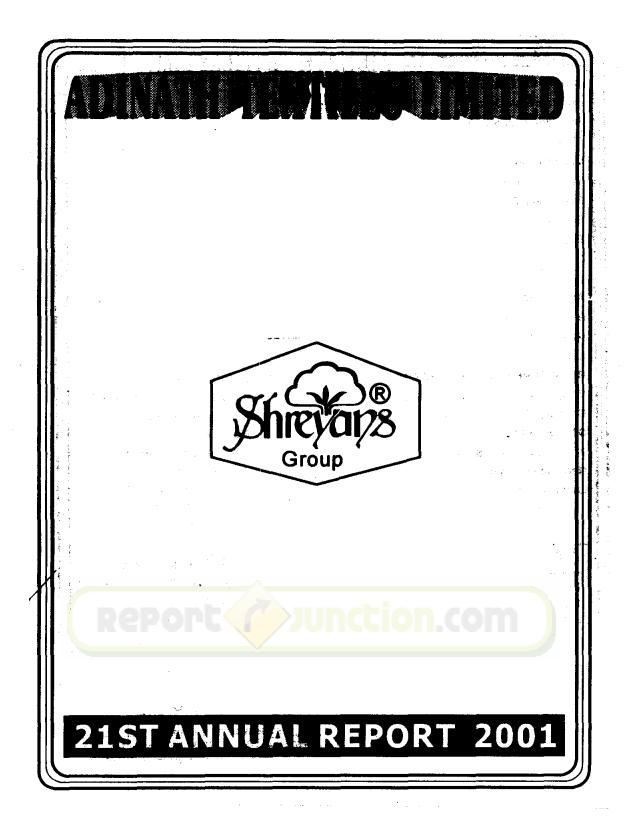
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BOARD OF DIRECTORS		H TEXTILES LIMITED	
Sh. Rajneesh Oswal	Executive Director		t 📜
Sh. Raman Marwaha	Director		
Sh. R.P. Gupta	Director		
VICE PRESIDENT (Finance)	Laxation)		
Sh. A. K. Kapoor	an an the second se		
COMPANY SECRETARY			*
Sh. Vipin K. Bhatia			
BANKERS :)	and the second	
1. INDIAN BANK	2. STATE BANK OF PATIALA		
3. ALLAHABAD BANK	4. STATE BANK OF MOLA		
AUDITORS :		1992 • 第二位第位前十二	
M/s. Dass Khanna & Co.			
Chartered Accountants			
Ludhiana.	1941 - 1949		
REGISTERED OFFICE & WO	RKS	BRANCHES :	
Village Fuolapur, P.O. Sahaba	ina 🦾 👘	1. 4-J & E, Gopaia Tower,	
Chandigarh Road, Ludhiana -	141 123	25, Rajindra Place	
SALES OFFICE		New Delhi - 110 008.	
1133, Rupa Mistry Street,		2. 302, Raheja Chambers,	
Near Jain Dharamshala,	5	Nariman Point,	
Ludhiana - 141 008.		Mumbai - 400 021.	
			1. A.
CONTENTS	Page No.	Electronic Transfer Agent	and
		A.O.K. In House Share Registry	
NOTICE		3, Community Center,	
DIRECTORS' REPORT		Nariana Industrial Area, Phase I	
BALANCE SHEET		Near Payal Cinema	
PROFIT & LOSS ACCOUN		New Delhi 110 028	ξĒ.
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NOTES ON ACCOUNT	AT AC 1		
NOTES ON ACCOUNT BALANCE SHEET ABSTRA	1		
NOTES ON ACCOUNT	1	ากการสุดสารสรรษฐาตาการ การสรรรมสรรษฐาตาการ 1.15 การสุดสรรษฐาตาการ (1999)	



ADINATH TEXTILES LIMITED =

NOTICE

NOTICE is hereby given that the 21st Annual General Meeting of the Members of the Company shall be held on Monday, the 11th day of June, 2001 at 11.30 A.M. at the Registered Office of the Company at Village Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana to transact the following business:

ORDINARY BUSINESS

- To receive, consider and adopt the Audited Balance Sheet of the Company as at 31.03.2001 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
- 2. To appoint Auditors and to fix their remuneration.

