



T T LIMITED

BOARD OF DIRECTORS	Mr. Rikhab C. Jain (Chairman & Managing Director) Justice (Retd.) U.N. Bhachawat Mr. Navratan Dugar Mr. Sanjay Kumar Jain Mrs. Jyoti Jain Dr. (Prof.) V.K. Kothari Mr. R. Krishnan (Nominee of ICICI)
COMPANY SECRETARY	Mr. Sunil Mahnot
AUDITORS	DOOGAR & ASSOCIATES
INTERNAL AUDITORS	R.S. MODI & CO.
BANKERS	A. Consortium : ORIENTAL BANK OF COMMERCE PUNJAB NATIONAL BANK B. Others: STATE BANK OF INDORE INDUSIND BANK LTD.
REGISTRAR & SHARE TRANSFER AGENTS (A) for physical	ALLIED COMPUTER TECHNIQS PVT. LTD. Flat No. 18, Block-A, Local Shopping Centre, Ring Road, Naraina, New Delhi - 110028 Phone : 5796461, 5795118, Fax : 011-5798451
(B) for Dematerialised	MAS SERVICES PVT LTD. AB-4, Safdarjung Enclave, New Delhi - 110 029 Ph.: 6104142, 6104292, 6104326 Fax: 011-6181091
REGISTERED OFFICE	879, East Park Road, Opp. Ajmal Khan Park Karol Bagh, New Delhi - 110 005 Phone : 3536317, 3537761-64 Fax: (0091-11)-7532283, 3550902 Internet: tti@giadl01.vsnl.net.in / ttlimited@bol.net.in Web site: http://www.tttextstyle.com
BRANCHES	Calcutta, Tirupur, Ghaziabad
100% E.O.U'S	Gajroula (Uttar Pradesh) Avinash (Haryana)

CERTIFIED TRUE COPY
for T T LIMITED

T T LIMITED**NOTICE**

NOTICE is hereby that the Twenty First Annual General Meeting of the Members of T T LIMITED will be held on Friday, the 29th September, 2000 at 4:00 p.m. at FICCI Auditorium, Tansen Marg, New Delhi-110001 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2000 and Profit & Loss Account for the year ended on that date and reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Sanjay kr. Jain, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Dr. (Prof.) V.K. Kothari who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

Place : New Delhi
Date : 29th July, 2000

Regd. Office :
879, East Park Road,
Opp. Ajmal Khan Park,
Karol Bagh, New Delhi - 110 005

BY ORDER OF THE BOARD

Sd/-
(SUNIL MAHNOT)
COMPANY SECRETARY

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NOTES:

- (i) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- (ii) Shareholders of erstwhile T.T.Finance Ltd. who have not got exchanged their share certificates are advised to surrender Share Certificates for exchange with certificates of the Company.
- (iii) Members are requested to notify the change in their address and such communications be addressed to the Registered Office of the Company or the Registrars and Share Transfer Agents of the Company.
- (iv) As a measure of economy, copies of Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their own copies of Annual Report to the Meeting.
- (v) The Register of Member and Share Transfer Books of the Company will remain closed from 19th September 2000 to 29th September 2000 (both days inclusive)

T T LIMITED**DIRECTORS' REPORT**

Your Directors have pleasure in presenting the Twenty First Annual Report of the Company together with the Audited Accounts for the year ended March 31 2000.

FINANCIAL RESULTS

	1999-2000 (Rs. in Lakh)	1998-99 (Rs. in Lakh)
Sales	10213.80	8726.88
Profit before Interest, Depreciation and Tax	1013.91	1082.76
Financial Charges	529.06	651.71
Depreciation	266.91	245.98
Provision for Income Tax	25.00	28.32
Profit After Tax	192.94	156.75
Balance Brought Forward from previous year	362.83	204.88
Addition on amalgamation	—	1.20
TOTAL	555.77	362.83
APPROPRIATIONS :		
Transfer to General Reserve	400.00	—
Balance Carried Forward	155.77	362.83
TOTAL	555.77	362.83

DIVIDEND

Financial Institutions and Consortium of Banks have not cleared our proposal for payment of dividend in order to conserve resources. Hence your Board is constrained to declare any dividend for this year.

REVIEW OF OPERATIONS & FUTURE OUTLOOK

Your company has done exceedingly well during the year under review despite difficult conditions prevailing.

Turnover of the Company has gone up from Rs. 87 Crores to Rs. 102 crores which is approx 17% higher than previous year. Profits of your Company have also shown increase from Rs. 1.57 crores to Rs. 1.93 crores. This means an increase of 23% over the last year.

