



12TH ANNUAL REPORT 1999-2000

DAMODAR THREADS LIMITED**DAMODAR THREADS LIMITED****BOARD OF DIRECTORS**

Shri Arun Kumar Biyani - Chairman
Shri Anil D. Biyani - Whole Time Director
Shri Ajay D. Biyani - Managing Director
Shri Girdharlal S. Daga

REGISTERED OFFICE

5 /145 - B, Dr. Viegas Street,
Ground Floor, Kalbadevi,
Mumbai - 400 002.

AUDITORS

A. J. Baliya & Associates
Chartered Accountants
Mumbai.

BANKERS

Bank of Baroda
Industrial Finance Branch
Mumbai - 400 023.

PLANT

Plot No. 77 to 80, 89 to 91,
Dabhel Industrial Co-op. Society Ltd.,
Nani Daman, (Union Territory) - 396 210.

Bank of Baroda
Vapi Branch
Vapi-396 191.

Bank of Baroda
Daman Branch
Daman (U. T.)

DAMODAR THREADS LIMITED



NOTICE TO THE MEMBERS

NOTICE is hereby given that the 12th Annual General Meeting of Damodar Threads Limited will be held at 5/145 - B, Dr. Viegas Street, Ground Floor, Kalbadevi, Mumbai - 400 002. on Saturday 30th September, 2000 at 11.30 a.m. to transact the following business :

1. To receive and adopt the Directors' Report and the Audited statement of Accounts together with Auditor's Report thereon for the financial year ended 31st March, 2000.
2. To appoint a Director in place of Shri Ajay D. Biyani who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors and fix their remuneration.
4. Special Business :

To consider and, if though fit, to pass, with or without modifications, the following Resolution as a **Special Resolution** :

RESOLVED THAT pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be and are hereby amended in the following manner :

(I) **INSERTION OF ARTICLE 15A**

The following new Articles 15A be inserted after the present Article 15 :

DEMATERIALISATION OF SECURITIES

15A (a) Definitions :

Beneficial Owner

"beneficial owner" means a person whose name is recorded as such with a depository :

SEBI Board

"SEBI Board" means the Securities and Exchange Board of India ;

Bye - Laws

"bye-Laws" means bye-laws made by a depository under Section 26 of the Depositories Act, 1996 ;

Depositories Act

"Depositories Act means the Depositories Act, 1996, Including any statutory modifications or re-enactment thereof for the time being in force ;

depository

"depository" means a Company formed and registered under the Companies Act, 1956, and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992 ;

record

"record" includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by depository regulations made by the SEBI Board;

depository regulations

"depository regulations" means the regulations made by the SEBI Board;

security

"security" means such security as may be specified by the SEBI Board.

(b) **Dematerialisation of securities :**

Notwithstanding anything contained in these presents, the Company shall be entitled to

DAMODAR THREADS LIMITED

dematerialise its securities and to offer securities in a dematerialised form pursuant to the Depositories Act. The right and obligations of the parties concerned shall be governed by the Depositories Act.

(c) Options to receive security certificates or hold securities with depository :

Every person subscribing to securities offered by the Company shall have the option to receive the security certificates or hold securities with a depository.

Where a person opts to hold a security with a depository, the Company shall intimate such depository the details of allotment of the Security, and on receipt of such information the depository shall enter in its record the name of the allottee as the beneficial owner of that security.

(d) Securities in depositories to be in fungible form :

All securities held by a depository shall be dematerialised and shall be in fungible form.

Nothing contained in Sections 153, 153A, 153B, 187B and 187C of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

(e) Rights of depositories and beneficial owners :

1. Notwithstanding anything to the contrary contained in these presents, a depository shall be deemed to be a registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner;

2. Save as otherwise provided in 1 above, the depository as a registered owner shall not have any voting rights or any other rights in respect of securities held by it.

3. Every person holding equity share capital of the Company and whose name is entered as beneficial owner in the records of the depository shall be deemed to be a member of the Company. the beneficial owner shall be entitled to all the rights and benefits and be subjected to all the liabilities in respect of the securities held by a depository.

(f) Depository to furnish information :

Every depository shall furnish to the Company information about the transfer of securities in the name of the beneficial owners at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.

(g) Option to opt out in respect of any security :

If a beneficial owner seeks to opt out of a depository in respect of any security, the beneficial owner shall inform the depository accordingly. The depository shall on receipt of information as above make appropriate entries in its records and shall inform the Company. The Company shall, within thirty (30) days of receipt of intimation from the depository and on fulfillment of such conditions and on payment of such fees as may be specified by the depository regulations, issue the certificate of securities to the beneficial owner or the transferee as the case may be.

