



# White House

## Cotton Industries Limited

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**9th ANNUAL REPORT**

**1999-2000**

**WHITE HOUSE COTTON INDUSTRIES LIMITED**

**BOARD OF DIRECTORS**

**A. ABDUL BARI**

**CHAIRMAN AND MANAGING DIRECTOR**

**A. ABDUL TAHIR**

**A. ABDUL WAJEED**

**A. MOHAMED IDRIS**

**A. MOHAMED ELYAS**

**A. MOHAMED MUKHTAR**

**WHOLE-TIME DIRECTOR**

**A. MOHAMED SHERIFF**

**R. SIVASAILAM**

**J. RADHAKRISHNAN**

**D.P. VENKATARAMAN**

**COMPANY SECRETARY**

**L.B. JAYARAM**

**AUDITORS**

**M/s. SOMASUNDARAM & SIVARAMAN**  
CHARTERED ACCOUNTANTS  
CHENNAI.

**BANKERS**

**THE SOUTH INDIAN BANK LTD.**  
INDUSTRIAL FINANCE BRANCH  
No. 1, RAMAKRISHNA ROAD,  
'KENCES TOWERS', T. NAGAR.  
CHENNAI - 600 017.

**REGISTERED OFFICE &  
SHARE DEPARTMENT**

1096, E.V.R. PERIYAR ROAD,  
PERIAMET, CHENNAI - 600 003.

**FACTORY**

S.F. No. 1, VEDANTHANGAL ROAD.  
KOLAMBAKKAM VILLAGE  
MADURANTHAGAM TALUK  
KANCHEEPURAM DISTRICT - 603 308.

**WHITE HOUSE COTTON INDUSTRIES LIMITED**

**NOTICE OF THE ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the Ninth Annual General Meeting of the Members of White House Cotton Industries Limited, will be held on Monday, the 18th September 2000 at "VANI MAHAL", No.50, G.N.Chetty Road, T.Nagar, Chennai - 600 017 at 10 A.M. 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 2000, the Balance Sheet as at that date together with the Report of the Directors and the Auditors thereon.
2. To appoint a Director in place of Sri A. Mohamed Elyas, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Sri A. Mohamed Sheriff, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors to hold office from the close of this Annual General Meeting till the close of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

The retiring auditors M/s. Somasundaram & Sivaraman, Chartered Accountants, Chennai being eligible offer themselves for re-appointment.

**SPECIAL BUSINESS:**

5. To consider and if thought fit, to pass with or without modifications, the following resolution as an ordinary resolution.

**RESOLVED THAT** Sri R.Sivasailam, a Director, who retires at this meeting by rotation, be not re-appointed and resulting vacancy be not filled up.

**WHITE HOUSE COTTON INDUSTRIES LIMITED**

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

**RESOLVED THAT** Sri D.P.Venkataraman, who was appointed on 31.7.2000 as an additional Director of the company by the Board of Directors pursuant to provisions contained in the Article 78 of the Articles of Association of the company and Section 260 of the Companies Act, 1956 be appointed as a Director of the company and that his period of office shall be liable to determination by the retirement of Directors by rotation.

**Place : Chennai**  
**Date : 31.07.2000**  
**Registered Office:**  
**1096, E.V.R. Periyar Road,**  
**Periamet, Chennai - 600 003.**

By order of the Board

**A.ABDUL BARI**  
**CHAIRMAN & MANAGING DIRECTOR**

**Notes**

1. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself / herself and proxy need not be a Member of the company.
2. Proxies in order to be effective should be lodged with the company at the Registered Office atleast 48 hours before the commencement of the Meeting.
3. The Register of Members and Share Transfer Books of the company will remain closed from 16.09.2000 to 18.09.2000 (both days inclusive).
4. Members desiring any information on the workings of the company at the Annual General Meeting are requested to write to the company atleast 7 days in advance, so as to enable the company to keep the information ready.
5. All communications relating to shares are to be addressed to the Registered Office of the company at 1096, E.V.R. Periyar Road, Periamet, Chennai - 600 003.

**WHITE HOUSE COTTON INDUSTRIES LIMITED****Explanatory Statement**

(Pursuant to Section 173 (2) of the Companies Act, 1956)

**Item No. 5 :**

Sri R. Sivasailam, Director retires by rotation at the ensuing Annual General Meeting and has expressed his unwillingness to offer himself for re-appointment for personal reasons. The Board has decided not to fill-up the vacancy.

