

ANNUAL REPORT 2022-2023



AMARJOTHI SPINNING MILLS LIMITED



CORPORATE INFORMATION

AMARJOTHI SPINNING MILLS LIMITED
(CIN: L17111TZ1987PLC002090)
35th ANNUAL GENERAL MEETING

BOARD OF DIRECTORS

Sri. R. Premchander (DIN:00390795)
Managing Director
Sri. R. Jaichander (DIN: 00390836)
Joint Managing Director
Dr. V. Subramaniam (DIN: 00781690)
Sri. N. Radhakrishnan (DIN: 00390913)
Sri. V.T. Subramanian(DIN: 02311576)
Sri. M. Moorthi (DIN: 06801357)
Sri. M.S. Sivakumar (DIN: 06930290)
Smt.M.Amutha (DIN: 07137884)

CHIEF FINANCIAL OFFICER

Sri.P.Singaravelu (Resigned on 30.06.2022)
Sri.K. Elango (w.e.f. 11.08.2022)

COMPANY SECRETARY

Smt. Mohana Priya M

REGISTERED OFFICE

Amarjothi House
157, Kumaran Road, Tirupur - 641601
Phone: +91-421-4311600 – 01
Email: mill@amarjothi.net
Website: www.amarjothi.net

LISTING OF EQUITY SHARES

BSE LIMITED
Phiroze Jeejeebhay Towers,
Dalal Street, Mumbai - 400 001
STOCK CODE: 521097 ISIN:INE484D01012

STATUTORY AUDITOR

Sri. V. Narayanaswami

SECRETARIAL AUDITOR

M/s R.Ramchandar & Associates
Sri.R.Ramchandar

COST AUDITOR

Sri. M.Nagarajan

REGISTRAR AND SHARE TRANSFER AGENTS

M/s Cameo Corporate Services Limited.
"Subramanian Building" No.1,
Club House Road, Chennai -600002
Phone: +91 044 4002 0700/ 0702/ 0710/ 0780
Email: cameo@cameoindia.com

PLANT LOCATIONS

Spinning unit : Pudusuripalayam, Nambiyur
Gobi Taluk, Processing Unit : SIPCOT,
Perundurai, Erode district
Wind Mills : Tirunelveli, Ramanathapuram
and Theni district

BANKERS

Karur Vysya Bank Limited
HDFC Bank Limited

Date of AGM: **27th September 2023**

Day: **Wednesday**

Time: **11.00 A.M**

Book Closure date: **21st September, 2023 to 27th September, 2023**
(both days inclusive)

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Consolidated

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**NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the 35th Annual General Meeting of the Shareholders of Amarjothi Spinning Mills Limited will be held on Wednesday, 27th September, 2023 at 11.00 A.M through Video Conferencing("VC") / Other Audio-Visual Means ("OAVM") from the Registered Office of the Company situated at Amarjothi House, 157, Kumaran Road, Tirupur -641601 to transact the following business:

ORDINARY BUSINESS**1. Adoption of Audited Financial Statements, Reports of the Board of Directors and Auditors thereon**

To consider and if thought fit to pass the following resolution as an Ordinary Resolution:

RESOLVED that the standalone and consolidated Annual Financial Statements including Statement of Profit and Loss (including Other Comprehensive Income), along with the Statement of Cash Flows and the Statement of Changes in Equity for the financial year ended 31st March 2023, the Balance Sheet as at that date, the Report of the Board of Directors and the Auditors thereon as circulated to the members be and are hereby adopted.

2. Declaration of Dividend

To consider and if thought fit to pass the following resolution as an Ordinary Resolution:

RESOLVED that a final dividend of Rs.2.20/- per share (22% on the face value of Rs.10/-), as recommended by the Board of Directors be and is hereby declared on 67,50,000 equity shares of Rs.10/- each for the year ended March 31, 2023, and that the same be paid to the members whose names appeared in the Register of Members of the company as on 20th September 2023.

3. Appointment of Director who retires by rotation

To consider and if thought fit to pass the following resolution as an Ordinary Resolution:

RESOLVED that Sri. M.Moorthi (DIN: 06801357) who retires by rotation and being eligible for re-appointment be and is hereby re-appointed as Director of the Company.

