



THE JAMSHRI RANJITSINGHJI SPG. & WVG. MILLS CO. LTD.

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**92nd Annual Report and Accounts
1999 - 2000**

92nd Annual Report

BOARD OF DIRECTORS

Shri Prem Ratan Damani
Chairman & Managing Director
Shri Navratan Damani
Shri E.A.K. Faizullahoy
Shri R.N. Joshi
Shri Kiranbhai J. Shah
Shri S.K. Somany
Shri G.A. Tadas (Nominee Director I.D.B.I.)

ADVISERS

Shri J.P. Singhal
Shri S.R. Gandhi

GENERAL MANAGER

Shri J.M. Adhia

SOLICITORS

M/s. Mulla & Mulla & Craigie Blunt & Caroe

AUDITORS

M/s. K.S. Aiyar & Co.
Chartered Accountants

BANKERS

Bank of India

MILL & REGISTERED OFFICE

Fatehchand Damani Nagar,
Station Road,
Solapur - 413 001

LISTED AT

The Stock Exchange, Mumbai
The Stock Exchange, Ahmedabad
The Calcutta Stock Exchange Association Ltd. Calcutta
The Delhi Stock Exchange Association Ltd. New Delhi
The Madras Stock Exchange Ltd. Chennai

THE JAMSHRI RANJITSINGHJI SPG. & WVG. MILLS CO.LTD..**NOTICE**

NOTICE is hereby given that the Ninety Second Annual General Meeting of the Shareholders of THE JAMSHRI RANJITSINGHJI SPG. & WVG. MILLS CO. LTD., will be held at the Company's Registered office at Fatehchand Damani Nagar, Station Road, Solapur - 413 001, on Friday, the 29th September, 2000 at 12:30 P.M. (S.T.) to transact the following business:

- 1 To receive and adopt the Directors' Report and Audited Balance Sheet as at 31st March, 2000 and Profit & Loss Account for the year ended 31st March, 2000
- 2 To Appoint a Director in place of Shri Kiranbhai J. Shah, who retires by rotation but being eligible, offers himself for reappointment.
- 3 To Appoint a Director in place of Shri R.N. Joshi, who retires by rotation but being eligible, offers himself for reappointment.
- 4 To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

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

***RESOLVED THAT** pursuant to Section 198, 269, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956 and (Subject to the approval of the Shareholders in the General Meeting) and the Central Government if necessary, the approval of the Company be and is hereby accorded to the reappointment of Shri P.R. Damani as the Managing Director of the Company for a further period of 5 years with effect from 1st October, 2000, on the following terms and conditions:

- | | |
|-----------------|---|
| i SALARY | Rs 50000/- (Rupees Fifty thousand only) per month |
| ii COMMISSION | One per cent of the net profits of the Company, subject to a ceiling of 50% of the salary or Rs 3,00,000/- per annum, whichever is less |
| iii PERQUISITES | The Managing Director Shri P.R. Damani shall also be entitled to the perquisites listed below, subject to the condition that the perquisites listed under part A shall be limited to the annual salary or Rs. 9,00,000/- per annum whichever is less. |

PART-A

- | | |
|----------------------------------|---|
| (i) HOUSING | House Rent Allowance @30% of the salary. The expenditure incurred on gas, electricity, water and furnishings will be valued as per the Income-tax Rules, 1962, which will be subject to a ceiling of 10% of the salary. |
| (ii) MEDICAL REIMBURSEMENT | Reimbursement of expenses incurred for self and family subject to a ceiling of one month's salary per year or three months' salary over a period of three years. |
| (iii) LEAVE TRAVEL CONCESSION | For self, wife and dependant children once a year to and from any place subject to the condition that only actual fares and no hotel expenses etc. will be allowed. |
| (iv) PERSONAL ACCIDENT INSURANCE | Of an amount, the annual premium of which shall not exceed Rs.4,000/- per annum. |
| (v) CLUB FEES | Fees of Clubs, subject to maximum of two clubs provided no life membership fee or admission fees is paid. |

