

**ANNUAL REPORT 1999-2000**

**TRUE COPY**

**For AMARJOTHI SPINNING MILLS LTD.,**

  
**(N. RAJAN),  
CHAIRMAN.**

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**AMARJOTHI SPINNING MILLS LIMITED**

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## **AMARJOTHI SPINNING MILLS LIMITED**

### **BOARD OF DIRECTORS**

**Sri. N. RAJAN**  
(Chairman)

**Sri. R. PREMCHANDER**  
(Managing Director)

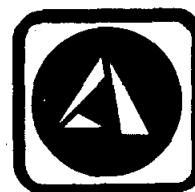
**Sri. R. JAICHANDER**  
(Joint Managing Director)

**Dr. V. SUBRAMANIAM**

**Sri. S. SATHYANARAYANAN**

**Smt. R. SAROJA**

**Smt. S. JAYANTHI**



### **BANKERS**

**BANK OF BARODA**  
**KARUR VYSYA BANK LTD.**

### **AUDITOR**

**V. NARAYANASWAMI, M.A., F.C.A.**  
Chartered Accountant, Coimbatore

### **SHARE TRANSFER AGENTS**

**M/s. S.K.D.C. CONSULTANTS LTD.**

No.11, Street No.1  
S.N. Layout, Tatabad  
Coimbatore - 641 012.

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**REGD. OFFICE : "AMARJOTHI HOUSE", 157, Kumaran Road, Tirupur - 641 601.**

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**MILLS AT : Pudusuripalayam, Nambiyur - 638 458, Gobi Taluk.**



## AMARJOTHI SPINNING MILLS LIMITED

### NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Twelfth Annual General Meeting of the members of AMARJOTHI SPINNING MILLS LIMITED will be held on Monday, the 25th September, 2000 at 10.00 A.M. at the Meeting Hall of Hotel Brindavan, 33 Harvey Road, Tirupur - 641 602 to transact the following business.

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the Directors' Report, the Audited Balance Sheet as at 31st March, 2000, the Profit and Loss Account for the year ended 31st March, 2000 and the Reports of the Directors and Auditor thereon.
2. To appoint a Director in the place of Sri.S.Sathyanarayanan who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors to hold office till the conclusion of next Annual General Meeting and to fix their remuneration. Sri.V.Narayanaswami M.A.,F.C.A., Chartered Accountant, Coimbatore retires at this meeting and is eligible for reappointment.

#### SPECIAL BUSINESS

4. To pass, with or without modification, the following resolution as an ordinary resolution.  
Resolved that Smt.R.Saroja be and is hereby appointed as a Director of the Company subject to retirement by rotation.
5. To pass, with or without modification, the following resolution as an ordinary resolution.  
Resolved that Smt.S.Jayanthi be and is hereby appointed as a Director of the Company subject to retirement by rotation.

By order of the Board

Place : Tirupur  
Date : 21st August, 2000

**R.PREMCHANDER**  
Managing Director

#### NOTES:

1. A member entitled to attend and vote at the meeting may appoint a proxy to attend and vote instead of himself. The proxy need not be a member of the Company. The instrument of proxy should however be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.
2. Members are requested to notify immediately any change in their address, if any, to our Registrars viz., M/s.S.K.D.C.Consultants Ltd., No.11, Street No.1, S.N.Layout, Tatabad, Coimbatore - 641 012. Any other correspondence relating to shares may also be addressed to the said Registrars.
3. The register of members and share transfer books of the Company will remain closed from 15th September, 2000 to 25th September, 2000 (both days inclusive).
4. Members are requested to bring their copies of the Annual Report to the meeting.
5. The members/proxy holders are requested to bring the attendance slip sent herewith duly filled for attending the meeting.

**ANARJOTHI SPINNING MILLS LIMITED**

6. Members desiring any information as regards accounts are requested to write to the Company at least 7 days before the meeting to enable the management to keep the information ready.
7. Members are requested to be in their seats at the meeting hall before the scheduled time of commencement of the Annual General Meeting to avoid interruption in the proceedings.

### **Explanatory Statement pursuant to Section 173(2) of the Companies Act 1956**

#### **Item Nos. 4 and 5:**

Smt.R.Saroja and Smt.S.Jayanthi were co-opted as Additional Directors in the meeting of the Board of Directors of the Company held on 01.10.1999.

Considering the involvement of the above said Directors, Smt.R.Saroja and S.Jayanthi in the affairs of the Company, your Directors consider it in the interest of the Company to regularise their appointment as Directors of the Company subject to retirement by rotation and recommended the same.

Notices have been received from shareholders along with refundable deposits of Rs.500/- for each Director, proposing the appointment of the above Directors.

The necessary resolutions have been brought before you for your approval.

Other than Smt.R.Saroja and Smt.S.Jayanthi being appointees, Sri.N.Rajan, Sri.R.Premchander and Sri.R.Jaichander are interested in the above resolution being related to Smt.R.Saroja and Smt.S.Jayanthi. None of the other Directors is interested in the above resolutions.