3. <u>Special Business</u>

TO CONSIDER AND IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION :

"RESOLVED THAT Sh. Raman Marwaha, in respect of whom the Company has received notice from a shareholder proposing his candidature as a Director, be and is hereby appointed as a Director of the company liable to retire by rotation in terms of the Article 113 of Articles of Association of the Company."

4. TO CONSIDER, AND IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S) IF ANY, THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION :

"RESOLVED THAT Sh. R.P. Gupta in respect of whom the Company has received notice from a shareholder proposing his candidature as a Director, be and is hereby appointed as a Director of the company liable to retire by rotation in terms of Article 113 of the Articles of Association of the Company.:

By Order of the Board for ADINATH TEXTILES LIMITED S/d-Place : Ludhiana V. K. BHATIA Date : 28th April, 20t. (Company Secretary)

NOTES

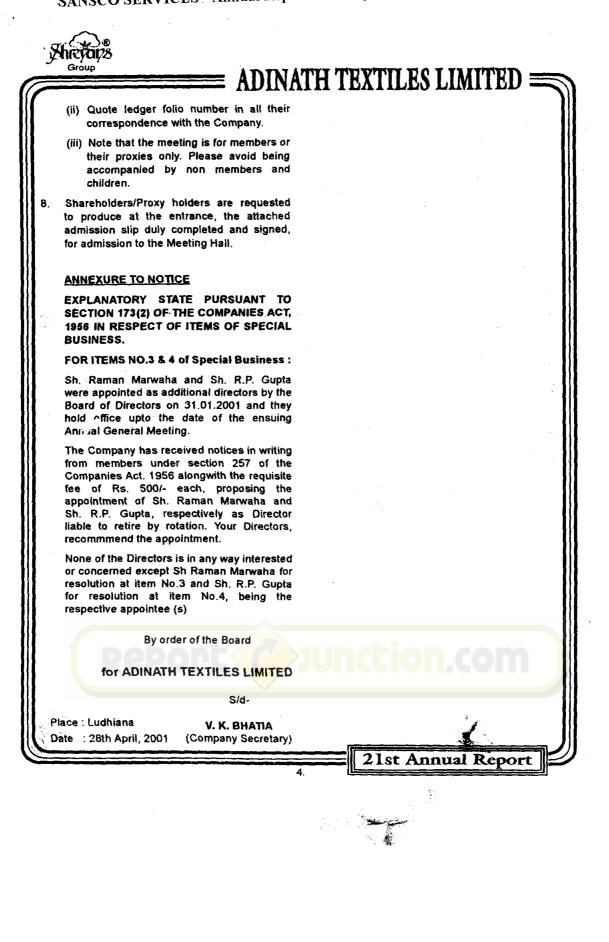
- A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. A blank proxy form is enclosed. The proxy, in order to be effective, must be deposited at the Registered Office of the Company not less than 48 hours before the Meeting.
- Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of items of special business is annexed hereto and forms part of this notice.
- *3. The Register of Members and share Transfer Books of the Company will remain closed from Tuesday, the 19th day of June, 2001 to Wednesday, the 20th day of June, 2001 (both days inclusive)
- Members are requested to bring their copy of Annual Report to the Meeting.
- 5. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their queries if any, in writing to the Secretary of the Company, so as to reach the Registered Office of the Company at least 10 days before the date of the Meeting enabling the company to keep ready the information required, at the time or Meeting.
- 6. Board of Director has formed their opinion, bases on audited results that company has became a Sick Industrial Company in terms of Section 15 of the Sick Industrial Companies (Special Provisions) Act, 1985. Accordingly Company has already approached the Board for Industrial and Financial Reconstruction seeking its directions for revival of the Company.
- 7. Members are requested to :

3.

 (i) Intimate to the Company changes, if any, in their registered address at an early date.

21st Annual Report

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ADINATH TEXTILES LIMITED =

Your Directors presents 21st Annual Report alongwith Audited Accounts of the company for the year ended 31st March, 2001.

