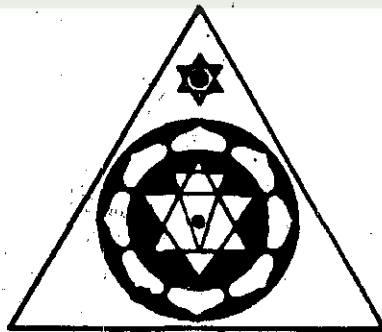


6th Annual Report *1999-2000*

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PADAM COTTON YARNS LIMITED

BOARD OF DIRECTORS

Shri Padam Sain Gupta
Shri Rajev Gupta
Shri Vivek Gupta
Shri R.C.D. Kaushik
Mrs. Kusum Kumari
Shri Jai Kumar Gupta

Chairman & Managing Director
Wholetime Director
Wholetime Director
Director
Director
Director

REGISTERED OFFICE & WORKS

71/3, Mile Stone
G.T. Road, Opp. Radha Swami,
Satsang Bhawan, Kamal-132 001

HEAD OFFICE

19, Syndicate House,
3, Old Rohtak Road,
Delhi-35.

CON. COMPANY SECRETARY

Mr. Ramesh Bhatia

STATUTORY AUDITORS

M/s. Viney Goel & Associates,
Chartered Accountant,
22, Purshottam Market,
Kunjpura Road, Kamal-132 001

BANKERS TO THE COMPANY

Oriental Bank of Commerce,
Maharana Partap Chowk,
Kamal-132 001

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PADAM COTTON YARNS LIMITED

NOTICE

Notice is hereby given that the Sixth Annual General Meeting of the company will be held at the Registered Office of the Company at 71/3, Mile Stone, G.T. Road, Opposite Radha Swami Satsang Bhawan, Karnal - 132 001 on Thursday the 7th Day of September 2000 AT 10.30 A.M. to consider and transact the following ordinary business :-

1. To receive, consider and adopt the Audited Accounts of the Company for the year ended on 31st March, 2000 and the report of Auditors and Directors there on.
2. To appoint a Director in place of Mr. Vivek Gupta, who retires by rotation but being eligible offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting to the conclusion of next Annual General Meeting and to fix their remuneration. M/s Viney Goel & Associates, Chartered Accountants, the retiring Auditors of the Company are eligible for re-appointment

SPECIAL BUSINESS

4. To consider and if thought fit, to pass, with or without modification (s), the following resolution as an ordinary resolution.

"Resolved that Mrs. Kusum Kumari who was appointed as an Additional Director in the Board Meeting held on 20th December, 1999 and who holds office upto the date of this Annual General Meeting, be and is hereby appointed a Director liable to retire by rotation."

5. To consider and if thought fit, to pass, with or without modification (s), the following resolution as an ordinary resolution :

"Resolved that Mr. Jai Kumar Gupta who was appointed as an Additional Director in the Board Meeting held on 20th December, 1999 and who holds office upto the date of this Annual General Meeting, be and is hereby appointed a Director liable to retire by rotation."

6. To consider and if thought fit, to pass, with or without modification (s), the following resolution as an ordinary resolution.

"Resolved that subject to the provisions of Sections 198, 269 and 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 Mr. Padam sain Gupta be and is hereby appointed as the Managing Director of the company for a period of five years w.e.f. 24th June, 2000 on the following terms and condition :

- a) **Salary :** The Managing Director shall be paid a monthly salary upto Rs. 25,000/-P.M.



PADAM COTTON YARNS LIMITED

- b) **Housing :**
- (i) The Managing Director shall be provided by the company a fully furnished accommodation for which he shall be contributing a sum equivalent to 10% of the perquisite.
 - (ii) In case the accommodation is owned by the appointee, then 10% of his salary shall be deducted by the company.
 - (iii) In case no accommodation is provided by the company, then the appointee shall be entitled to House Rent Allowance in line with the company's rules and regulations.

The expenditure incurred by the company on gas, electricity, water and furnishing shall be valued as per the Income Tax Act Rules, 1963 or in accordance with such other directions or clarifications as may be issued by the Department from time to time.