As per the provisions of Section 256(4)(a) of the Companies Act, 1956 if the place of the retiring director is not filled up in the Annual General Meeting a specific resolution to that effect has to be passed by the shareholders.

Your Directors recommend this resolution. None of the directors is, in any way, concerned or interested in this resolution.

**Item No. 6 :**

According to the provisions of the Article 78 of the Articles of Association of the company and Section 260 of the Companies Act, 1956 Sri D.P. Venkataraman, Director will hold office upto the date of this Annual General Meeting. As required under Section 257 of the said Act notice has been received from a member signifying the intention to propose Sri Venkataraman as Director. He is subject to retirement by rotation.

Sri Venkataraman has been associated with our group companies for the last 4 years. The Board is confident that under his supervision the company would achieve higher growth.

In view of his wide experience, it is desirable that the company avails of his services as member of the Board.

Your Directors recommend his appointment as a Director. Except Sri Venkataraman none of the directors is, in any way, concerned or interested in this resolution.

**Place : Chennai**  
**Date : 31.07.2000**

**Registered Office:**  
**1096, E.V.R. Periyar Road,**  
**Periamet, Chennai - 600 003.**

By order of the Board

**A.ABDUL BARI**  
**CHAIRMAN & MANAGING DIRECTOR**

## WHITE HOUSE COTTON INDUSTRIES LIMITED

### DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting the Ninth Annual Report on the working of the company together with the Audited Statement of Accounts for the year ended 31st March, 2000.

#### FINANCIAL RESULTS

	Year ended 31.03.2000 (Rs. in lacs)		Year ended 31.03.1999 (Rs. in lacs)
Income from Operations	2075.60		1946.06
Other Income	11.90		5.52
	2087.50	(A)	1951.58
Total Expenditure	1834.83		1814.67
Interest	204.89		225.21
	2039.72	(B)	2039.88
Gross Profit / (Loss) before Depreciation & Taxation (A-B)	47.78	(C)	(88.30)
Depreciation	202.52	(D)	192.33
Provision for taxation			
Net Profit / (Loss) (C-D)	(154.74)		(280.63)

As per Clause 43 of the Listing Agreement between the company and Stock Exchange where the company's shares are listed, we give below the requisite details for the year ended March'2000.

#### PROJECTION Vs. PERFORMANCE 1999-2000

Particulars	Projection (Rs. in lacs)	Actuals
Sales	1947	2075.60
Net Profit	190	(154.74)

The variation in the Projection Vs. Performance is mainly due to the poor market conditions and lesser sales realisation both in exports and domestic markets.

**WHITE HOUSE COTTON INDUSTRIES LIMITED****REVIEW OF OPERATIONS**

The cotton spinning industry is yet to come out of the recession. Yarn prices continued to be low throughout the year, while the prices of cotton ruled steady. Moreover on account of higher power Tariff and Additional excise duty burden there was a substantial increase in the manufacturing cost which could not be fully passed on to the consumers. All these factors put together resulted in the net loss of Rs.154.74 lacs.

As the financial year 2000-2001 has begun on a good note your company is confident that better results could be achieved during the current year.

**DIRECTORS**

The following Directors retire by rotation at the ensuing Annual General Meeting who being eligible offer themselves for re-appointment :

1. Sri A.Mohamed Elyas
2. Sri A.Mohamed Sheriff

Sri R.Sivasailam, Director retire by rotation at the ensuing Annual General Meeting and has expressed his unwillingness to offer himself for re-appointment for personal reasons. The Board has decided not to fill-up the vacancy.

You Directors place on record their appreciation for the valuable contribution made by Sri Sivasailam during his tenure as a Director of the company.

During the year under Report, Sri D.R.Jawahar, Nominee Director of IDBI resigned consequent upon withdrawal of nomination by IDBI.

Your Directors place on record their appreciation for the valuable contribution made by Sri Jawahar during his tenure as a Director of the company.

Sri D.P.Venkataraman was appointed as an additional Director on 31.7.00. He will hold office till the conclusion of the ensuing Annual General Meeting. Notice has been received from a member proposing Sri Venkataraman as candidate for the office of Director at the ensuing Annual General Meeting, along with the necessary deposit. Necessary resolution is placed before you for your approval.