This may be taken as the disclosure of interest as required under Section 302 of the Companies Act 1956.

Place : Tirupur  
Date : 21st August, 2000

By order of the Board

**R.PREMCHANDER**  
Managing Director



## AMARJOTHI SPINNING MILLS LIMITED

### DIRECTORS' REPORT TO THE MEMBERS OF AMARJOTHI SPINNING MILLS LIMITED

Your Directors have pleasure in presenting the **Twelfth Annual Report** with audited accounts of your Company for the year ended **31st March, 2000**.

#### FINANCIAL RESULTS

	1999-2000	1998-1999
	Rs. in Lacs	Rs. in Lacs
SALES	3823.11	3942.48
Gross Profit	687.12	782.90
Less :		
Depreciation	285.74	271.05
Interest	321.92	378.21
Voluntary Retirement compensation	26.65	91.45
Preliminary Expenses written off	5.07	4.93
Provision for MAT & Interest for the previous year	—	5.29
Provision for taxation	5.00	5.70
<b>Profit for the year</b>	<b>42.74</b>	<b>26.27</b>
Add : Balance in Profit and Loss Account	441.04	417.77
<b>Surplus available for appropriation</b>	<b>483.78</b>	<b>444.04</b>
<b>Appropriation :</b>		
General Reserve	4.25	93.75
Debenture Redemption Reserve withdrawn	—	(90.75)
Balance Carried to Balance Sheet	479.53	441.04
	<u>483.78</u>	<u>444.04</u>

#### DIVIDEND

With a view to conserve the existing resources, your Directors do not recommend any dividend for the year.

#### OPERATIONS

The Company has completed the 6th full year of its operation in 1999-2000 after the public issue. The Company has maintained its excellent performance during the year under review, inspite of recessionary trend in the industry in general. The Company has achieved a sales turnover of Rs.3823.11 Lacs (1998-99 Rs.3942.48 Lacs) which resulted in a net profit of Rs.42.74 (1998-99 Rs.26.27 Lacs). Though judicial purchase of raw materials were made, the hike in power tariff and diesel rates affected our operating profit.

Barring unforeseen circumstances, your Directors are optimistic of better working results during the current year considering the proposed expansion of additional spindles.

#### FINANCE

During the period under review, a sum of Rs.245.70 Lacs has been repaid on the term loans taken from M/s.ICICI, with the result the interest cost during the year has come down by Rs.49.44 Lakhs.

#### DEPOSITS

Your Company has not accepted any deposits from the public.

## AMARJOTHI SPINNING MILLS LIMITED



### OUTLOOK

Your Company has been able to keep customers happy by supplying high quality yarn in required quantity, shade and within the scheduled time. Your Directors are confident that your Company will be able to achieve new heights of performance in coming years also.

### DIRECTORS

Smt.R.Saroja and Smt.S.Jayanthi were co-opted as Additional Directors in the meeting held on 01.10.1999. Considering their involvement in the affairs of the Company, your Directors recommended their appointment. Necessary resolutions are brought before you for your approval.

Sri.S.N.Ramaswamy Rajha resigned from the Board with effect from 15.02.2000. Your Directors wish to place on record the valuable services rendered by Sri.S.N.Ramaswamy Rajha during his tenure of association with the Company as Executive Director.

Sri.S.Sathyanarayanan retires by rotation at this Annual General Meeting as per the provisions of the Companies Act, 1956 and is eligible for reappointment.

### AUDITORS

M/s.Sridhar & Santhanam, Chartered Accountants, Chennai resigned due to preoccupation vide their letter dt.17.11.1999. Sri.V.Narayanaswami, M.A.,F.C.A., Chartered Accountant, Coimbatore has been appointed as Statutory Auditor of the Company to hold office till the conclusion of this Annual General Meeting by the members in their meeting held on 20.01.2000. Necessary certificate has been obtained from Sri.V.Narayanaswami, M.A.,F.C.A., Chartered Accountant, Coimbatore pursuant to the provisions of Section 224(1-B) of the Companies Act, 1956 that if reappointed it will be within the limits specified in Section 224(1-B) of the Companies Act, 1956. Your Directors recommended the reappointment.

### PERSONNEL

The Company continued the voluntary retirement benefit to its workers and staffs during the year also and they accepted the scheme. The Company has paid a compensation of Rs.26.65 Lacs towards voluntary retirement during the year under review.

Details of the employees of your Company who come within the purview of Section 217 (2A) of the Companies Act, 1956 during the year under review are enclosed as Annexure-B.

### LISTING

The shares of the Company have been listed in Mumbai and Chennai Stock Exchanges. Listing fees payable till 31.03.2000 have been duly paid.

### INDUSTRIAL RELATIONS

The industrial relations have been extremely cordial and the management thanks all the employees for their continued contribution towards the growth of the organisation.

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

In accordance with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 a statement showing details of Conservation of Energy, Technology Absorption, Exports and Foreign Exchange earnings and outgo is enclosed as Annexure-A.