

**18<sup>th</sup>**  
**Annual Report**  
**2009-2010**



**Aditya Spinners Limited**



## **BOARD OF DIRECTORS**

<b>Sri G. SATYANARAYANA</b>	Director
<b>Sri. K V A PRASAD</b>	Director
<b>Sri K. VIJAY KUMAR</b>	Managing Director
<b>Sri. V V S R ANJANEYULU</b>	Joint Managing Director
<b>Sri R. SHIV KUMAR</b>	Executive Vice Chairman

## **BANKERS**

**Axis Bank Limited**  
Srinagar Colony,  
Hyderabad.

## **AUDITORS**

**C.Ramachandram&Co,**  
Chartered Accountants  
3-6-237,Unit 606,  
Lingapur la bulide complex,  
Himayath Nagar, Hyderabad-29.

## **REGISTRAR & SHARE TRANSFER AGENTS**

**M/s Venture Capital & Corporate**  
Investments Pvt. Limited,  
12-10-134, (MIG-134)  
2nd Floor, Bharatnagar,  
Hyderabad-500 038.

## **ADMINISTRATIVE OFFICE**

6-3-668/10/66  
Durganagar Colony, Punjagutta  
Hyderabad -500082.

## **FACTORY & REGD. OFFICE**

Perindesam Village, K.V.B. Puram Mandal  
Near Srikalahasti, Chittoor Dist A.P.



## NOTICE

Notice is hereby given that the 18<sup>th</sup> Annual General Meeting of the members of Aditya Spinners Limited will be held on Tuesday, the 28th day of September, 2010 at 12.30 p.m., at the Registered Office of the Company located at Perindesam Village, KVB Puram Mandal, Near Srikalahsti Chittoor District, Andhra Pradesh to transact the following business:

### ORDINARY BUSINESS:

1. To receive consider and adopt the audited Profit and Loss Account for the year ended on 31<sup>st</sup> March 2010 and the Balance Sheet as on that date and the reports of Directors and Auditors thereon.
2. To appoint a Director in place of Sri K V A Prasad, Director who retires by rotation and being eligible, offers himself for reappointment.
3. To reappoint the retiring Statutory Auditors of the company 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:

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

"RESOLVED THAT pursuant to the provisions of Sections-198, 269, 309 of the Companies Act, 1956 read with Section II of Part II of schedule XIII thereto and the Articles of Association of the company, consent of the company be and is hereby given for reappointment and payment of remuneration to Shri. K. Vijay Kumar, Managing Director of the company with effect from 01.04.2010 as minimum remuneration not exceeding Rs.75,000/- per month which the company is entitled to pay in the event of absence or inadequacy of profit for a term of three years with effect from that date."

5. To consider and if thought fit to pass with or without modification, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section-198, 269 and 309 of the Companies Act, 1956 read with Section II of Part II of schedule XIII thereto and pursuant to the Articles of Association of the company, consent of the company be and is hereby given to the reappointment and payment of remuneration to Shri. R. Shiv Kumar, Executive Vice Chairman of the company with effect from 01.04.2010 as minimum remuneration not exceeding Rs.75,000/- per month which the company is entitled to pay in the event of absence or inadequacy of profit, for a term of three years with effect from that date."

By Order of the Board  
For ADITYA SPINNERS LIMITED

Sd/-  
K. VIJAY KUMAR  
Managing Director

Place: Hyderabad,  
Date : 18-08-2010.

## NOTES :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company.
2. Proxy, in order to be effective, must be deposited at the company's Registered Office not less than 48 hours before the meeting.
3. The Register of Member and Share Transfer Books of the Company will be closed on 27<sup>th</sup> and 28<sup>th</sup> September, 2010 (Both days inclusive)
4. Member are requested to notify immediately any change in their address, if any, to the Register and Share Transfer Agent of the company quoting their folio number.
5. Share holders seeking any information with regard to the accounts are requested to write to the Company at an early dates so as to enable the management to keep the information ready.
6. Explanatory statement pursuant to section 173(2) of the Companies Act, 1956 is annexed herewith.

### EXPLANATORY STATEMENT UNDER SECTION 173(2):

#### Item No.4 and 5:

The reappointment of Sri. K. Vijay Kumar, Managing Director and Sri. R. Shiv Kumar, Executive Vice Chairman expired on 31.03.2010 pursuant to the resolutions approved by the shareholders at their 16<sup>th</sup> Annual General Meeting held on 27.09.2008. The Board of Directors of the company at their meeting held on 30.04.2010 had recommended their reappointment and payment of remuneration subject to the approval of the shareholders to pay a minimum remuneration of Rs.75,000/- per month with effect from 01.04.2010 as permissible in terms of Section 198 of the Companies Act, 1956 read with the Section II of Part II of Schedule XIII thereto for a term of three years. In compliance with the conditions as laid down under the said Schedule, resolutions were passed by the Remuneration Committee for payment of the remuneration, reappointment and the payment of remuneration is placed before the members for their approval.

