

## 72. KERALA STATE TEXTILE CORPORATION LIMITED

<b>I Date of incorporation</b>	9th March, 1972		
<b>II Address (a) Registered Office</b>	Kochar Road, Edappazhanchi, Sasthamangalam, Trivandrum - 695 010		
<b>(b) Factory</b>	Units at Calicut, Kottayam, Edarikode, Alleppey, Malappuram and Trivandrum		
<b>III Phone, Gram, Fax, E-mail</b>	2726295, 2723153, 2726240 Grams: KERTEX Fax : 2726240 kstc@md3.vsnl.net.in		
<b>IV Administrative Dept. (Under Govt.)</b>	Industries Department		
<b>V Name of Chairman</b>	Shri. V.K. Abdul Khader Maulavi		
<b>VI Name of Managing Director</b>	Shri. Jacob Joseph		
<b>VII Present Activities</b>	Manufacture and marketing of cotton yarn.		
<b>VIII Manpower as on 31-3-05</b>	No.	Average Emoluments per person (Rs. per month)	
a. Workers (all non-supervisory employees in factory, office and field)	830	5368.00	
b. Supervisory Staff (in factory, office and field)	7	7112.00	
c. Executives	33	10415.00	
d. Senior Executives (Heads of department and above)	4	19133.00	
<b>Total</b>	<b>874</b>		
<b>IX Bonus</b>	<b>2002-03</b>	<b>2003-04</b>	<b>2004-05</b>
a. Payable (%)	8.33	8.33	8.33
b. Paid (%)	8.33	8.33	8.33
<b>X Financial Position (Rs.in lakhs)</b>			
<b>A. Liabilities</b>			
1. Capital			
a. Authorised capital	2000.00	2000.00	2000.00
b. Paid up capital	1863.19	1863.19	1863.19
2. Reserves & Surplus			
a. Other reserves	111.34	286.34	286.34
3. Long term Loans			
a. Government	724.29	1255.35	2012.15
b. Financial Institutions	968.87	1129.90	1269.16
c. Industrial Dev. Fund	245.09	242.06	250.94
d. Term loan from Bank	51.44	-	-
4. Current liabilities & provisions			
a. Bank Borrowings for working capital	279.43	288.15	332.62
b. Sundry creditors	794.26	713.61	670.06
c. Outstanding expenses	135.46	66.98	81.29
d. Other current liabilities	236.54	360.21	245.40
e. Provisions	390.73	343.86	381.86

f.	Short term bank loan	-	27.25	48.00
	<b>Total</b>	<b>5800.64</b>	<b>6576.90</b>	<b>7441.01</b>
<b>B. Assets</b>				
5.	a. Fixed assets:Gross Block	2866.69	2888.94	2927.51
	b. Less: Depreciation	2004.96	2136.76	2256.18
	c. Net fixed assets	861.73	752.18	671.33
	d. Capital work in progress	180.60	182.12	181.65
6.	Investments	0.57	0.57	0.57
7.	Current assets			
	a. Cash & Bank balance	19.51	34.80	363.92
	b. Sundry debtors	162.33	173.10	178.43
	c. Advances	117.12	98.91	117.88
	d. Prepaid expenses	9.08	7.67	7.05
	e. Accrued income	198.46	209.96	221.67
	f. Stock			
	i. Raw materials	262.36	185.62	390.47
	ii. Semi-finished goods (work -in-process)	152.53	168.71	177.72
	iii. Finished goods	390.29	171.78	121.26
	iv. General stores & spares	78.52	75.29	173.68
	g. Other current assets	193.83	212.85	217.80
8.	Miscellaneous expenditure not written off/adjusted			
	a. Deferred Revenue expenses	90.41	63.44	52.59
	b. P & L Account (Loss) (Accumulated loss, if any)	3083.30	4239.90	4564.99
	<b>Total</b>	<b>5800.64</b>	<b>6576.90</b>	<b>7441.01</b>
<b>C. Other Details</b>				
1.	Share distribution(%)			
	a. State Govt.	98.66	98.66	98.66
	b. KSIDC	1.34	1.34	1.34
	<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
2.	Net worth	-1199.18	-2153.81	-2468.05
3.	Capital employed	789.94	472.93	1063.63
4.	Capital invested	3852.88	4490.50	5395.44
5.	Working capital (Current assets - Current liabilities)	-252.39	-461.37	210.65
<b>XI Working results: (Rs. in lakhs)</b>				
<b>1. Income</b>				
	a. Sales/Service charges	4314.85	3630.80	3623.57
	b. Other Income	67.68	40.09	76.00
	c. Increase/decrease in stock of finished goods & work-in-process	114.49	-202.33	-41.51
	<b>Total</b>	<b>4497.02</b>	<b>3468.56</b>	<b>3658.06</b>
<b>2. Expenditure</b>				
	a. Raw materials, semi-finished	2313.11	1848.61	1801.03
	b. Power, fuel and water charges	700.41	622.60	625.98
	c. Excise duty	380.53	275.56	76.46
	d. Other expenses	182.47	120.17	130.76