PART-B

- | | |
|---|---|
| (i) COMPANY'S CONTRIBUTION TOWARDS PROVIDENT FUND/SUPERANNUATION FUND AND PENSION | As per Rules of the Company, but not exceeding 25% of the salary as laid down under the Income-Tax Rules, 1962. |
| (ii) GRATUITY | Not exceeding one-half month's salary for each completed year of service. |

PART-C

- | | |
|----------------|---|
| (i) CAR | Free use of Car with driver for the Company's business. |
| (ii) TELEPHONE | Free Telephone facility at residence. |

OTHER PERQUISITES :

- | | |
|-----------------------------|--|
| (i) LEAVE | One full pay and allowance as per Rules of the Company but not exceeding one month's leave for every 11 months of service subject to condition that leave accumulated but not availed of will not be allowed to be encashed. |
| (ii) ENTERTAINMENT | Reimbursement of all entertainment and all other expenses actually and properly incurred for the business of the Company which will not be treated as an item of remuneration for the purpose of the Companies Act, 1956. |
| MINIMUM REMUNERATION | Where in any financial year during the tenure of Mr.P.R. Damani as the Managing Director, if the Company has no profit or the profits are inadequate that there will be no reduction in the remuneration by way of salary and perquisites. |

6. **Change in Articles of Association by virtue of the amendment in the Companies Act and introduction of Depositories Act.**

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

***RESOLVED THAT** pursuant to section 31 and all other applicable provision, if any, of the Companies Act, 1956, (including any Statutory modification(s) or re-enactment thereof for the time being in force) and subject to such approvals, consents, permissions and sanctions, as may be necessary from the appropriate Authorities and Bodies, the Articles of Association of the Company, be and is hereby altered in the following manner and to the extent, set out below :

Insert the following heading and Article as Article 33A after Article 33.

Dematerialisation :

For the Purpose of this Article -

(1) Definitions

- (a) "Beneficial Owner" shall have the meaning assigned thereto in Sections 2 of the Depositories Act, 1996.
- (b) "SEBI" means the Securities and Exchange Board of India established under Section 3 to the securities and Exchange Board of India Act, 1992.
- (c) "Depositories Act" means the Depositories Act, 1996, including any statutory modifications or re-enactment thereof for the time being in force.
- (d) "Bye-Laws" means bye-laws made by a Depository under section 26 of the Depositories Act, 1996.
- (e) "Depository" shall mean a Depository as defined under clause (e) of Sub-Section (1) of Section 2 of the Depositories Act, 1996.
- (f) "Member" means the duly registered holder from time to time of the Shares of the Company and includes every person whose name is entered as a beneficial owner in the records of the Depository.
- (g) "Issuer" means any person making an issue of Securities.
- (h) "Participant" means a person registered as such under Section 12(1A) of the Securities and Exchange Board of India Act, 1992.
- (i) "Registered Owner" means a depository whose name is entered as such in the Register of the issuer.
- (j) "Record" includes the record maintained in the form of books or stored in computer or in such other form as may be determined by regulation made by SEBI in relation to the Depositories Act.
- (k) "Regulations" means the regulations made by the SEBI.
- (l) "Security" means such security as may be specified by the SEBI.
- (m) Words and expression used and not defined in the Act, but defined in the Depositories Act shall have the same meanings respectively assigned to them in that Act.

