

THANJAVUR SPINNING MILL LIMITED



FIFTY SECOND ANNUAL REPORT AND ACCOUNTS

2013 - 2014



SHRI. K. TIRUVENGADA MUDALIAR
Founder



SHRI P.A.C. RAMASAMY RAJA



THANJAVUR SPINNING MILL LIMITED

BOARD OF DIRECTORS :

Shri P.R. RAMASUBRAHMANEYA RAJHA, B.Sc.
Chairman

Dr. K.T. KRISHNAN, M.D., Managing Director

Shri K.T. RAMACHANDRAN

Shri P.R. VENKETRAMA RAJA

Shri S. KANTHIMATHINATHAN

Shri S. KRISHNASWAMY KAMAYA NAICKER

Shri R. SIVASUBRAMANIAN

BANKERS

AXIS BANK LTD.

CANARA BANK

INDIAN BANK

KARUR VYSYA BANK LTD.

TAMILNAD MERCANTILE BANK LTD.

REGISTERED OFFICE :

“Rajapalayam Mills Premises”,
P.A.C. Ramasamy Raja Salai,
RAJAPALAYAM - 626 117,
Tamil Nadu.
Corporate Identification Number :
L17111TN1961PLC004505
Phone : 04563-235666
Fax : 04563-236520
E-mail : tsml@ramcotex.com
Website: www.thanjavurspinningmill.co.in

FACTORY :

Vallam One Road,
Thanjavur - 613 005.

AUDITORS :

M/s. N.A. JAYARAMAN & CO.,
Chartered Accountants,
9, Cedar Wood, No. 11, 4th Main Road,
Raja Annamalaipuram,
Chennai - 600 028.

CONTENTS

Notice to the Members	2
Directors' Report	7
Auditors' Report	20
Balance Sheet	24
Statement of Profit & Loss	25
Cash Flow Statement	26
Notes to Financial Statements	27

THANJAVUR SPINNING MILL LIMITED

NOTICE TO THE MEMBERS

NOTICE is hereby given that the 52nd Annual General Meeting of the Company will be held at 11.30 A.M. on Monday, the 4th August, 2014 at P.A.C. Ramasamy Raja Centenary Community Hall, P.A.C. Ramasamy Raja Salai, Rajapalayam - 626 108, Tamil Nadu to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Statement of Profit and Loss for the year ended 31st March, 2014 and the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.
2. a) To appoint a Director in the place of Shri. P.R. Venketrama Raja who retires by rotation and is eligible for re-appointment.
b) To appoint a Director in the place of Shri. R. Sivasubramanian, who retires by rotation and is eligible for re-appointment.
3. To appoint Auditors and, if thought fit, to pass with or without modification, the following Resolution as an ORDINARY RESOLUTION:

"RESOLVED that Shri. R. Palaniappan, Prop., M/s. N.A.Jayaraman & Co., Chartered Accountants be and are hereby appointed as Auditors of the Company to hold Office from the conclusion of this Meeting till the conclusion of the 55th Annual General Meeting.

RESOLVED FURTHER that Auditors shall be paid for the financial year 2014-2015 a remuneration of Rs.75,000/- (Rupees Seventy Five Thousand only) per year, exclusive of out-of-pocket expenses and for the financial years 2015-2016 and 2016-2017, the Board of Directors are authorised to fix the remuneration based on the recommendation of the Audit Committee".

SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass with or without modification, the following Resolution as an ORDINARY RESOLUTION:

"RESOLVED that pursuant to Section 149, 152 and such other provisions as applicable, of the Companies Act, 2013 and the Rules thereunder, Shri. S.Kanthimathinathan (DIN 01124581), Director of the Company who has been appointed as Additional Director and holds office until this Annual General Meeting, and in respect of whom the Company has received a notice in writing from a Member, proposing his candidature for the office of Director is be and hereby appointed as a Director of the Company liable to retire by rotation."

5. To consider and, if thought fit, to pass with or without modification, the following Resolution as SPECIAL RESOLUTION:

"RESOLVED that subject to the approval of the Financial Institutions/Banks, in supersession of the resolution passed at the Annual General Meeting held on 04th August 2010 and pursuant to Section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 and the Articles of Association of the Company, the consent of the Company be and is hereby accorded to the Board of Directors of the Company for borrowing from time to time any sum or sums of money which together with the moneys already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the Company and its free reserves, provided that the maximum amount of moneys so outstanding, shall not at any time exceed Rs.250 Crores (Rupees Two hundred and Fifty crores only)."

By order of the Board,
For THANJAVUR SPINNING MILL LIMITED,

P.R. RAMASUBRAHMANEYA RAJHA,
CHAIRMAN

RAJAPALAYAM,
25-05-2014.