DIRECTOR'S REPORT

FINANCIAL RESULTS

(Rs. in lacs) 2000-2001 1999-2000

1367.11	2994.24
•	
(650.94)	158.45
672.04	227.77
(1322.98)	(69.32)
162.00	113.77
(1484.98)	(183.09)/
· · · · ·	'
(1484.98)	(183.09)
	(650.94) 672.04 (1322.98) 162.00 × (1484.98)

DIRECTORS' RESPONSIBILITY STATEMENT

The following is the Directors' Responsibility statement as per section 217 (2AA) of the Companies Act, 1956 :

- That in the prepartion of the annual accounts, the applicable accounting standards had been followed by the Company along with proper explanation relating to material departures;
- 2. That the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period;
- 3. That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- 4. That the directors had prepared the annual accounts on a going concern basis.

PERFORMANCE REVIEW

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The year under review was very much adverse to the company. Continued depressed market of Acrylic Yarn has result d in 55% reduction in total turnover. In addition x that, the Company has

to provided Rs. 430.10 Lacs as interest (Peñal and over due) due to UTI. All these facts taken all together coupled with accmulated losses at the beginning of year, the Company has eroded its networth and is filling a reference to the Board for Industrial & Financial Reconstruction (BIFR) as is statutorily required under the provisions of Sick Industrial Companies (Special Provisions) Act, 1985

EXPORTS

The Company generated foreign Exchange earnings of Rs. 429.23 Lacs during the year under consideration.

DIVIDEND

Due to non availability of profits. Yours Directors are unable to recommend any dividend for the year under review.

DIRECTORS

Sh. R.P. Gupta and Sh. Raman Marwaha was appointed as additional Director during the year.

Sh. D.K. Oswai, Sh. Anii Kumar, Sh. Vishai Oswai, Sh. R.C. Singai. Dr. O.P. Sahni and Sh. Sanjiv Mohan has resigned from the office of the Directors of the Company.

DEPOSITS

During the year under review the company has not accepted any deposits within the meaning of section 58A of the Companies Act. 1956 and the rules made thereunder.

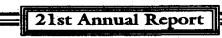
AUDITORS

Auditors of the Company M/s. Dass Khanna & Co., Chartered Accountants, Ludhiana retire at the ensuing Annual General Meeting of the Company and the eligible for reappointment. The notes on the account reffered to in the Auditiors' Report are self explanatory and, therefore, do not call for any further comments on the Auditiors' Report under Section 217 (3) of the Company Act, 1956.

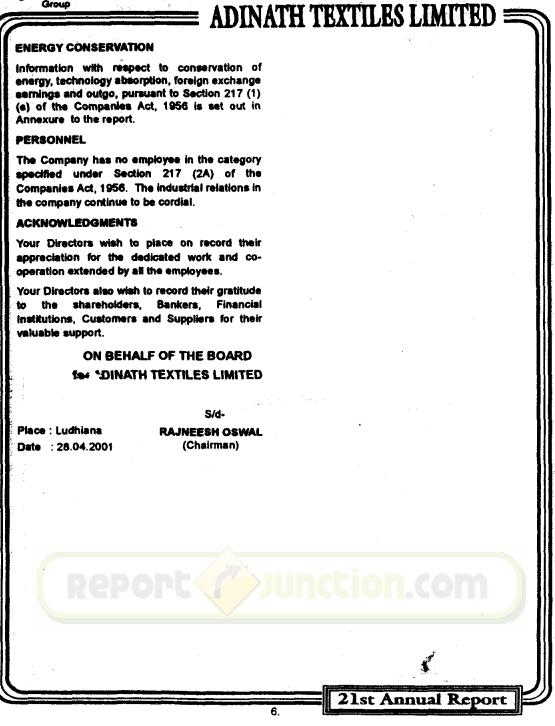
COST AUDITORS

5.