As your company has still to make repayment of long term loans due for payment, dividend payment is not allowed by the financial institutions and banker's consortium.

During the year, your company's Mill at Vanashi, in Coimbatore District has also obtained ISO 9002 Quality Certificate. ISO Quality Certification for Merchant Exports also at the final stage.

Your company does not have any public deposit or long term loan overdue.

During the current year your company expects to achieve turnover of Rs. 125 crores primarily adding turnover on merchant export side.

WHOLLY OWNED SUBSIDIARY IN SINGAPORE

Your company's wholly owned subsidiary (WOS) incorporated in Singapore could not be taken off well as intended in the arena of international commodity market. WOS was intended to do business mainly trading of commodity for which Bank of India, Singapore has sanctioned loan and working capital facilities. But for certain unavoidable circumstances and depressed international market, plan has not been implemented.

Remittance was made only to meet salary, communication and rental expenses and during the first accounting period ended 31-03-2000, WOS has used entire capital to meet minimum office expenses.

In the month of July 1999, the WOS office has been further pruned to smaller office cum residence curtailing office expenses considerably. The single person residential office now confined to sale cotton yarn only to Singapore, Indonesian and Malaysian Market.

The expenses now incurred have been confined not to exceed earnings. It is expected that by this year additional expenses made during first year will be made good and capital of the company would be restored.

In future commodity trading would be started at an appropriate time after review.

T T LIMITED**DEPOSITORY SYSTEM :**

During the year under review, your company has entered into agreements with both the depositories i.e., National Securities Depository Ltd (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialisation of equity shares in accordance with provisions of the Depositories Act, 1996.

Shareholders now have the option to hold/trade in the company's equity shares in dematerialised form also.

Y2K COMPLIANCE

The company has taken necessary step in connection with addressing the issue of Y2K compliance and the roll over to the year 2000 was smooth.

DIRECTORS

Shri Sanjay Kumar Jain and Dr. (Prof.) V.K. Kothari retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for reappointment.

AUDITORS

M/s Doogar & Associates, Chartered Accountants, who have been the Statutory Auditors of the Company are at the conclusion of this Annual General Meeting and being eligible offer themselves for reappointment.

PUBLIC DEPOSITS

The company has accepted deposits and the information as per directions of Reserve Bank of India is given below:-

- | | |
|---|-----|
| (i) Total number of depositors whose deposits have not been claimed or paid by the company after the date on which the deposit become due | Nil |
| (ii) Total amount due to the depositors and remaining unclaimed or unpaid | Nil |

PERSONNEL

Information as per Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 are given in the statement which form a part of this report. However as per the provisions of section 219(1)(iv) of the Companies Act, 1956, the report and accounts are being sent to all shareholders of the Company excluding the aforesaid information. Any shareholder interested in obtaining a copy of the particulars may write to the company's Registered Office.

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

The information required to be furnished under Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 relating to Conservation of Energy Technology absorption and Foreign Exchange earnings and outgo is annexed herewith and forming part of this report.

ACKNOWLEDGEMENT

Your Directors place on record their sincere appreciation of the services rendered by the employees of the Company. They are grateful to shareholders, banks, financial institutions, depositors, customers and suppliers of the company for their continued valued support.

Place : New Delhi

Date : 29th July, 2000

For and on behalf of the Board

Sd/-

(RIKHAB C. JAIN)

CHAIRMAN & MANAGING DIRECTOR

T T LIMITED**ANNEXURE TO THE DIRECTORS' REPORT**

Information pursuant to the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.

A. CONSERVATION OF ENERGY:

- (a) Energy Conservation measures taken: The Company has always been conscious of the need to conserve energy. The Company is continuously identifying areas where energy can be saved and appropriate measures have been taken for optimizing the energy conservation.
- b) Additional investments and proposals:
- (i) The current power tariff applicable to company is very high. Further the Company has also suffered because of poor quality of power. These problems to a large extent have been overcome by reducing connected load from electricity board. Due to lower cost of captive generation per unit, company has decided to use 50% power from the captive sources. This will result in substantial saving in cost to the Company.
- (ii) Replacement of old D.G. Sets with latest model multi-fuel energy efficient D.G. sets reduced generation cost to a large extent.
- (iii) Replacement of existing humidification supply and return fans with R.P.F. fans lead to direct saving of energy.
- (c) Impact of the measures at (a) and (b) for reduction of energy consumption and consequent impact on the cost of production of goods:
The impact of the measures taken above, would result in reduction in energy consumption in future years to come.
- (d) Total energy consumptions energy consumption per unit of production:

A	Power and fuel consumption	1999-2000	1998-1999
1)	Electricity (KWH)		
a)	Purchased (Units)	3131549.00	2665694.00
	Total Amount (Rs)	13410767.00	11533205.00
	Rate per unit (Rs)	4.28	4.33
b)	Own Generation		
	Through Diesel Generator		
	Units	8200183.00	9410133.00
	Units per Ltr. of Diesel Oil	3.395	3.41
	Cost/Unit	3.295	2.84
2)	Coal	Not used	Not used
3)	Furnace Oil	Not used	Not used
B.	Consumption per unit (Yarn in Kg.) of Production		
	Electricity	3.795	3.62

B. RESEARCH AND DEVELOPMENT

- a) Specific areas on which R & D carried out by the Company: Research and Development has been carried out for quality improvement.
- b) Benefits derived as a result of the above R & D: The Company was able to improve the quality of its ongoing product.
- c) Future plan of action : Continuous efforts is being made for quality improvement.
- d) Expenditure on R&D: No separate account is being maintained by the company for the expenditure incurred on R&D.

C. TECHNOLOGY ABSORPTION:

The technology developed as a result of R&D activity was properly absorbed which has resulted in product improvement and cost reduction. We have not made any import of technology so far.

D. FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Company's main thrust area had been exports and is further initiating globalisation of its operations mainly in textiles. During the year under review your company has exported goods worth Rs. 7263.49 lakh as compared to last year Rs. 5780.59 lakh. The details of foreign exchange earnings and outgo are given in the Notes to the accounts which forms a part of the Annual Report.

Place : New Delhi
Date : 29th July, 2000

For and on behalf of the Board
Sd/-
(RIKHAB C. JAIN)
CHAIRMAN & MANAGING DIRECTOR

TT LIMITED**AUDITORS' REPORT**

To the members of TT Limited

We have audited the attached Balance Sheet of TT Limited as at 31st March 2000 and the Profit & Loss Account for the year ended on that date annexed thereto.

As required by the Manufacturing and Other Companies (Auditors Report) order, 1988 issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956 we give our comments on the matters specified in paragraph 4 & 5 of the said order.