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- (2) **Dematerialisation of Securities**
Notwithstanding anything to the contrary or inconsistent contained in the Act or these Articles, the Company shall be entitled to Dematerialise its existing securities, rematerialise its securities, held in the Depositories and / or offer its fresh securities in a dematerialised form pursuant to the Depositories Act and the Rules framed thereunder, if any.
- (3) **Company to recognise interest in dematerialised Securities under Depositories Act**
Either the Company or the investor may exercise an option to issue, deal to hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialised, in which event the rights and obligation of the parties concerned and matters connected therewith or incidental thereof, shall be governed by the provisions of the Depositories Act, as amended from time to time or any statutory modification thereto or re-enactment thereof.
- (4) **Option for investors**
Every person acquiring / subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of Securities.
If a person opts to hold his security with a depository, the company shall intimate such depository the details of allotment of the security and on receipt of the information, the depository shall enter in its records the name of the allottee as the beneficial owner of the security.
- (5) **Securities in Depositories to be in Fungible Form**
All securities of the Company held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C, 372 and 372A, of the Companies Act shall apply to a Depository in respect of the securities held by it on behalf of the beneficial owners.
- (6) **Rights of Depositories and Beneficial Owners**
(a) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of securities on behalf of the beneficial owner.
(b) Save as otherwise provided in (a) above, the Depository as the registered owner of the Securities shall not have any voting rights or any other rights in respect of the securities held by it.
(c) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the Depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subjects to all the liabilities in respect of his securities which are held by a depository.
- (7) **Beneficial Owner deemed as absolute owner**
Except as ordered by a Court of competent jurisdiction or as required by law, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share or where the name appears as the Beneficial Owner of shares in the record of the Depository as the absolute owner thereof and accordingly shall not be bound to recognise any benami trust of equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has expressed or implied notice thereof, but the Board shall be at their sole discretion to register any share in the joint names of any two or more persons or the survivor or survivor of them.
- (8) **Depository to furnish information**
Every Depository shall furnish to the Company information about the transfer of securities in the name of the beneficial owner at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.
- (9) **Cancellation of Certificates upon Surrender by a person**
Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the Depository through a participant, the Company shall cancel such certificate and substitute in its records the name of Depository as the registered owner in respect of the said securities and shall also inform the Depository accordingly.
- (10) **Option to opt out in respect of any security**
If a beneficial owner seek to opt out of a Depository in respect of any security and 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 the receipt of intimation from the Depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the beneficial owner or the transferee as the case may be.
- (11) **Service of Documents**
Notwithstanding anything in the Act or these Articles to the Contrary, where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.
- (12) **Provisions of Article to apply to Securities held in Depository**
Except as specifically provided in these Articles, the provisions relating to Joint holders of Securities, Calls, Lien on Securities, forfeiture, Transfer and Transmission of Securities shall be applicable to Securities held in Depository so far as they apply to Securities held in physical form subject to the provisions of the Depository Act.
- (13) **Allotment of Securities dealt within a Depository**
Notwithstanding anything in the Act or these Articles, where securities are dealt with by a Depository, the Company shall intimate the details thereof to Depository immediately on allotment of such securities.
- (14) **Distinctive number of Securities held in a Depository**
The Securities in the Capital shall be numbered progressively according to their several denominations, provided however, that the provisions relating to progressive numbering shall not apply to the securities of the Company which are dematerialised or may be dematerialised in future or issued in future in dematerialised form, except in the manner herein before mentioned. No securities shall be sub-divided. Every forfeited or surrendered securities held in materials held in material form shall continue to bear the number by which the same was originally distinguished.
- (15) **Register and index of Beneficial Owners**
The Company shall cause to be kept a Register and Index of Members and a Register and Index of Debenture holders in accordance with Section 151 or 152 of the Act respectively and the Depositories Act, with details of Shares and Debentures held in material and dematerialised forms in media as may be permitted by law including in any form of electronic media. The Register and Index of beneficial owners maintained by a Depository under Section 11 of the Depositories Act shall be deemed to be Register and Index of Members and Register and Index of Debenture holders, as the case may be for the purpose of the Act. The Company shall have the power to keep in any State or Country outside India a Branch Register of Members resident in that State or Country.
- (16) **Register of Transfers**
The Company shall keep a Register of Transfers and shall have recorded therein fairly and distinctly particulars of every Transfer or Transmission of any Securities held in material form.
- (17) **Overriding effect of this Article**
Provisions of this Article will have full effect and force notwithstanding anything to the contrary or inconsistent contained in any other Article of these presents.

