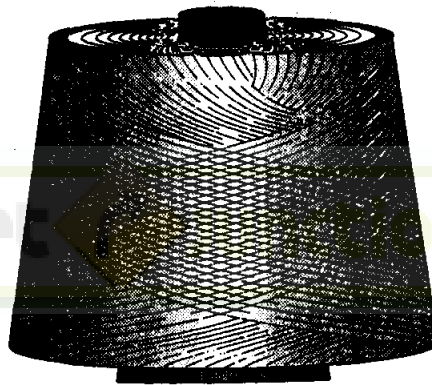


Tamilnadu

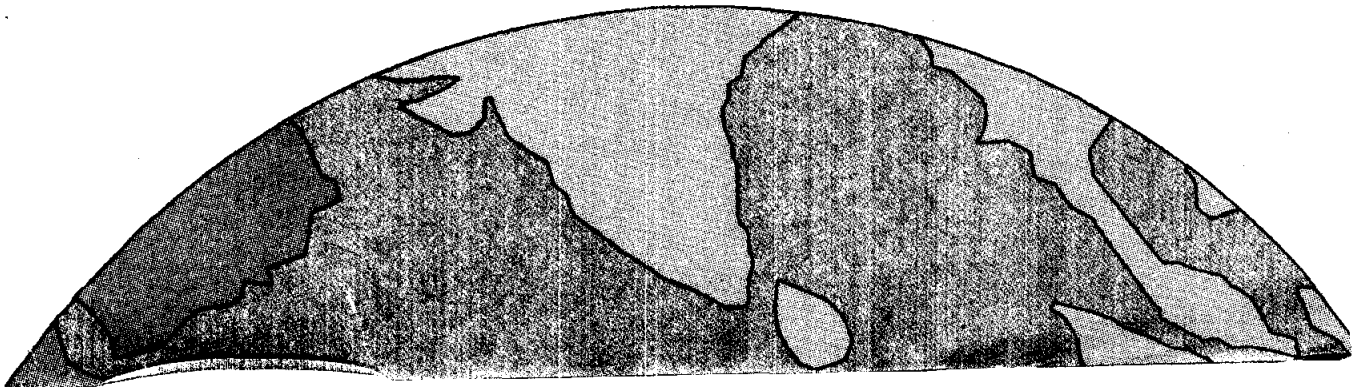
JAI BHARATH

Mills Limited



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12th Annual Report 2000 - 2001





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Names & Addresses of the Stock Exchanges	
1)	MADRAS STOCK EXCHANGE LTD (Regional Stock Exchange) Post Box No. 183 Second Line Beach Chennai - 600 001.
2)	MUMBAI STOCK EXCHANGE Phiroze Jeejeebhoy Towers Dalal Street Fort, Mumbai - 400 001.
3)	AHMEDABAD STOCK EXCHANGE Kamadhenu Complex, Near Polytechnic Panjarapole Ahmedabad -380 015.

JALBHARATH

BOARD OF DIRECTORS

Shri. K.G.Appusamy (Chairman)
 Shri. T.R.Dhinakaran (Managing Director)
 Shri. Justice. G.Ramanujam (Retd)
 Shri. J.Sree Rajasegaran
 Shri. P.R.Prabhakar
 Shri. Chandrasinh Hansraj Mirani
 Shri. T.R.Varadarajan
 Shri. Pawan Kumar Kedia
 Shri. T.R.Kannan
 Shri. Subodh Santhilal Chokshi
 Shri. D.Senthikumar
 Shri. G.Thanabalan (IDBI Nominee)

COMPANY SECRETARY

C.THIRUMALAI

AUDITORS

M/s. Krishnan & Raman
 Chartered Accountants, Rajapalayam

M/s. K.Subramanian & Co.,
 Chartered Accountants, Madurai.

BANKERS :

State Bank of India

FINANCIAL INSTITUTION

Industrial Development Bank of India

REGISTERED OFFICE

212, Ramasamy Nagar,
 Aruppukottai - 626 159.

CORPORATE OFFICE

T-1, III Floor, JVL Paradise,
 49, New Avadi Road,
 Kilpauk, Chennai - 600 010.

SHARE TRANSFER

Being Done In-House at Corporate Office,
 T-1, III Floor, JVL Paradise,
 49, New Avadi Road, Kilpauk, Chennai - 600 010.

FACTORY

Malayankulam village, Sankarankovil,
 Thirunelveli District - 627 754.

Shareholders are requested to bring their copy of the Annual Report along with them at the Annual General Meeting as Copies of the Report will not be distributed at the Meeting.

