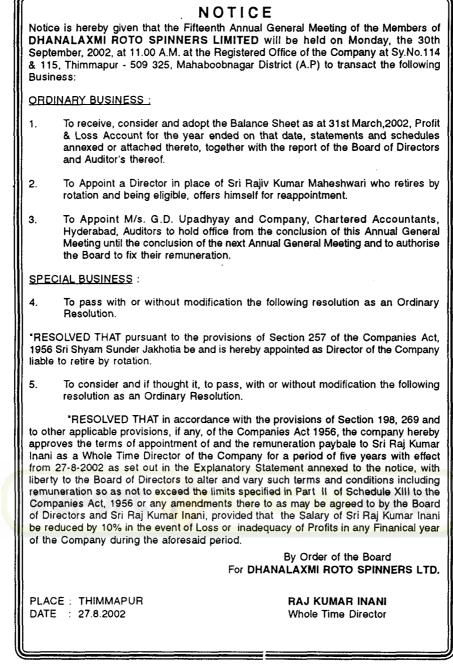


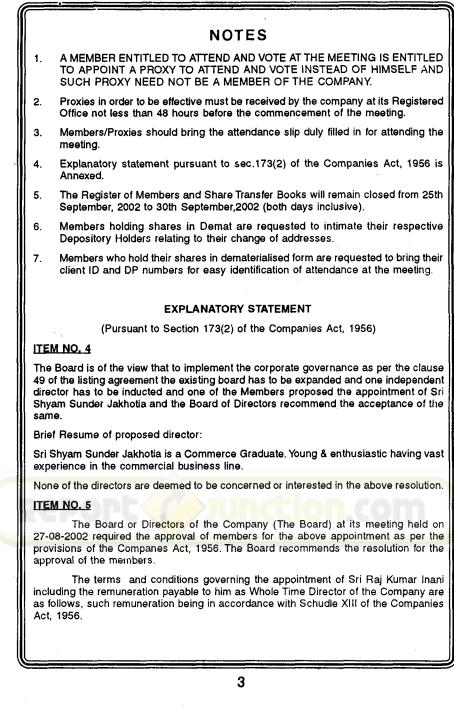
DHANALAXMI ROTO SPINNERS LTD.

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	BOARD OF DIRECTORS:			
	Sri Rajiv Kumar Maheshwari Director			
	Sri Raj Kumar Inani Whole Time Director			
	Sri K.N. Prasad Director			
·	AUDITORS:			
	G.D. Upadhyay & Co. REGISTERED OFFICE: Chartered Accountants			
	15-1-53, Sy.No.114 & 113, IInd Floor, Upstairs Andhra Bank, Station Road, Opp: Goshamahal High School, Thimmapur - 509 325 Siddiamber Bazar, Mahaboobnagar Dist. (A.P) HYDERABAD - 500 012.			
	BANKERS :			
	CITI BANK Begumpet Branch, HYDERABAD.			
	THE A.P. MAHESH CO-OPERATIVE URBAN BANK LTD., Siddiamber Bazar Branch, HYDERABAD - 500 012.			
	TAMILNAD MERCANTILE BANK LTD., Kishangunj Branch,			
	HYDERABAD - 500 012.			
	SHARE TRANSFER AGENTS: DEMAT REGISTRARS:			
	DHANALAXMI ROTO SPINNERS LTD., Sy.No.114,115, Station Road, Thimmapur - 509 325. UIMITED 6-2-913/914, 3rd Floor, Khairatabad, HYDERABAD - 500 004.			

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I. SALARY :	
(i) Salary at the rate of Rs. 9000/- per month.	•
II. PERQUISITES :	
In addition to the salary and commission as stated above, Sri Raj Kumar Inani, s be entitled to the following perquisites, the monetary value of the perquisites un part A being restricted to an amount equal to Rs. 1,10,000/- per annum or an amo equal to the Annual Salary which ever is less.	der
PART A:	
Housing - Provision by the Company of furnished residential accommodation with facilities and amenities including such services as gas, electricity, water, etc. provide that:	
a) the Company shall deduct 10% of the Salary of Sri Raj Kumar Inani providing such accommodation.	for
b) the expenditure by the Company on hiring unfurnished accommodation Sri Raj Kuamar Inani will be subject to the following ceiling 50% of the sale over and above 10% payable by Sri Raj Kumar Inani.	
c) If any time, the Company does not have to hire any accommodation for h Sri Raj Kumar Inani, shall be entitled to House Rent Allowance at the rate 50% of his salary.	
d) The expenditure incurred by the company on gas, electrity, water a furnshings will be valued as per the Income Tax rules, 19 This will however be subject to a ceiling of 10% of Sri Raj Kumar Inani.	
<ol> <li>MEDICAL REIMBURSEMENT Expenses incurred for Sri Raj Kumar Inania his family subject to a ceiling of one month's salary per year or three mon salary in a period of three years.</li> </ol>	
<ol> <li>LEAVE With full pay and allowance and the right to accumulate in accordant with the Rules of the Company.</li> </ol>	ICe
<ol> <li>LEAVL TRAVEL CONCESSION: For self and family once in a year incurred accordance with the rules of the Company.</li> </ol>	d in
5. CLLUB FEES: Fees of Clubs subject to a maximum of two clubs, admiss and life membership fees not being allowed.	ion
6. PERSONAL ACCIDENT INSURANCE: Premium not to exceed Rs.1,000/- annum.	per
Part B:	
<ul> <li>i) Contributions by the Company to Provident Fund and Pension Fu Sri Raj Kumar Inani benefit of an amount not exceeding the aggregate 25% of remuneration set out at (i) above, provided these are either singly or put together taxable under the income Tax Act, 1961.</li> </ul>	his