MUMBAI
DATED : 24th July, 2000

By Order of the Board of Directors
P.R. DAMANI
Chairman

THE JAMSHRI RANJITSINGHI SPG. & WVG. MILLS CO.LTD..**NOTES:**

- a) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
- (b) The Register of Members and Shares Transfer Books in respect of Equity Shares of the Company will remain closed from Thursday 14th September, 2000 to Wednesday 20th September, 2000 (both days inclusive).
- (c) Shareholders are hereby requested to intimate immediately any change in their registered addresses.
- (d) Members are hereby informed that dividends which remain unclaimed/unencashed over a period of seven years will have to be transferred by the Company to the Investor Education & Protection Fund constituted by the Central Government under Sec.205(A) & 205(C) of the Companies Act, 1956 as amended up-to-date.
- (e) Shareholders seeking any information with regard to Accounts are requested to write to the Company early so as to enable the management to keep the information ready.
- (f) Members holding more than one share certificate in the same name under different ledger folios are requested to apply for consolidation of such Folios and send relevant share certificates.

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173 OF THE COMPANIES ACT, 1956.

In conformity with the provisions of the Section 173 of the Companies Act, 1956, the following explanatory statement sets out all the material facts relating to Item No. 5 & 6 mentioned in the accompanying Notice dated 24th July, 2000.

ITEM NO. 5 & 6

The shareholders are aware that Shri P.R. Damani was appointed as the Managing Director for a period of 5 years which term will expire on 30th September, 2000. Shri P.R. Damani is an Industrialist with vast and varied experience and he has been closely associated with textile Industry for a long time. He has devoted time and energy for the growth of the Company. As a result of his stewardship the Company has launched and successfully completed modernisation and expansion programmes because of his deft and efficient handling of the affairs, the Company has been able to achieve continuous progress including changes in product mix to cater to the changing consumers' tastes.

In the circumstance the Board at its meeting held on 24th July, 2000 decided to continue to avail of the services of Shri P.R. Damani and reappoint him as the Managing Director for a further period of 5 years w.e.f. 1st October, 2000.

It is considered just and equitable that having regard to the duties performed by Shri P.R. Damani and the responsibilities carried out by him as the Managing Director his remuneration be increased so as to be commensurate with such duties and responsibilities within the overall limits prescribed in the amended Schedule XIII of the Companies Act, 1956. As such the Board at its meeting held on 24th July, 2000, recommended to the members of the Company for the reappointment of Shri P.R. Damani as the Managing Director on remuneration set out in the Special Resolution contained in the accompanying notice.

None of the Directors is in any way interested or concerned with the Special Resolution except Shri P.R. Damani himself, Shri N.R. Damani is interested as his brother though he has no pecuniary interest. Directors commend the Special Resolution to your approval.

This may be treated as an abstract u/s. 302 of the Companies Act, 1956.

ITEM No. 6

Consequent to the introduction of the Depository System and considering the benefits of scripless Trading in Book Entry form electronically, the Company intends to participate in the Depository System.

With the enactment of the Depositories Act, 1996 and amendments to certain provisions of the Companies Act, 1956, a new Article is proposed to be introduced, briefly stating the frame work of System of Depository as per the provisions of the Depositories Act, 1996, with a view to facilitate 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 33A, so as to be in line with the amended provisions of the Companies Act, 1956, read with the provisions of the Depositories Act, 1996. A Special Resolution is therefore proposed for your approval.

None of the Directors is in any way concerned or interested in the Resolution.

MUMBAI
DATED : 24th July, 2000

By Order of the Board of Directors
P.R. DAMANI
Managing Director

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NINETY SECOND REPORT OF THE DIRECTORS

We present our Annual Report of the Company with the audited statement of accounts for the year ended 31st March, 2000.

1. FINANCIAL RESULTS

	1999-2000	1998-1999
Gross Profit / (Loss)	(1,75,49,158)	(11,59,97,158)
ADDITIONS / DEDUCTION		
Depreciation	3,19,10,706	3,24,74,233
Profit / (Loss) before taxation	(4,94,59,864)	(14,84,71,391)
Add : Balance brought forward	(15,57,24,938)	(81,67,735)
: Income Tax of earlier years	(4,40,409)	39,188
: Transfer from Debenture Redemption Reserve	--	8,75,000
Profit (Loss) dealt with as under	(20,56,25,211)	(15,57,24,938)
Surplus / (Deficit) carried to Balance Sheet	(20,56,25,211)	(15,57,24,938)

2. DIVIDEND

In view of losses suffered by the Company it is not possible for the Directors to recommend any dividend.