SPECIAL BUSINESS**4. Ratification of Remuneration payable to Cost Auditor**

To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof, for the time being in force), Sri. M.Nagarajan, Practicing Cost Accountant (Firm No: 000088), who was appointed as Cost Auditor by the Board of Directors of the Company on the

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recommendation of the Audit Committee, to conduct the audit of the cost records of the Company for the financial year 2023-24 on a remuneration of Rs.40, 000/- (Rupees Forty Thousand Only) as also the payment of Goods and Services tax as applicable be and is hereby ratified and confirmed.”

By order of the Board

Place : Tirupur

Date : 07.08.2023

(Sd/-) **R.PREMCHANDER**

Managing Director

DIN: 00390795

(Sd/-) **R.JAICHANDER**

Joint Managing Director

DIN: 00390836

NOTES:

- 1) The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 (“the Act”) with respect to the special business set out in the Notice is annexed hereto. Additional information pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI (LODR), in respect of Director seeking re-appointment at the Annual General Meeting (AGM) is annexed as Annexure to this Notice.
- 2) This AGM is convened through Video Conferencing (VC/Other Audio-Visual Means (OAVM) pursuant to General Circular issued by the Ministry of Corporate Affairs (MCA) circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, 21/2021, 02/2022 and 10/2022 dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 14, 2021 May 5, 2022 and December 28, 2022 respectively and Securities and Exchange Board of India (SEBI) Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79, SEBI/HO/CFD/ CMD2/CIR/P/2021/11, SEBI/HO/CFD/CMD2/CIR/P/2022/62 and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated May 12, 2020, January 15, 2021, May 13, 2022 and January 05, 2023 respectively and all other relevant circulars issued from time to time by MCA and SEBI, which allow the companies to hold AGMs through VC/OAVM. The deemed venue of the AGM shall be registered office of the Company.
- 3) In compliance with the aforesaid circulars issued by MCA and SEBI, Notice of the AGM along with the Annual Report for the Financial Year 2022 - 2023 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. No physical copies of the Annual Report will be sent to Members, except to those Members who have requested for physical copy of the Annual Report for FY 2022 – 23. Notice and Annual Report for the Financial Year 2022-2023 are also available on the website of the Company www.amarjothi.net. and website of the BSE Limited at www.bseindia.com.

Members holding shares in physical mode and whose email IDs are not registered, are requested to register their email ID with Cameo Corporate Services Limited (RTA) at investor@cameoindia.com, kandhimathi@cameoindia.com or mill@amarjothi.net, by sending a duly signed Form ISR-1 mentioning their Name as registered with the RTA, Address, email ID, Mobile Number, self-attested copy of PAN, DPID/Client ID or Folio Number and number of shares held. Shareholders holding shares in dematerialized mode are requested to register/ update their email address with the relevant Depository Participants.

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- 4) Since the AGM is being held pursuant to the Circulars issued by the Ministry of Corporate Affairs through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly the facility to appoint a proxy by a Member will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- 5) Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under section 103 of the Act. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/ OAVM and participate there at and cast their vote through remote e-voting. In case of Joint Holders, the member whose name appears as First Holder in the order of names on the Register of Members of the Company will be entitled to vote. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
- 6) The facility of joining the 35th AGM through VC/ OAVM will be opened 30 minutes before and will be open upto 15 minutes after the scheduled start time of the 35th AGM and will be available for 1,000 members on a first come first-served basis. This rule would however not apply to participation of shareholders holding 2% or more shareholding, promoters, institutional investors, directors, key and senior managerial personnel, auditors, etc.
- 7) Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (pdf/jpg format) of its board or governing's body resolution/authorization etc., authorizing their representative to attend the 35th AGM through VC /OAVM on its behalf and to vote through remote e-voting. The said resolution/ authorization shall be sent to the Scrutinizer by email through its registered email address to ramcsoffice@gmail.com and may also upload the same at evoting@cdslindia.com.
- 8) The Register of Members and share transfer books of the Company will remain closed from Thursday, the 21st September 2023 to Wednesday, the 27th September 2023 (both days inclusive) as per Section 91 of the Companies Act, 2013 and Regulation 42 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 9) Payment of Dividend: The dividend on Equity Shares, if declared at the AGM, will be paid, subject to deduction of tax at source, on or before October 26, 2023 to the Members whose names appear on the Company's Register of Members as on the close of business hours on Wednesday, September 20, 2023 and whose bank mandate are registered in the records of the Depository Participants/RTA. For Members whose bank mandates are not updated with the Depository Participants /RTA as on the book closure date, warrants or cheques shall be sent through post.
- 10) Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020, and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof.
- 11) In view of the above, the Company would be deducting tax as per applicable provisions and TDS rates, while paying dividend in the Financial Year 2023-24. However, no tax shall be deducted on the Dividend payable to a resident individual if the total dividend to be received by them during any Financial Year (FY) does not exceed Rs.5,000. TDS will be deducted @10% for those resident shareholders with valid Permanent Account Number (PAN) and TDS will be deducted @20%. i.e. at twice the applicable rate on the amount of dividend payable for the resident shareholders who