- c) **Medical Re-imburement :**
Re-imburement of expenses incurred for by the appointee and his family subject to ceiling of one month's salary in a year or three month's salary over a period of three years.
- d) **Club's Fees :**
Fees of clubs subject to a maximum of two clubs including admission and life membership.
- e) **Personal Accident insurance :**
Premium not exceeding Rs. 10,000 -per annum or such amount as may be permitted under the Income Tax Act.
- f) **Leave Travel Concession :**
First Class air passage for self, wife, dependent children and parents of the appointee once in a year.
- g) **Car :**
Provisions of car for official cum personal use, How-ever Valuation of the perquisite shall be made in line with the rules framed under the Income Tax Act.
- h) **Telephones :**
Provision of telephone at the residence of the appointee for official and personal use. How-ever, the use of the telephone for personal use shall be treated as a perquisite.
- (i) **Commission :**
The Managing Director shall also be entitled to commission of such amount as may be decided by the Board of Directors of the company for such financial year expiring after the date of his appointment, provided how-ever that the total remuneration paid or payable to the appointee in respect of each of the financial year shall not exceed 5% of the net profits of the company calculated as per the provisions of Section 349 and 350 of the Companies Act, 1956.

Other Perquisites :

The Managing Director shall also be entitled to other perquisites which are otherwise available to the employees of the company under the service rules of the company such as Provident Fund, Gratuity and leave encashment.

SIXTH ANNUAL REPORT

7. To consider and if thought fit, to pass, with or without modifications (s), the following resolution as an ordinary resolution :
- "Resolved that subject to the provisions of Section 269 and 311 read with Schedule XIII and other applicable provisions, if any of the Companies Act, 1956 Mr. Rajev Gupta be and is hereby appointed as the Executive Director of the company w.e.f. 24th June, 2000 on the following terms and conditions :
- a) **Salary :**
The Executive Director shall be paid a monthly salary upto Rs. 25,000/- P.M.
 - b) **Housing :**
 - (i) The Executive Director shall be provided by the company a fully furnished accomodation for which he shall be contributing a sum equivalent to 10% of the perquisite.
 - (ii) In case the accomodation is owned by the appointee, then 10% of his salary shall be deducted by the company.
 - (iii) In case no accomodation is provided by the company, then the appointee shall be entitled to House Rent Allowance in line with the company's rules and regulations.

The expenditure incurred by the company on gas, electricity, water and furnishing shall be valued as per the Income Tax Act Rules, 1963 or in accordance with such other directions or clarification as may be issued by the Department from time to time.
 - c) **Medical Re-imburement :**
Re-imburement of expenses incurred for by the appointee and his family subject to ceiling of one month's salary in a year or three month's salary over a period of three years.
 - d) **Club's Fees :**
Fees of clubs subject to a maximum of two clubs including admission and life membership.
 - e) **Personal Accident Insurance :**
Premium not exceeding Rs. 10,000 -per annum or such amount as may be permitted under the Income Tax Act.
 - f) **Leave Travel Concession :**
First Class air passage for self, wife, dependent children and parents of the appointee once in a year.
 - g) **Car :**
Provisions of car for official cum personal use, How-ever Valuation of the perquisite shall be made in line with the rules framed under the Income Tax Act.
 - h) **Telephones :**
Provision of telephone at the residence of the appointee for official and personal use. How-ever, the use of the telephone for personal use shall be treated as a perquisite.



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(i) **Commission :**

The Executive Director shall also be entitled to commission of such amount as may be decided by the Board of Directors of the company for such financial year expiring after the date of his appointment, provided how-ever that the total remuneration paid or payable to the appointee in respect of each of the financial year shall not exceed 5% of the net profits of the company calculated as per the provisions of Section 349 and 350 of the Companies Act, 1956.

Other Perquisites :

The Executive Director shall also be entitled to other perquisites which are otherwise available to the employees of the company under the service rules of the company such as Provident Fund, Gratuity and leave encashment.