3. WORKING

Working during the year under review was adversely affected due to continued recessionary trend in textile industry. Further, with the liberalisation by the Government for import of textiles, the domestic industry suffered on account of unhealthy competition from Foreign Companies because of dumping of their production in our country. Even in these circumstances with more emphasis on improving the plant utilisation, maximising the production of installed machines and control on expenses has shown considerable improvement in the overall working compared to previous year.

The Company has been exporting the products of Chemiequip Ltd. for last ten years and have been able to establish their products in the international market. At present Chemiequip's rehabilitation package is under consideration of BIFR. The directors however do not feel it necessary to make any provision for diminution in the value of the shares considering the long term business association with the Company. The qualification from the auditors may be read in that perspective.

4. CURRENT OUTLOOK

The recessionary trend in the textile industry in general continues. However, with further change in the product-mix, mainly from thin fabrics like voils to heavy quality of suitings, we expect to improve the performance. Further, efforts are being made to increase productivity with minor changes in the plant and by cutting down expenses further to improve the working. The Government has also realised the impact of liberal imports of textiles during the last year and is now more vigilant. This will help in improving the demand of domestic products of textiles. Further, the Far Eastern currencies have strengthened as against US Dollar. This will help in improving the exports from our country and we are hopeful of recapturing the export market lost on this account.

5. DIRECTORS

Your Directors inform with grief the sad demise of Shri Bhaskar G. Kakatkar who was Director since 1984 and made useful contribution to the working of the Company.

Under Articles 146 of the Articles of Association of the Company, Shri Kiranbhai J. Shah and Shri R. N. Joshi retire by rotation and are eligible for re-election.

6. INSURANCE

Your Company's Buildings, Plant and Machinery, Tools, Electrical Installations, Stock in Process, Finished Goods and Raw Materials have been adequately insured.

7. Y2K COMPLIANCE

The Company did not face any Y2K problem as it took all necessary steps well in time.

8. PUBLIC DEPOSITS:

Fixed Deposits at the end of the year stood at Rs.1,19,28,000/- . An amount of Rs. 7,93,000/- remained unclaimed as on 31st March, 2000 of which Rs.6,49,000/- has been repaid or renewed at the option of the Depositors leaving a balance of Rs.1,44,000/- unclaimed.

9. AUDITORS

You are requested to appoint the Auditors to hold office from conclusion of the meeting till the conclusion of the next Annual General Meeting and fix their remuneration. The retiring Auditors, M/s. K.S. Aiyar & Co., Chartered Accountants being eligible offer themselves for reappointment.

10. PARTICULARS OF EMPLOYEES

There are no Employees in receipt of remuneration exceeding Rs.50,000 p.m. or part thereof or Rs.6,00,000 p.a. Accordingly no particulars are furnished u/s 217(2A).

11. ACKNOWLEDGEMENTS

Your Directors place on record the timely assistance given to the Company by Bank of India. Your Directors also place on record their appreciation of contribution made by the employees at all levels to the operations of the Company during the year under review.

12. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

Information pursuant to Section 217(i) (e) of the Companies (Disclosure of Particulars in the report of Board of Directors) Rules 1988 is given in the annexure.

Place : MUMBAI

Date : 31st May, 2000

For and on behalf of the Board of Directors

P.R. DAMANI

CHAIRMAN

THE JAMSHRI RAJITSINGHI SPG. & WVG. MILLS CO.LTD..**ANNEXURE "A" TO DIRECTORS' REPORT**

PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988.