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- (a) have not furnished PAN or invalid PAN; or
- (b) have not filed with the income Tax Department their return of income for the previous two financial years and were subject to tax deduction/ collection at source aggregating Rs.50,000/- or more in each of those financial years.

Hence, the shareholders are requested to update their PAN with Share Transfer Agents, M/s. Cameo Corporate Services Limited (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in **Form No.15G/15H**, to avail the benefit of non-deduction of tax at source by email to investor@cameoindia.com, kandhimathi@cameoindia.com or mill@amarjothi.net on or before the end of the business hours of 16th September 2023.

Non resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, any other document which may be required to avail the tax treaty benefits by sending an email to investor@cameoindia.com, kandhimathi@cameoindia.com or mill@amarjothi.net. The aforesaid declarations and documents need to be submitted by the shareholders on or before the end of business hour of 16th September 2023.

- 12) Members seeking further information about the accounts are requested to write at least 7 days before the date of the meeting so that it may be convenient to get the information ready at the meeting.
- 13) Pursuant to Section 124 (5) and 125, read with Rule 5 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, of the Companies Act, 2013, all unclaimed dividends shall be transferred to the 'Investor Education and Protection Fund' of the Central Government after a period of 7 years from the date of declaration. Shareholders who have not encashed the dividend warrants for the years 2015- 16, 2016-17, 2017-18, 2018-19, 2019-20, 2020-21 and 2021-22 are requested to write to the Registrar and Share Transfer Agents of the Company, M/s Cameo Corporate Services Limited, "Subramanian Building" No.1, Club House Road, Chennai -600002, for claiming the dividend. The details of shareholders whose unclaimed dividend / shares are liable to be transferred to IEPF are available at the Company's website – www.amarjothi.net.
- 14) Members who have not encashed their dividend warrants are advised to write to the Company immediately for claiming dividends declared by the Company, which are yet to be transferred to IEPF Authority.
- 15) Members are requested to note that the company has changed our Registrar and Share Transfer Agents (RTA) to - M/s Cameo Corporate Services Limited. Hereafter Members are requested to make all correspondence in connection with shares held by them to the RTA of the Company, at:

Name : M/s Cameo Corporate Services Limited
Address : "Subramanian Building" No.1, Club House Road, Chennai -600002
Email ID : cameo@cameoindia.com, kandhimathi@cameoindia.com or investor@cameoindia.com
Telephone : +91 044 4002 0700/ 0702/ 0710/ 0780
Website : www.cameoindia.com
SEBI Registration No.: INR000003753