None of the directors except Sri. K. Vijay Kumar and Sri. R. Shiv Kumar is interested or concerned in the resolutions.

By Order of the Board  
For ADITYA SPINNERS LIMITED

Sd/-  
K. VIJAY KUMAR  
Managing Director

Place: Hyderabad,  
Date : 18-08-2010.



## DIRECTORS REPORT

TO

The Members,

Your Directors present herewith the 18th Annual Report of the Company together with the Audited Accounts for the year ended 31st March, 2010.

### 1. FINANCIAL RESULTS :

Rs. in lakhs

	2009-10	2008-09
Sales & Other Income	2075	292.41
Profit/ (Loss) before depreciation and interest	(33.42)	86.17
Depreciation	148.02	139.64
Profit / (Loss) before tax	(114.60)	(54.70)
Net Profit / (Loss)	(114.60)	(54.70)

### 2. DIVIDEND:

The Directors do not recommend any dividend because of losses incurred during the year under review.

### 3. REVIEW OF OPERATIONS DURING THE YEAR:

During the year under review, the Company's sales were Rs. 2075 Lakhs.

### 4. REHABILITATION SCHEME:

The company had settled the dues of secured creditors under one time settlements and obtained NDC from all the financial institutions and banks. Pursuant to the directions of the Hon'ble Board for Industrial and Financial Reconstruction (BIFR) dated 29.08.2008, the company had submitted the rehabilitation scheme, incorporating the reliefs and concessions sought from the concerned stakeholders, to the Operating Agency viz., M/s Industrial Development Bank of India (IDBI). The rehabilitation scheme will be submitted by the OA after their examination to the Hon'ble Bench for their consideration and approval. Your directors confident that favorable orders will be received soon which paves the way for ultimate revival of the company.

### 5. DIRECTORS

Sri K V A Prasad, Director will be retiring by rotation at the ensuing Annual General Meeting being eligible, offer himself for reappointment.

### 6. DEPOSITS

The Company did not accepted any deposit from the public during the year under review.

### 7. AUDITORS

The present Auditors of the Company M/s C. Ramachandram & Co., Chartered Accountants, Hyderabad, will retire at the conclusion of this Annual General Meeting and they are eligible for reappointment.

### 8. PARTICULARS OF EMPLOYEES:

The Particular of employees required under Section 217(2A) of the Companies Act, 1956 read with the provisions contained in companies (Particulars of Employees) Rules 1975 as amended to date were not applicable to your Company as none of the employees was receipt of remuneration which in aggregate is Rs 24,00,000/- or more per year nor was in receipts of remuneration for any part of the year, of Rs 200,000/-or more per month.

## 9. DISCLOSURE AS PER LISTING AGREEMENT :

### Clause 32:

The cash flow statement in accordance with accounting standard and cash flow statement (AS-3) issued by ICAI is appended to this Annual Report.

### Clause 43A:

The Company shares are listed on The Hyderabad Stock Exchange Limited 6-3-654, Somajiguda, Hyderabad; The Bombay Stock Exchange, Mumbai, P J Towers, Dalal Street, Fort, Mumbai. It is further informed that the Annual listing fees to all Stock Exchange for the year 2009-10 is yet to be paid.

### Clause 49 Compliance:

A detailed compliance report on the Corporate Governance is enclosed to this Annual Report.

## 10. RESPONSIBILITY STATEMENT

- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- 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 and loss of the company for the period.
- The Directors has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- The Directors have prepared the accounts on a going concern basis.

## 11. INDUSTRIAL RELATIONS:

The Company has had harmonious industrial relations through out the year under review at all levels of organization. The Company would endeavor to maintain this cordial relationship in future also.

## 12. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

Information pursuant to section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rule 1988 regarding conservation of energy, technology absorption and foreign exchange and foreign exchange earnings and out go has been given in a separate statement annexed here to, which forms part of the Directors' Report.

## 13. ACKNOWLEDGEMENT:

The Directors have pleasure in recording their appreciation to the Financial Institutions viz., Industrial Development Bank of India, Industrial Financial Corporation of India Limited, and Bankers viz., State Bank Hyderabad, State Bank of Patiala and State Bank of Travancore for the valuable assistance extended to the company in settlements of debt by way of OTS.

Your Directors also place on record their deep sense of appreciation for the dedicated services rendered by all the executives, staff and workers of the Company.

For and on behalf of the Board

Sd/-

K. VIJAY KUMAR

Managing Director

Sd/-

V.V.S.R. ANJANEYULU

Joint Managing Director

Place: Hyderabad,

Date : 18-08-2010.