ஆக்கம் கருதி முதலிழக்கும் செய்வினை
 ஊக்கார் அறிவுடையார்

திருக்குறள்

The wise conserve what is already gained
 Before entering on a doubtful enterprise.

Thirukkural



NOTICE OF THE 12TH ANNUAL GENERAL MEETING OF THE SHAREHOLDERS.

Notice is hereby given that the 12th Annual General Meeting of the Shareholders of the company will be held on Monday the 30th July 2001 at 4.00 P.M., at Sri Jayavilas Subbaraj Kalyana Mandapam, Sri Meenakshi Chockanathar Swami Temple Campus, Tiruchuzhi Road, Aruppukottai – 626 159 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Profit and Loss Account for the year ended 31st March 2001 and the Audited Balance sheet as on that date and the reports of the Board of Directors and Auditors' thereon.
2. To appoint a Director in the place of Shri. S.S.Chokshi who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in the place of Shri. P. R.Prabhakar who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in the place of Shri. T.R.Varadarajan who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint a Director in the place of Shri. J.Sree Rajasegaran who retires by rotation and being eligible offers himself for re-appointment.
6. To appoint Auditors of the company and fix their remuneration.

NOTES:

1. A Member entitled to attend and vote is entitled to appoint a Proxy to attend and vote instead of himself/herself. Such Proxy need not be a member of the company. Proxies, in order to be effective, must be received by the company not less than 48 hours before the Annual General Meeting .
2. The Register of Members and the Share Transfer Books of the Company will remain closed from 16th July 2001 to 30th July 2001 (both days inclusive).
3. Members are requested to bring their copies of the Annual Report and Accounts to the Meeting.
4. Members/Proxies should bring the Attendance Slip duly filled in for attending the Meeting.
5. Members are requested to mail all their correspondence relating to share transfers to the Corporate Office of our Company.

Place : Chennai
Date : 2nd June, 2001

By order of the Board
T.R.Dhinakaran
Managing Director



DIRECTORS' REPORT

To

The Members, Tamilnadu Jai Bharath Mills Ltd.,

Ladies and Gentlemen,

The Directors hereby present their Twelfth Annual Report on the Business and Operations of the Company and Financial Results for the year ended 31st March, 2001.

FINANCIAL RESULTS:	2000-2001	1999-2000
	Rs.	Rs.
Profit from Operations before Depreciation	5,88,47,653	2,89,48,460
Less: Depreciation	3,07,13,160	2,99,63,080
Profit (+)/Loss(-) after Depreciation	(+) 2,81,34,493	(-) 10,14,620
Provision for Tax for earlier years	8,00,000	—
NET PROFIT(+)/LOSS(-)	(+) 2,73,34,493	(-) 10,14,620
Balance of Loss as per last Balance Sheet	(-) 4,73,74,920	(-)4,63,60,300
Balance of LOSS carried over to Next Year	(-) 2,00,40,427	(-)4,73,74,920

TURNOVER:

The Company has achieved an overall Turnover of Rs.46.12 Crores during the year against turnover of Rs.44.30 Crores for the previous year. This Spurt in Turnover is due to better price realisation.

DIVIDEND:

We regret the inability to declare any Dividend for the year 2000-2001 due to resultant carry over Loss.

FUTURE:

The future trends of Cotton Prices and yarn realisation rate shall decide the Operative results of the Company in the coming years too.

FIXED DEPOSIT:

There is no unclaimed Fixed Deposit remaining with the Company as on 31.03.2001.

PERSONNEL :

Particulars of Employees pursuant to the provisions of Sec. 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended upto date.

Employees who were paid Remuneration in aggregate of Rs.12,00,000/= per annum. NIL

Employees who were paid Rs.1,00,000/= or more per month in any part of this year. NIL

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed:

- that in the preparation of the annual accounts for the financial year ended 31st March, 2001, the applicable accounting standards had been followed alongwith proper explanation relating to material departures;
- that the directors had selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review;
- that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the directors had prepared the accounts for the financial year ended 31st March, 2001 on a 'going concern' basis.

AUDIT COMMITTEE:

An Audit Committee consisting of the following non-executive directors has been formed during the Board Meeting held on 27th January, 2001.

- Shri. Justice G.Ramanujam (Retd.).
- Shri. P.R.Prabhakar.
- Shri. D.Senthilkumar.

DIRECTORS:

Shri. S.S.Chokshi, Shri. P.R. Prabhakar, Shri. T.R.Varadarajan and Shri. J.Sree Rajasegaran are the Directors who retire by rotation and being eligible, offer themselves for re-appointment.