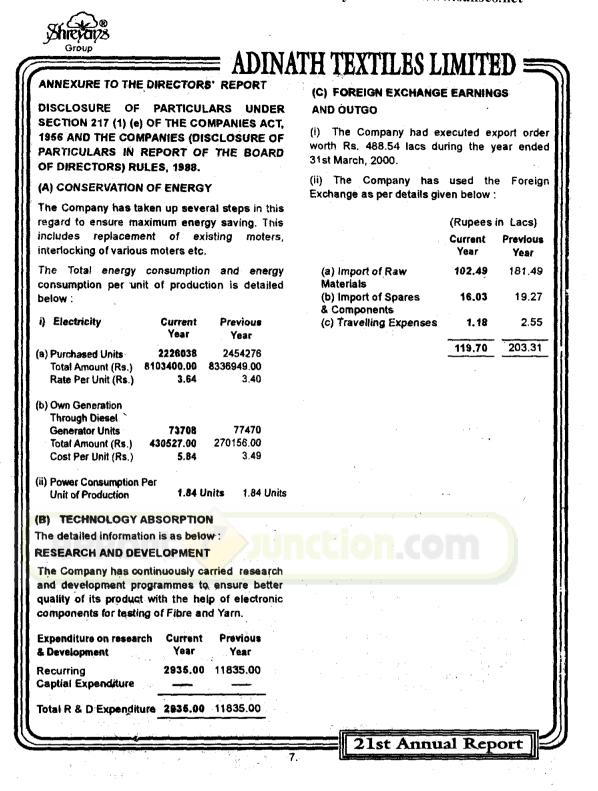
M/s Ramanathan Iyer & Co., Cost Accountants, New Delhi, have been appointed as Cost Auditors for the year 2000-2001, and they will submit their report to the Central Government in accordance with section 209 of the Companies Act, 1956.







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ADINATH TEXTILES LIMITED :

AUDITORS' REPORT

The Members of

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ADINATH TEXTILES LIMITED

We have audited the attached Balance Sheet of ADINATH TEXTILES LIMITED as at 31st March, 2001 and the Profit and Loss Account for the year ended on that date annexed thereto, both signed by us under reference to this report and report that :

- 1. As required by the manufacturing and other Companies (Auditor's Report) order, 1988 Issued by the Central Government in terms of section 227 (4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said order.
- 2. Further, to our comments in the annexture referred to in paragraph (1) above :

(a) We have obtained all the information and exple ations which to the best of our knowledge and belief were necessary for the purpose of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company, so far as it appears from our examination of the books.

(c) The Balance sheet and the Profit and Loss Account referred to in this report are in agreement with the books of account produced before us.

(d) In our opinion the Balance Sheet and Profit & Loss A/c comply with Accounting standard referred to in sub Section (3C) of Section 211 of the companies Act, 1956 to the extent applicable.

(e) We report that all the Directors are disqualified as on 31st March 2001 from being appointed as Directors in terms of clause (g) of sub section (1) of section 274 of the Companies Act 1956.

(f) We report that :-

(i) Non provision for doubtful debts amounting to Rs. 4643561/- against which Company has

filed suits.

We further report that had the observations made by us in (i) above been considered.

a) The loss would have been Rs. 153141076/as against reported figure of Rs. 148497515/-.

b) Debit balance of Profit and Loss a/c would have been Rs. 217215898/- as against reported balance of Rs. 212572337/-.

c) Current assets would have been Rs. 172350544/- as against reported Rs. 176994105/-.

In our opinion and to best of our information and according to the explanations given to us the said accounts subject to above and read together with notes as per annexure 'Q' thereon given the information required by the Companies Act, 1956 in the manner required and gives a true and fair view:-

i) In the case of Balance Sheet of the state of affairs of the Company as at 31st March 2001

ii) In case of Profit and Loss Account, of the Loss of the company for the year ended on that date.

FOR DASS KHANNA & CO. CHARTERED ACCOUNTANTS

Place : Ludhiana Date : 28.04.2001

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(RAKESH SONI) (Partner)

ANNEXURE TO THE AUDITORS' REPORT (REFERRED TO IN PARAGRAPH (1) OF OUR REPORT OF EVEN DATE ON THE STATEMENT OF ACCOUNTS OF ADINATH TEXTILES LIMITED AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2001.)

A) In respect of manufacturing activities of the Company :

1. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. All the assets have not bee physically verified by the management during the year but there is a

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