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- 16) Company's share transfer work and dematerialisation of shares is done by Registrar and Share Transfer Agents (RTA) - M/s Cameo Corporate Services Limited, "Subramanian Building" No.1, Club House Road, Chennai 600002. Members are requested to inform the Company's Registrar and Share Transfer Agent i.e. M/s Cameo Corporate Services Limited, "Subramanian Building" No.1, Club House Road, Chennai -600002 / or via email at investor@cameoindia.com, kandhimathi@cameoindia.com about the changes, if any, in their registered address along with the Pin Code, quoting their Folio Number and DP ID/ Client ID and email address.
- 17) Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc.:
 - a. For shares held in electronic form: to their Depository Participants (DPs)
 - b. For shares held in physical form: to the Company/Registrar and Transfer Agent in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023. The Company has sent intimation for furnishing the required details. Members may also refer to website of the Company www.amarjothi.net for more details.
- 18) Further, SEBI vide its circular dated 3rd November, 2021, read with clarification dated 14th December, 2021 and circular dated 16th March, 2023 introduced common and simplified norms for processing investor's service request by Registrar and Transfer Agent(s) (RTAs) and norms for furnishing PAN, KYC details and Nomination. Accordingly, effective 1st January, 2022, the RTA shall not process any service requests or complaints received from the holder(s) / claimant(s), till PAN, KYC and Nomination documents/details are updated. On or after 1st October, 2023, in case of any of the above cited documents/details are not available in the folios; RTA shall be constrained to freeze such folios. The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing the aforesaid details. In view of this requirement and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to update their KYC details (through Form ISR-1, Form ISR-2 and Form ISR-3, as applicable) and consider converting their holdings to dematerialized form. The said forms are available on our website at www.amarjothi.net
 - (i) As per the provisions of the Act and applicable SEBI Circular, Members holding shares in physical form may file nomination in the prescribed Form SH-13 with RTA or make changes to their nomination details through Form SH-14 and Form ISR-3. In respect of shares held in dematerialised form, the nomination form may be filed with the respective DPs. The relevant forms are available on the company website at www.amarjothi.net
 - (ii) Members are requested to notify change in their address, if any, immediately to the Company's Registrar, M/s Cameo Corporate Services Limited, "Subramanian Building" No.1, Club House Road, Chennai -600002.

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- 19) As per Regulations 39 and 40 of the Listing Regulations, as amended, Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition.
- 20) Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates along with the requisite KYC Documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.
- 21) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available for inspection in the electronic form (scanned copy) by the Members during the AGM. All documents referred to in the Notice will also be available for inspection in the electronic form (scanned copy), without any fee, by the Members from the date of circulation of this Notice up to the date of AGM i.e. 27th September, 2023. Members seeking to inspect such documents can send an email to mill@amarjothi.net
- 22) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat account(s). Members holding shares in physical form can submit their PAN details to the company or to the Registrar and Share Transfer Agents - M/s Cameo Corporate Services Limited.
- 23) International Securities Identification Number of the company is INE484D01012.
- 24) Securities and Exchange Board of India (SEBI) and the Ministry of Corporate Affairs have made it mandatory for all the listed Companies to offer Electronic Clearing Service (ECS) facilities/ NEFT for payment of dividend, wherever applicable. In view of this provision, Shareholders who are interested to avail the facility of Dividend payment by National Electronic Clearing Service (NECS)/NEFT are requested to fill the prescribed form and send it along with the original cancelled cheque leaf to the Company's Registrar and Share Transfer Agents M/s Cameo Corporate Services Limited, "Subramanian Building" No.1, Club House Road, Chennai -600002.
- 25) In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, securities of listed companies can only be transferred in dematerialized form with effect from 1st April, 2019. In view of the above, Members are advised to dematerialise shares held by them in physical form.
- 26) Members who require any clarifications on accounts or operations of the Company are requested to write to the Company before 18th September 2023 (5.00 pm IST). The queries will be answered accordingly.

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- 27) The results of the Remote e-voting and e-voting during the Annual General Meeting will be announced by the Chairperson Or person authorized by the Chairperson within 48 hours from the date of conclusion of the Annual General Meeting at the Registered office of the Company. A copy of which will be posted on the Company's website and forwarded to the Stock Exchange.

Voting through electronic means

1. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
2. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
3. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
4. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
5. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.amarjothi.net. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

Vote by Remote e-Voting and e-voting during the AGM

- i) The Board of Directors has appointed Sri. RAMCHANDAR.R (Membership.No.10097), Company Secretary in Practice as the Scrutinizer, for conducting the e-voting process in a fair and transparent manner
- ii) The e-voting facility will be available at the link www.evotingindia.com during the following voting period.