52	-57.64	-56.31

XII Taxes & duties:

a. Sales Tax	0.12	0.44	0.25
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XIII Dividend	Nil	Nil	Nil
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XIV Long Term Loans: (Rs. in lakhs)	State	Others	Total
(including interest)	Govt.		
a. Opening balance (01-04-04)	30.18	311.49	341.67
b. +Interest due for the year	5.60	32.65	38.25
c. Closing Balance (as on 31-03-05)	35.78	344.14	379.92

XV Interest charges on term loans

a. Opening balance	25.78	127.98	153.76
(Interest outstanding)			
b. +Interest due for the year	5.60	32.65	38.25
c. Closing balance	31.38	160.63	192.01
(Interest outstanding)			

XVI Statutory dues as on 31-03-05

	Opening balance as on 01-04-04	Amount paid during the year	Balance to be paid on 31-03-05
a. Provident Fund	14.50	10.96	8.00
b. E.S.I.		4.50	1.49
3.50			
c. Gratuity	9.50	44.21	12.25
d. Guarantee Commission	0.72	-	0.72

XVII Production (Rs. in lakhs)

2003-04						
Sl. No.	Products	Unit	Capacity Installed	Budgeted production Qty.	Production during the year Qty.	% of Capacity utilised Installed
i.	Garments	Nos.	315000	210000	80272	25.00

2004-05						
Sl. No.	Products	Unit	Capacity Installed	Budgeted production Qty.	Production during the year Qty.	% of Capacity utilised Installed
i.	Garments	Nos.	315000	90000	30000	10.00

XVIII Sales (Rs. in lakhs)

		2003-04				2004-05				
Sl. No.	Products	Unit	Budgeted Sales		Sales during the year		Budgeted Sales		Sales during the year	
			Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value
i)	Garments	Nos	15000	30.00	6745	13.24	9000	12.50	4100	6.13

XIX Financial/operating ratios

	2002-03	2003-04	2004-05
a. Debt-equity ratio	3.91:1	3.91:1	3.91:1
b. Current ratio	0.13:1	0.09:1	0.06:1
c. Receivables to sales (in months)	1.05	1.24	0.53
d. Stock of finished goods to sales (in months)	10.17	5.58	10.91
e. Consumption to sales (%)	3.36	3.99	2.94
f. Net profit to sales (%)	-201.84	-92.79	-207.10
g. Return on investment (%)	-ve	-ve	-ve

XX Status of Accounts

- a. Year up to which Accounts have been finalised by the company 2003-04
- b. Year up to which audit is complete 2002-03

XXI Employee Development Nil

XXII Income-tax Benefits/Reduction/Relief

- (a) Have you initiated any activity or project during the year that would result in income tax benefits/reduction/relief for the company ? No

XXIII Summary of Performance

During the year under review, the production of readymade garments has decreased to 30000 pieces as against 80272 pieces produced during the previous year. The sales has come down to Rs.27.19 lakhs as against Rs.62.12 lakhs during 2003-04. The Company could reduce the net loss to Rs.56.31 lakhs as compared to Rs.57.64 lakhs during the year 2003-04. However, the networth has further eroded and working capital position remains negative. The accumulated loss at the end of the year amounts to Rs.717.24 lakhs.

It is reported that the Company has prepared a revival project of own production and marketing of readymades and received Rs.35.72 lakhs towards the above project.

THE AUDIT OF ACCOUNTS OF THE COMPANY IS COMPLETE UPTO 2002-03 ONLY.