8. To consider and if thought fit, to pass, with or without modifications (s), the following resolution as an ordinary resolution :

"Resolved that subject to the provisions of Section 269 and 311 read with Schedule XIII and other applicable provisions, if any of the Companies Act, 1956 Mr. Vivek Gupta be and is hereby appointed as the Executive Director of the company w.e.f. 24th June, 2000 on the following terms and conditions :

a) **Salary :**

The Executive Director shall be paid a monthly salary upto Rs. 25,000/- P.M.

b) **Housing :**

- (i) The Executive Director shall be provided by the company a fully furnished accomodation for which he shall be contributing a sum equivalent to 10% of the perquisite.
- (ii) In case the accomodation is owned by the appointee, then 10% of his salary shall be deducted by the company.
- (iii) In case no accomodation is provided by the company, then the appointee shall be entitled to House Rent Allowance in line with the company's rules and regulations.

The expenditure incurred by the company on gas, electricity, water and furnishing shall be valued as per the Income Tax Act Rules, 1963 or in accordance with such other directions or clarification as may be issued by the Department from time to time.

c) **Medical Re-imbusement :**

Re-imbusement of expenses incurred for by the appointee and his family subject to ceiling of one month's in a year or three month's salary over a period of three years.

d) **Club's Fees :**

Fees of clubs subject to a maximum of two clubs including admission and life membership.

SIXTH ANNUAL REPORT

- e) **Personal Accident insurance :**
Premium not exceeding Rs. 10,000 -per annum or such amount as may be permitted under the Income Tax Act.
- f) **Leave Travel Concession :**
First Class air passage for self, wife, dependent children and parents of the appointee in a year.
- g) **Car :**
Provisions of car for official cum personal use, How-ever Valuation of the perquisite shall be made in line with the rules framed under the Income Tax Act.
- h) **Telephones :**
Provisions of telephones at the residence of the appointee for official and personal use. How-ever, the use of the telephone for personal use shall be treated as a perquisite.
- (i) **Commission :**
The Executive Director shall also be entitled to commission of such amount as may be decided by the Board of Directors of the company for such financial year expiring after the date of his appointment, provided how-ever that the total remuneration paid or payable to the appointee in respect of each of the financial year shall not exceed 5% of the net profits of the company calculated as per the provisions of Section 349 and 350 of the Companies Act, 1956.
- Other Perquisites :**
The Executive Director shall also be entitled to other perquisites which are otherwise available to the employees of the company under the service rules of the company such as Provident Fund, Gratuity and leave encashment.

BY ORDER OF THE BOARD
FOR PADAM COTTON YARNS LTD.,

PLACE : Karnal
DATE : 13th July 2000

sd/-
(Rajev Gupta)



PADMA COTTON YARNS LIMITED

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and on poll to vote instead of himself and the proxy need not to be a member. Proxy forms should be deposited at the Registered Office of the company not later than 48 hours before the time fixed for the meeting.
2. The Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday the 5th Day of September., 2000 to Thursday the 7th Day of September 2000 (Both days inclusive)
3. Members are requested to notify the change of address, if any, to the company at the Registered Office of the Company immediately quoting the folio number under which the shares are held.
4. All queries relating to the accounts must be sent to the company at its Registered Office at least Ten days before the holding of the Annual General Meeting.
5. Members are requested to please bring the Annual Reports sent to them at the Annual General Meeting as the extra copies shall not be available.
6. Members/Proxies are requested to bring with them the attendance slip and handover at the entrance duly signed by them.
7. Members resident at New-Delhi interested to attend the Annual General Meeting at the new Registered Office at Karnal are requested to intimate the company atleast Fifteen days advance from the date of AGM so that the conveyance may be arranged for their convenience at the Company's expense. The confirmation in this regard will be sent to the members individually who will be interested to attend the Annual General Meeting at Karnal.
8. Members who have multiple folios in identical names or joint accounts in same order are requested to intimate the company, the ledger folios of such accounts to enable the company to consolidate all such shareholdings into one account.