DHANALAXMI ROTO SPINNERS LTD.

ii) Payment of gratuity to Sri Raj Kumar Inani on his retirement or in the event of his earlier death to his estate for each completed year of service with the Company, if an amount equal to half of his monthly salary immediately prior to retirement or death subject to a ceiling or Rs. 1,00,000/-

PART C:

The Company shall provide a car driver and a telephone at the residence of Sri Raj Kumar Inani provisions of car for use on the Company's business and telephone at residence will not be considered as perquisites. Personal long distance call on telephone and use of car for private purposes shall be billed by the Company to Sri Raj Kumar Inani.

Sri Raj Kumar Inani shall not be paid any sitting fees for attending meeting of the Board of Committee thereof. In the event of loss or inadequancy of Profits in any Financial Year of the Company during the terms of his appointment the salary of Sri Raj Kumar Inani shall be reduced by 10%.

Subject to the superintendence control and direction of the Board of Sri Raj Kumar Inani shall perform such duties and exercise such powers as may from time to time be lawfully entrusted to and conferred upon him by the Board.

Sri Raj Kumar Inani has been instrumental in setting up the project. He has been with the Company since inception. He has done his Dipioma Course in Textile Business.

The Ordinay Resoulution set out at item of the convening Notice is intended to obtain the sanction of the company to the appointment of and the remuneration payable to Sri Raj Kumar Inani as a Whole Time Director of the Company as stated above and the Board recommends the acceptance thereof.

No Director other than Sri Raj Kumar Inani is concerned or interested in the Ordinary Resolution set out.

By Order of the Board

For DHANALAXMI ROTO SPINNERS LTD.

PLACE : THIMMAPUR

DATE : 27.8.2002.

RAJ KUMAR INANI WHOLE TIME DIRECTOR

DHANALAXMI ROTO SPINNERS LTD.

# DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the Fifteenth Annual Report together with Audited statement of Accounts of the Company for the year ended 31st March, 2002. Rs. In Lacs

FINANCIAL RESULTS	2001-2002	2000-2001
Sales & Other Income	283.04	30.65
Income before Interest & Depreciation	65.49	5.69
Depreciation	4.12	4.15
Financial Expenses	4.06	3.64
Profit/(Loss) before Tax	57.31	(2.10)
Prior year adjustment	0.21	4.77
Tax	(28.20)	80.29
Profit/(Loss) after Tax	28.90	82.26
Profit/(Loss) of Previous Year	(188.80)	(271.76)
Balance c/f to Balance Sheet	(159.90)	(188.80)

#### **REVIEW OPERATIONS**

During the year under review, your Company has made a gross income of Rs.283.04 lakhs in Trading Acitivity. Net profit earned during the year under review amounted to Rs.57.31 lakhs as against Rs. 2.10 Lacs loss in the previous year.

#### DIVIDEND :

In view of carry forward losses, Directors do not recommend dividend for the year 2001-02.

#### **DIRECTORS** :

Sri Rajiv Kumar Maheshwari retires by rotation at the ensuing General Meeting. Being eligible for the re-appointment, offered himself for the re-appointment.

The Board is of the view of that to implement the corporate governance as per the clause 49 of the Listing Agreement, the existing board has to be expanded and some independent Director has to be inducted and one of the Members proposed the appointment of **Sri Shyam Sunder Jakhotia** and the Board of Directors recommend the acceptance of the same.

DHANALAXMI ROTO SPINNERS LTD.



During the year under review, your company has not accepted any Fixed Deposits from the public pursuant to Section 58A of the Companies Act, 1956.

#### LISTING:

Your Company's shares are presently listed on the Hyderabad and Mumbai Stock Exchanges. Trading at Bombay Stock Exchange has again started from 1-7-2002 after complying all the formalities with the Bombay Stock Exchange.

#### DIRECTOR'S RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 217 (2AA) of the Companies Act, 1956, your Directors state.

- 1. that in the preparation of the Annual Accounts, the applicable accounting standards have been followed.
- 2. that your Directors have selected such accounting policies and applied them consistently and made judgement and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit & Loss of the company for that period.
- that your Directors have been proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities.
- 4. that your Directors have prepared Annual Accounts on a going concern concept.