A. CONSERVATION OF ENERGY**a. ENERGY CONSERVATION MEASURES TAKEN.**

- i) DEDUSTER CONDENSER MADE BYPASSED IN BLOW ROOM MACHINE.
- ii) VENTILATOR SPEED OF UNIMIX MACHINE IS REDUCED.
- iii) A W E S CONDENSER IS BYPASSED IN BLOW ROOM WHILE WORKING SYNTHETIC FIBRE.
- iv) THE POSITIVE SUCTION OF 10 C1/3 CARDS MADE COMMON AND THUS SAVED ONE VENTILATOR.
- v) FAN BLADE ANGLE OF LUWA HUMIDIFICATION PLANT IS REARRANGED.
- vi) SOLENOID VALVE IS FIXED IN WATER LINE OF GENERAL OFFICE SANITARY FOR INTERMITTENT OPERATION.
- vii) TRANSPARENT SHEETS USED IN REELING DEPARTMENT FOR MORE LIGHT AND THEREBY STOPPING TUBE LIGHTS.

b. ADDITIONAL INVESTMENT AND PROPOSAL IF ANY BEING IMPLEMENTED FOR REDUCTION IN CONSUMPTION OF ENERGY.

- i) REPLACEMENT OF ENERGY SAVING SPINDLES ON RING FRAMES.
- ii) INSTALLATION OF 3 NEW RING FRAMES FITTED WITH ENERGY SAVING DEVICES.
- iii) USE OF TRANSPARENT SHEETS IN SOFT WATER PLANT.

c. IMPACT OF MEASURES AT (a) AND (b) ABOVE FOR REDUCTION OF ENERGY CONSUMPTION AND ON THE COST OF PRODUCTION OF GOODS.

- i) BYPASSING DEDUSTER CONDENSER HAS RESULTED IN STOPPING THE 7.5 H.P. MOTOR
- ii) REDUCTION IN VENTILATOR SPEED HAS RESULTED IN REDUCTION IN ENERGY CONSUMPTION.
- iii) BYPASSING A W E S CONDENSER HAS HELPED IN STOPPING 7.5 H.P. MOTOR.
- iv) THE POSITIVE SUCTION OF C1/3 CARDS HAS BYPASSED ONE 7.5 H.P. MOTOR AND THUS ENERGY CONSUMPTION HAS GONE DOWN.
- v) REARRANGING BLADES OF LUWA HUMIDIFICATION PLANT HAS SAVED CONSIDERABLE ELECTRICAL ENERGY.
- vi) FIXING SOLENOID VALVE HAS SAVED WATER.
- vii) TRANSPARENT SHEETS USED IN REELING DEPARTMENT HAS RESULTED IN STOPPING TUBE LIGHTS IN THAT SECTION.

d. TOTAL ENERGY CONSUMPTION AND ENERGY CONSUMPTION PER UNIT OF THE PRODUCTION FORM-A ENCLOSED.**B. TECHNOLOGY ABSORPTION****e. EFFORTS MADE IN TECHNOLOGY ABSORPTION AS PER FORM-B ENCLOSED.****C. FOREIGN EXCHANGE EARNING AND OUTGO (RS. IN LACS)**

- i) FOREIGN CURRENCY EARNED 577
- ii) FOREIGN CURRENCY USED 247

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FORM "A"

A. POWER AND FULE CONSUMPTION

CURRENT YEAR
1.4.99 - 31.3.2000PREVIOUS YEAR
1.4.98 - 31.3.99

1. Electricity		
a) Purchased		
Unit (kwh)in lacs	183.44	177.41
Total Amount (Rs.in lacs)	741.09	677.39
Rate/Unit (Rs.)	4.03	3.82
b) Own generation through Diesel Generator		
Units (KWH) in lacs	0.17	6.55
Total Cost (Rs. in lacs)	0.83	31.73
Cost/unit Rs.	4.88	4.84
2. Coal		
Quantity in M.Tons.	861.66	2312.19
Total Cost (Rs.in lacs)	16.84	40.66
Average Rate (Rs./M.Tons)	1954.55	1758.51
3. Other Fuels		
Quantity in M.Tons.	10364.22	7151.34
Total Cost (Rs.in lacs)	50.32	51.34
Average Rate (Rs./M.Tons)	485.55	717.91
B. CONSUMPTION PER UNIT OF PRODUCTION		
1. Electricity (Units)		
per kg of yarn	2.93	3.49
per linear metre of fabric	2.83	2.53
2. Fuels (Rs.)		
per kg of yarn	1.06	1.75
per linear metre of fabric	1.02	1.27