THANJAVUR SPINNING MILL LIMITED

NOTE :

1. Statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts related to each item of Special Business is annexed hereto;
2. A member entitled to attend at the meeting is entitled to appoint a Proxy to attend instead of himself and the Proxy need not be a Member of the Company. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. Proxy Form is enclosed. Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting. Proxies submitted on behalf of the companies, societies, etc., must be supported by an appropriate resolution/authority, as applicable;
3. The Register of Member and Share Transfer Register of the Company will be closed from 30.07.2014 to 04.08.2014 (both days inclusive).
4. Under the provisions of Section 124 (5) of the Companies Act, 2013 dividends remaining unpaid for a period of over 7 years will be transferred to the Investor Education & Protection Fund of the Central Government. Thereafter no claim shall lie against the Fund or the Company and no payment will be made in respect of any such claims. Hence, the members who have not claimed their dividend relating to the year 2006-2007 and 2007-2008 may write to the Company for claiming the amount before it is so transferred to the fund. The details of due dates for transfer of such unclaimed dividend to the said fund are:

FINANCIAL YEAR ENDED	DATE OF DECLARATION OF DIVIDEND	LAST DATE FOR CLAIMING UNPAID DIVIDEND	DUE DATE FOR TRANSFER TO IEP FUND
31.03.2007	25.07.2007	24.07.2014	22.08.2014
31.03.2008	06.08.2008	05.08.2015	03.09.2015

5. Electronic copy of the Notice for the Annual General Meeting and the Annual Report for 2013-14 are being sent to all the members whose E-Mail IDs are registered with the Company / Depository Participant(s). Physical copy of the Notice together with the Annual Report are being sent in permitted mode, to members for whom the E-Mail IDs are not available and who have requested for physical copies. The Notice and the Annual Report are also available on the Company's Website - www.thanjavurspinningmill.co.in for their download.
6. Under Rule 18 of Companies (Management and Administration) Rules, 2014, Members, who have not got their E-Mail IDs recorded are requested to register their E-Mail address and changes therein with the Company in respect of physical shares and with Depository Participants in respect of dematerialised shares.
7. Voting through electronic means
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is providing members facility to exercise their right to vote at the 52nd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL) :

The instructions for e-voting are as under:

 - A. In case a Member receives an email [for members whose email IDs are registered with the Company/ Depository Participants(s)]:
 - (i) Log on to the e-voting website www.evotingindia.com
 - (ii) Click on "Shareholders" tab.
 - (iii) Now, select the "THANJAVUR SPINNING MILL LIMITED" from the drop down menu and click on "SUBMIT"
 - (iv) Now Enter your User ID

THANJAVUR SPINNING MILL LIMITED

- a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none">• Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 (<i>Sl. No. mentioned in your address label can be used as Sequence No. for this purpose</i>) then enter RA00000001 in the PAN field.
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none">• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant to Thanjavur Spinning Mill Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

THANJAVUR SPINNING MILL LIMITED

- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

B. In case of members receiving the physical copy:

In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company / Depository Participants(s) or have requested for physical copy]

Please follow all steps from Sl. No. (i) to Sl. No. (xvii) above to cast vote.

- II. The voting period begins on 28.07.2014 (9.00 am) and ends on 30.07.2014 (6.00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 30.06.2014 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- III. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
- IV. If you are already registered with CDSL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
- V. Shri. R. Palaniappan, (Membership No. : 205112), Proprietor, M/s. N.A. Jayaraman & Co, Chartered Accountants has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VI. The Scrutinizer shall within a period not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- VII. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.thanjavurspinningmill.co.in and on the website of CDSL within two days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchange.

By order of the Board,
For THANJAVUR SPINNING MILL LIMITED,

P.R. RAMASUBRAHMANEYA RAJHA,
CHAIRMAN

RAJAPALAYAM,
25-05-2014.

THANJAVUR SPINNING MILL LIMITED

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM No. 4

Shri S.Kanthimathinathan, aged 71 years, was appointed as an Additional Director by the Board of Directors of the Company on 04.09.2013. He holds office till the date of the Annual General Meeting. Under Section 160 of the Companies Act, 2013 a notice in writing has been received from a Member signifying his intention to propose the appointment of Shri S. Kanthimathinathan as a Director at the Annual General Meeting.

Shri S.Kanthimathinathan is the President of M/s. Rajapalayam Mills Ltd. He is having specialized knowledge and rich experience in Textile Industry.

He is presently a Director in the following Companies:

1. The Ramaraju Surgical Cotton Mills Limited
2. Sandhya Spinning Mill Limited
3. Sri Harini Textiles Limited
4. Sri Vishnu Shankar Mill Limited
5. Rajapalayam Textiles Limited

None of the Directors is deemed to be interested in the resolution.

ITEM No. 5

The Members of the Company at the Annual General Meeting held on 04-08-2010 have passed an Ordinary Resolution, permitting the Company to borrow such that the maximum outstanding amount shall not, at any time exceed Rs.250 crores, under Section 293(1)(d) of the Companies Act, 1956.

As per Circular No:4/2014 dated 25-3-2014, issued by Ministry of Corporate Affairs, the validity of the resolution is restricted upto 11-09-2014.

Under Section 180(1)(c) of the Companies Act, 2013, the Board of Directors are entitled to borrow in excess of the Company's Paid-up Capital and Free Reserves, with the consent of the Members by way of Special Resolution. Accordingly, approval is sought from Members by way of Special Resolution to authorise the Board of Directors to borrow such that the maximum outstanding, shall not at any time exceed Rs.250 crores.

As provided under Section 180(1)(c) of the Companies Act, 2013, the limit is exclusive of loans repayable on demand or within six months from the date of the loan such as short term, cash credit, discounting of bills and other short term loans of seasonal character.

Your Directors recommend the resolution for your approval.

None of the Directors, Key Managerial Personnel or their relatives are deemed to be interested in this Resolution.

RAJAPALAYAM,
25-05-2014.

By order of the Board,
For THANJAVUR SPINNING MILL LIMITED,
P.R. RAMASUBRAHMANEYA RAJHA,
CHAIRMAN