AUDITORS:

M/s. Krishnan & Raman, Rajapalayam and M/s. K.Subramanian & Co., Madurai, the Auditors of the Company hold Office till the conclusion of the Twelfth Annual General Meeting and are recommended for re-appointment.

The notes forming part of the Accounts referred to in the Auditors' Report are self-explanatory and complete.

INFORMATION AS PER SECTION 217(1)(E) OF THE COMPANIES ACT, 1956.

Particulars required under Companies (Disclosure of particulars in the report of Board of Directors) Rule, 1988 as amended are furnished in the annexure.

ACKNOWLEDGEMENT:

Your Directors would like to, on behalf of the Company, thank the State Bank of India, Bank of Nova Scotia, Industrial Development Bank of India and various Government Agencies for their continued support. We thank our valued Shareholders, Fixed Deposit Holders and Customers for their contribution to the growth and would also like to place on record our appreciation for the Employees for their overwhelming Co-operation and Performance.

Place : Chennai
Date : 2nd June, 2001

For and on Behalf of the Board
T.R.Dhinakaran,
Managing Director.
Justice. G. Ramanujam (Retd.),
Director.

ANNEXURE TO DIRECTORS' REPORT

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

A. CONSERVATION OF ENERGY:

- (a) Energy Conservation measures taken:
1. Periodical energy analysis are being carried out to monitor the usage of energy.
 2. Factory Building by itself has been designed to receive maximum natural light in the day time so much to say that electrified lighting is not necessary during the day.
 3. Adopting suggestions formulated by SITRA, Coimbatore for energy conservation.
- (b) Additional investments and proposals if any, being implemented for reduction of consumption of energy:
- (c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of Production of goods.
- (d) Total energy consumption and energy consumption per unit of production.

1. Periodical energy analysis are being carried out to monitor the usage of energy.

2. Factory Building by itself has been designed to receive maximum natural light in the day time so much to say that electrified lighting is not necessary during the day.

3. Adopting suggestions formulated by SITRA, Coimbatore for energy conservation.

Energy saving and conservation devices are installed.

Consumption of energy has been closely monitored and usage is optimised.

Particulars are given in form 'A'

B. TECHNOLOGY ABSORPTION:

- (e) Efforts made in technology absorption.

Particulars are given in Form "B"

C. FOREIGN EXCHANGE EARNINGS AND OUT GO:

- (f) Activities relating to export initiative taken to increase exports and development of new export markets for products and services.
- (g) Total Foreign Exchange used:

1) Capital Expenditure	: Rs.12,32,009/=
2) Foreign Travel	: Rs.NIL
3) Consumable Spares	: Rs.17,32,812/=
4) Raw Materials	: Rs.23,29,53,322/=
5) Others	: Rs.25,17,634/=

(h) Total Foreign Exchange earned in C & F:

Export Sale of Cotton yarn : Rs. 4183.28 Lakhs.

ANNEXURE: FORM "A"

Year Ended	Year Ended
31.03.2001	31.03.2000

A) Power & Fuel Consumption:**1) Electricity****a) Purchased:**

Units in	KWH	1,64,24,724	1,18,26,573
Total Amount	Rs.	6,61,87,385	4,61,55,654
Av. Rate per unit	Rs.	4.03	3.90

b) Own Generation:**Through Diesel****Generation:**

Units in	KWH	29,65,289	51,64,906
Unit per Litre		3.36	3.42
Cost per unit	Rs.	3.88	2.97

2) Coal, Furnace oil and other**Internal Generation**

: Not Applicable.

B. Consumption per unit of Production:

Electricity unit consumed per kg. of yarn is 4.85 as compared to 5.10 in last year.

ANNEXURE: FORM "B"**Research and Development:-**

1. Special areas in which R & D carried out by the company
 1. Grading of Cotton for specific count and quality of yarn.
 2. Evaluation and maintenance of quality of yarn at the various stages of processing and optimising the process parameters to achieve the best yarn quality to meet the International Standards.
2. Benefit derived as a result of the above R & D

: Existing and future overseas sales contracts.
3. Future Plan of Action

: To compete effectively in the International Market.
4. Expenditure on R & D

a) Capital	: Rs.1,21,651/=
	(Imported-Testing equipment -FE Fluctuation Adjustment.)
b) Recurring	: Rs. 27,622/=.
c) Total	: Rs.1,49,273/=
- d) Total R & D expenditure as percentage of total turnover (Gross Receipts)

: 0.032%

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

1. Efforts, in brief, made towards technology absorption, adaptation and innovation benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution etc.

: Continuous efforts are made towards technology absorption. Priority is being given to improve the quality of the products and increasing productivity through effective measures.
2. Imported Technology

: NIL