	e. Personnel expenses	876.40	822.47	764.42	
	f. Interest & Bank Charges	234.34	247.75	250.13	
	g. Selling & distribution expenses	95.96	73.86	77.24	
	h. Administration expenses	110.59	101.51	96.73	
	i. Depreciation	140.14	132.88	122.40	
	<b>Total</b>	<b>5033.95</b>	<b>4245.41</b>	<b>3945.15</b>	
	Operating profit/loss(+/-)	-536.93	-776.85	-287.09	
	Prior period adjustment	-1.50	11.78	-0.15	
	VRS payments	-32.53	-35.31	-37.86	
	Net Profit/Loss (+/-)	-570.96	-800.38	-325.10	
	VRS (Malabar Spinning & Weaving Mills under SSNP scheme)	-	328.27	-	
	Excess Gratuity paid over & above for SSNP opted employees	-	27.91	-	
	Net profit after tax & dividend	-570.96	-1156.56	-325.10	
	<b>XII Taxes &amp; duties:</b>				
	a. Excise Duty	359.48	285.09	79.87	
	b. C S T		5.82	7.55	
8.24	c. Sales Tax (Maharashtra Sales Tax)	173.12	126.63	134.69	
	<b>XIII Dividend</b>	Nil	Nil	Nil	
	<b>XIV Long Term Loans:</b> (Rs. in lakhs)	State	Financial	Others	Total
	(including interest)	Govt.	Institution		
	a. Opening balance (01-04-04)	1255.35	1121.88	242.06	2619.29
	b. +Additional loans availed during the year	700.00	-	-	700.00
	c. +Interest due for the year	56.80	140.85	8.88	206.53
	d. -Payments made during the year (Principle + interest)	-	7.50	-	7.50
	e. Closing Balance (as on 31-03-05)	2012.15	1255.23	250.94	3518.32
	<b>XV Interest charges on term loans</b>	State	Financial	Others	Total
	(Interest accrued but not due)	Govt.	Institution*		
	a. Opening balance (Incl. Interest)	440.23	348.88	175.07	964.18
	b. +Interest due for the year	56.80	140.85	8.89	206.54
	c. -Interest paid during the year	-	7.50	-	7.50
	d. Closing balance (Interest outstanding)	497.03	482.23	183.96	1163.22
	* This represents loans including interest availed from KIRF.				
	<b>XVI Statutory dues as on 31-03-05</b>	Opening balance as on 01-04-04	Amount paid during the year	Balance to be paid on 31-03-05	
	a. Provident Fund	12.52	110.47	13.11	
	b. E.S.I.		1.87	33.85	
4.02	c. Gratuity		330.60	34.83	
368.02	d. Guarantee Commission	24.75	2.40	23.58	
	<b>XVII Production:</b> (Rs. in lakhs)				

2003-04										
Sl. No.	Products	Unit	Capacity		Budgeted production		Production during the year		% of Capacity utilised	
			Licensed	Installed	Qty.	Value	Qty.	Value	Licensed	Installed
i.	Yarn	Spindles	98988	86236	20.58	5406.95	16.93	3428.47	95.00	75.83

2004-05										
Sl. No.	Products	Unit	Capacity		Budgeted production		Production during the year		% of Capacity utilised	
			Licensed	Installed	Qty.	Value	Qty.	Value	Licensed	Installed
i.	Yarn	Spindles	98988	86236	20.58	4267.76	16.57	3582.06	95.00	69.38

**XVIII Sales** (Rs. in lakhs)

Sl. No.	Products	Unit	2003-04				2004-05			
			Budgeted sales		Sales for the year		Budgeted sales		Sales for the year	
			Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value
i.	Yarn	Kg	20.58	5406.95	1815181.00	3457.19	20.58	4267.76	1685856.00	3450.70
ii.	Waste	Kg	-	-	532688.00	173.61	-	-	523137.00	172.87
	<b>Total</b>		<b>5406.95</b>	<b>3630.80</b>	<b>4267.76</b>	<b>3623.57</b>				

<b>XIX Financial/Operating Ratios</b>	<b>2002-03</b>	<b>2003-04</b>	<b>2004-05</b>
a. Debt-equity ratio	1.07:1	1.41:1	1.90:1
b. Current ratio	1.86:1	0.74:1	1.12:1
c. Receivables to sales(in months)	0.45	0.57	0.59
d. Stock of finished goods to sales (in months)	1.09	0.57	0.40
e. Stock of raw materials to consumption (in months)	1.36	1.20	2.60
f. Consumption to sales (%)	53.61	50.91	49.70
g. Net profit to sales (%)	-13.23	-22.04	-8.97
h. Return on investment (%)	-72.28	-169.24	-30.57

**XX Status of Accounts**

a. Year up to which Accounts have been finalised by the company	2004-05
b. Year up to which audit is complete	2004-05

<b>XXI Employee Development:</b>	<b>2002-03</b>	<b>2003-04</b>	<b>2004-05</b>
(i) Training			
(a) Budget provision (Rs. in lakhs)	5.59	5.00	7.00
(b) Actually spent (Rs. in lakhs)	0.35	1.64	2.94
(ii) No. of persons sent for external training pogrammes	11	77	20
(iii) No. of in-house programmes	3	-	11
(iv) No. of persons covered in in-house programmes	68	-	425

**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
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**XXIII Summary of Performance:**

During the year under review, the Corporation produced 16.57 kg of yarn as compared to the production of 16.93 kg during the previous year. The gross income of the Corporation has increased by 5% to Rs.3658.06 lakhs as against Rs.3468.56 lakhs during 2003-04. The net loss of the Corporation has decreased to Rs.325.10 lakhs as compared to Rs.800.38 lakhs during the previous year. The networth of the Corporation has further eroded. However, the working capital position has turned to positive. The accumulated loss at the end of the year has gone up to Rs.4564.99 lakhs.

**THE AUDIT OF ACCOUNTS OF THE CORPORATION IS COMPLETE AND UP-TO-DATE.**