1. The Company is maintaining records showing particulars including quantitative details and situation of fixed assets. Major fixed assets have been physically verified by the management during the year. No material discrepancy was noticed on such verification.
 2. None of the Fixed Assets have been revalued by the company during the year except to the extent of restatement of foreign currency loan.
 3. Physical verification has been conducted by the management at reasonable intervals in respect of finished goods, stores, spare parts and raw material except material lying with third parties and in transit.
 4. The procedure of physical verification of stock followed by the managements is reasonable and adequate in relation to the size of the Company and the nature of its business.
 5. No material discrepancies has been noticed on physical verification of stocks as compared to the book records in view of the nature of activities of the company the same have been properly dealt within the books of account wherever considered appropriate.
 6. During the year the company has changed in compliance with the revised Accounting Standard (AS-2) "Valuation of Inventories" of raw materials, stores and spare parts and packing material from cost to lower of cost or net realisable value. Further in respect of valuation of work-in-progress and finished goods the company has excluded certain indirect conversion costs for arriving at the value of closing stocks. The change has resulted in valuation of inventories being lower by Rs. 8.11 lacs. In our opinion and on the basis of our examination of stock records, the valuation of stocks is fair and proper in accordance with normally accepted accounting principles.
 7. The company has not taken any loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. In terms of Sub-section (6) of Section 370 of the Companies Act, 1956, provisions of the Section are not applicable to a Company on or after 31st October, 1998.
 8. The Company has granted unsecured loans to Companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. The rate of interest and other terms and conditions of the loans granted are not prejudicial to the interest of the Company. In terms of sub-sections (6) of Section 370 of the Companies Act, 1956, provisions of the section are not applicable to a Company on or after 31st October, 1998.
 9. Loans and advances in the nature of loans have been given to the employees and other parties, the repayment thereof are generally regular as per stipulation, wherever made.
 10. There are adequate internal control procedure commensurate with the size of the company and nature of its business for the purchase of stores, machinery equipment and other assets and with regard to sale of goods.
 11. In our opinion and as per explanation given to us the transactions of purchase of goods and sale of goods, material and service made in pursuance of contracts of arrangements entered in the register maintained under section 301 of Companies Act, 1956 and aggregating to Rs. 50000/- or more during the year in respect of each party have been made at prices which are reasonable having regard to prevailing market prices such goods for material or services at the prices at which transactions for similar goods or services have been made with other parties.
 12. As explained to us the Company has a regular procedure for determination of unservicable and damaged stores raw material and finished goods. For such goods, adequate amount has been written off in the accounts for the estimated losses assessed by the company.
 13. In our opinion, the company complied with the provisions of section 58A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public.
 14. In our opinion, the company has maintained reasonable records for the sale and disposal of realisable production scrap/waste. The Company has no by-products.
 15. In our opinion the company has an internal Audit system commensurate with the size of the Company and nature of its business.
 16. The Cost Accounts and records of Spinning Mills for the year 1998-1999 and 1999-2000 prescribed by the Central Government under section 203(i) (d) of the Companies Act 1956 are under compilation.
 17. The company is generally regular in depositing the Provident Funds and Employees State Insurance dues with the appropriate authorities. As informed to us ESI is not applicable for Company's Spinning Mill at Gajroula.
 18. There were no undisputed amounts payable in respect of Income Tax, Sales Tax, Custom Duty and Excise Duty outstanding as at the last date of financial year ~~for~~ more than six months from the date it became payable.
 19. Personal expenses of employees or directors have been charged to revenue account, other than those payable under contractual obligation in accordance with the generally accepted business practice.
 20. The Company is not a Sick Industrial Company within the meaning of clause (O) of sub section (1) of section 3 of the Sick Industrial Companies (Special Provisions) Act, 1956.
 21. In the case of trading activities of the Company, there were no damaged goods.
- IN VIEW OF THE ABOVE WE REPORT THAT**
- a. We have obtained all informations 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 accounts as required by the law have been kept by the company so far as it appears from our examination of these books.
 - c. In our opinion, the Profit and Loss Account and the Balance Sheet comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 to the extent applicable.
 - d. The Balance Sheet and profit & Loss Account dealt with by this report are in agreement with the books of accounts.
 - e. The Company has continued to consider plant & machinery at Spinning Units as continuous process plant within the meaning of footnote No. 1 to the schedule XIV as amended by Companies Act, 1956 and has accordingly provided depreciation. This being technical matter, we have not formed an independent opinion on such classification of assets and are therefore unable to comment thereon (b) Accounting of depreciation of assets leased/on hire as per the rates given in Schedule XIV of the Companies Act, 1956 instead of accounting of the same to ensure depreciation over the tenure of the lease and the impact of which is neither ascertained nor disclosed. Subject to above in our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the accounting policies and notes to accounts give the information required under the Companies Act, 1956 in the manner so required and give a true and fair view:
 - f. In the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 2000 and
 - g. In the case of the Profit & Loss Account of the Profit for the year ended on that date.

Place New Delhi
Date 29th July 2000

For Doogar & Associates
Chartered Accountants
Sd/-
(MUKESH GOYAL)
PARTNER

T T LIMITED**BALANCE SHEET AS AT 31ST MARCH, 2000**

PARTICULARS	SCHEDULE	Current Year Rs.	Previous Year Rs.
I. SOURCE OF FUNDS			
1. Share Capital	1A	107490250.00	90070000.00
Share Capital Suspense	1B	0.00	17420250.00
Reserves & Surplus	2	258839557.29	243343596.83
2. LOAN FUNDS			
Secured Loans	3	243360626.00	279953796.51
Unsecured Loans	4	29104944.59	29898848.59
Security Deposits		1781829.00	5567054.17
		<u>640577206.88</u>	<u>666253546.10</u>
II APPLICATION OF FUNDS			
1. FIXED ASSETS			
Gross Block	5	583282540.82	575614482.06
Less: Depreciation		137804456.99	110991714.05
Net Block		445478083.83	464622768.01
Capital work in progress/Advances		1513137.25	1208050.32
		<u>446991221.08</u>	<u>465830818.33</u>
2. Investments	6	9733465.57	10186465.57
3 i. Current Assets, Loans & Advances		248946491.37	271263494.87
ii. Less: Current Liabilities & Provisions		<u>67331375.14</u>	<u>84599080.43</u>
Net Current Assets (i-ii)	7	181615116.23	186664414.44
4. Deferred revenue expenses (To the extent not written off)	8	2237404.00	3571847.76
		<u>640577206.88</u>	<u>666253546.10</u>

NOTES TO ACCOUNTS & ACCOUNTING POLICIES : 15

As per our report of even date attached.

for **DOOGAR & ASSOCIATES**
Chartered Accountants

for and on behalf of the Board

(MUKESH GOYAL)
Partner(RIKHAB C. JAIN)
Chairman & Managing Director(SANJAY KR. JAIN)
Director(SUNIL MAHNOT)
Company SecretaryPLACE : NEW DELHI
DATE : 29.07.2000