(h) Sections 83 and 108 of the Act not to apply :

Notwithstanding anything to the contrary contained in these presents :

1. Section 83 of the Act shall not apply to the shares held with a depository.

2. Section 108 of the Act shall not apply to transfer of security effected by the transfer or and the transferee, both of whom are entered as beneficial owners in the records of a depository.

(i) Register and Index of beneficial owners.

The register and Index of beneficial owners maintained by a depository under Section 11 of the Depositories Act, Shall be deemed to be an Index of Members and Register and Index of Debenture holders as the case may be for the purposes of the Act.

DAMODAR THREADS LIMITED(ii) **INSERTION OF ARTICLE 56 A**

The following new Article 56A be inserted after the present Article 56 :

56A. Notwithstanding anything stated in these presents a holder or joint holders of shares or debentures, may nominate, in accordance with the provisions of Section 109 A of companies Act, 1956, and in the manner prescribed thereunder, a person to whom all the rights in the shares or debentures of the Company shall vest in the event of death of such holder/s. Any nominations so made shall be dealt with by the Company in accordance with the provisions of section 109B of Companies Act, 1956.

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
2. The Register of members and Share Transfer Book of the Company will remain closed from the Monday 25th day of September, 2000 to Saturday 30th September, 2000. (both days inclusive)

EXPLANATORY STATEMENT :

As required by section 173 of the Companies Act, 1956 the following explanatory statement sets out all material facts relating to item No. 5 of notice.

With the enactment of the depositories amendments to certain provisions of the Companies Act, 1956, a new Article is proposed to be inserted briefly stating the frame work of the System of the depository as per the provisions of the Depositories Act, 1996, with a view to facilitating operation of the depository system. In view of this, consequent changes are required to be incorporated in the Articles of Association of the Company by inserting a new Article 15A so as to be in line provisions of the Companies Act, 1956, read with the provisions of the Depositories Act, 1996.

The company (Amendment) Act, 1999, has entered into force, made a provision through Section 109A whereby a holder or joint holders of shares can nominate a person(s) to whom all the rights in the shares or debentures shall vest in the event of the death of such holders. Such a nominee can elect either to be registered himself as the holder of the shares or debentures or make such transfer of the shares or debentures as the deceased holder/s of shares or debentures could have made. It is therefore, proposed to incorporate a new article 56 A in the Articles of Association of the Company providing for nominations facility in accordance with the provision of Sections 109A and 109B of the Companies Act, 1956.

The Special Resolution at item No. 4 is, therefore proposed pursuant to Section 31 of the companies Act, 1956.

None of the Directors of the Company is concerned or interested in the Resolution except to the extent of their respective share holding, if any, in the Company.

The Articles of Association of the company referred above is available for inspection of the Members at the Company's Registered Office during the business hours on any working day.

By Order of the Board
Damodar Threads Limited

(Arunkumar Biyani)
Chairman

Registered Office :

5/145 - B, Dr. Viegas Street,
Ground Floor, Kalbadevi,
Mumbai - 400 002.

Dated : 29TH JULY, 2000.

DAMODAR THREADS LIMITED**DIRECTOR'S REPORT****To the Members,**

Your Directors hereby present their 12th Annual Report together with audited statement of accounts for the year ended 31st March, 2000.

(Amount in Rupees)

FINANCIAL RESULTS	1999-2000	1998-99
	Rs.	Rs.
Sales & Other Income	<u>26,13,00,301</u>	<u>32,19,90,320</u>
Profit / (Loss) before depreciation & Tax	<u>(32,56,037)</u>	<u>63,40,340</u>
Depreciation	<u>63,92,583</u>	<u>55,96,612</u>
Provision for Taxation	<u>-----</u>	<u>-----</u>
Profit / (Loss) after Tax	<u>96,48,620</u>	<u>7,43,728</u>
Profit B/f. from previous year	<u>1,10,70,788</u>	<u>1,02,84,265</u>
	<u>14,22,168</u>	<u>1,10,27,993</u>
Less : Previous Year adjustment	<u>30,622</u>	<u>42,795</u>
Profit available for appropriation	<u>13,91,546</u>	<u>1,10,70,788</u>
APPROPRIATION		
Balance Carried forward	<u>13,91,546</u>	<u>1,10,70,788</u>
	<u>13,91,546</u>	<u>1,10,70,788</u>

DIVIDEND

In view of Loss Directors do not recommend any Dividend for the financial year ended on 31st March, 2000.

DIRECTORS

Shri Ajay D. Biyani, Director of the Company retires by rotation and being eligible offers himself for reappointment,

AUDITORS

M/s. A. J. Baliya & Associates, Chartered Accountants, Auditors of the Company, hold the office until the conclusion of the ensuing Annual General Meeting and are recommended for reappointment.