FORM "B"

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT OF TECHNOLOGY ABSORPTION 1999 - 2000
RESEARCH AND DEVELOPMENT (R & D)

1. SPECIFIC AREAS IN WHICH R & D CARRIED OUT BY THE COMPANY.
 - i) SURVEILLANCE AUDIT WAS CARRIED OUT BY B.I.S. FOR ISO-9002
 - ii) TESTING FACILITY DEVELOPED FOR DEFENCE TESTING.
 - iii) NINE QUALITY CIRCLES ARE IN OPERATION.
2. BENEFIT DERIVED AS A RESULT OF THE ABOVE R & D.
- a) PRODUCT DEVELOPMENT / IMPROVEMENT
 - i) PROPER DOCUMENTATION AND SYSTEMS ARE DEVELOPED FOR PROCEDURE TO MANUFACTURE AND SUPPLY QUALITY PRODUCTS.
 - ii) WE HAVE INCREASED THE BUSINESS WITH DEFENCE AS QUALITY PRODUCTS DULY TESTED GOT APPROVED.
3. IMPORT SUBSTITUTION
WE HAVE DEVELOPED SUBSTITUTION OF MANY IMPORTED COLOUR AND CHEMICALS AND REPLACEMENT OF SAME FROM TIME TO TIME.
4. FURTHER PLAN OF ACTION.
 - i) WE SHALL ENDEAVOUR TO BRING OUR YARN QUALITY BELOW 5% USTER NORMS BY IDENTIFYING AND ATTENDING TO PROCESS PARAMETERS.
5. EXPENDITURE ON R & D. (RS. IN LACS)

a) CAPITAL	0.00
b) RECURRING	7.86
c) TOTAL	7.86
d) TOTAL R & D EXPENDITURE AS A PERCENTAGE OF TOTAL TURNOVER	0.10

TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION

EFFORTS IN BRIEF MADE TOWARDS TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION AND BENIFITS AS A RESULT THEREOF.

- i) THE MARKET SURVEY WAS DONE AND IDENTIFIED THE REQUIREMENT, ACCORDINGLY, YARN PARAMETERS WERE MODIFIED.
- ii) NEW TECHNIQUE FOR WORK PRACTICE ARE ADOPTED.
- iii) MINOR INNOVATION ARE REGULARLY CARRIED OUT TO COUNTER PROBLEMS ENVISAGED DAY TO DAY.

THE JAMSHRI RANJITSINGHI SPG. & WVG. MILLS CO.LTD..**Auditors' report to the members of
The Jamshri Ranjitsinghi Spg. & Wvg. Mills Co. Ltd.**

We have audited the attached Balance Sheet of The Jamshri Ranjitsinghi Spg. & Wvg. Mills Co. Ltd. as at 31st March, 2000 and also the Profit and Loss Account, for the year ending on that date, annexed thereto, and report that:-

- 1) As required by the Manufacturing and Other Companies (Auditors' Report) Order, 1988, issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraphs 4 & 5 of the said order. .
- 2) Further to the Annexure referred to in paragraph (1) above:
 - a) We have obtained all the information and explanations 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 those books;
 - c) The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account;
 - d)
 - i) No provision has been made for diminution in the value of investments in Chemiequip Ltd., stated at Rs.70,09,595/- which we are informed is a 'sick' company within the meaning of Section 3(i)(o) of the Sick Industrial Companies (Special Provisions) Act, 1985.
 - ii) Subject to d(i) in our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the notes thereon comply with the Accounting Standards referred to in section 211 (3C) of the companies Act, 1956 in the manner so required and give a true and fair view:
1. In the case of Balance Sheet, of the state of affairs as at 31st March 2000, and
2. In the case of Profit and loss Account, of the loss of the Company for the year ended on that date.

MUMBAI: 31st MAY, 2000

For **K.S. AIYAR & CO.**
 CHARTERED ACCOUNTANTS
Ramakrishna Prabhu
 Partner