

Amarjothi House
157, Kumaran Road,
Tirupur 641601
Tamil Nadu, India

T + 91 421 4311600
info@amarjothi.net
www.amarjothi.net



ISO 9001 : 2008 | GOTS-OE | OEKO TEX CERTIFIED
GST : 33AAFCA7082C1ZO

CIN: L17111TZ1987PLC002090

05.09.2020

To

BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street
Mumbai- 400 001

Dear Sirs,

Sub: Submission of Annual Report for the year 2019-20

Scrip Code: 521097

Scrip Name: Amarjothi Spinning Mills Limited

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirement), 2015, we submit herewith the Annual Report for the year 2019-20 along with the notice.

The Annual Report is being sent to shareholders through electronic mode(s) and is also available on the Company's website.

We request you to kindly take the same on record and acknowledge receipt.

Thanking You,

Yours Faithfully,

For Amarjothi Spinning Mills Limited,

A handwritten signature in blue ink, appearing to read "M. Mohana Priya.M", is written over the typed name.

Mohana Priya.M
Company Secretary.

ANNUAL REPORT 2019-2020



AMARJOTHI SPINNING MILLS LIMITED

IN FOND MEMORY



LATE SRI. N. RAJAN Bcom. FCA.,
14.03.1939 - 30.03.2020
FOUNDER CHAIRMAN

You are remembered every moment in our lives for your divine nature of sharing, caring and love. You live in our soul, mind and hearts.

“ A day never passes without your memory, you live in our hearts forever”

Family & Staff of



AMARJOTHI SPINNING MILLS LTD.



AMARJOTHI SPINNING MILLS LIMITED
32nd Annual Report

BOARD OF DIRECTORS

CHAIRMAN	Sri. N. RAJAN (up to 30.3.2020)
MANAGING DIRECTOR	Sri. R. PREMCHANDER
JOINT MANAGING DIRECTOR	Sri. R. JAICHANDER
DIRECTORS	Dr. V. SUBRAMANIAM Sri. N. RADHAKRISHNAN Sri. V.T. SUBRAMANIAN Sri. M. MOORTHY Sri. M.S. SIVAKUMAR Smt. M. AMUTHA
CHIEF FINANCIAL OFFICER	Sri. P. SINGARAVELU
COMPANY SECRETARY	Smt. K. MOHANAPRIYA (Resigned on 31.01.2020) Smt. MOHANA PRIYA.M (w.e.f 28.05.2020)
STATUTORY AUDITOR	Sri.P.S. SITARAM, B.Sc., F.C.A. Chartered Accountant, Coimbatore
BANKERS	Bank of Baroda Karur Vysya Bank Limited
REGD. OFFICE	“AMARJOTHI HOUSE” 157, Kumaran Road, Tirupur - 641 601 Phone : +91-421-4311600 - 01 Fax : 91 421-4326694 Email : mill@amarjothi.net ; Website : www.amarjothi.net CIN: L17111TZ1987PLC002090
FACTORIES AT	Pudusuripalayam, Nambiyur - 638 458 Gobi Taluk (Spinning Unit) SIPCOT, Perundurai, Erode Dist (Processing unit)
REGISTRAR AND SHARE TRANSFER AGENTS	M/s. S.K.D.C. Consultants Ltd. Kanapathy Towers, 3 rd Floor 1391/A-1, Sathy Road, Ganapathy, Coimbatore - 641 006



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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 32nd Annual General Meeting of the Shareholders of Amarjothi Spinning Mills Limited will be held on Monday, the 28th September, 2020, at 12.00 P.M through Video Conferencing(“VC”) / Other Audio Visual Means (“OAVM”) from the Registered Office of the Company situated at Amarjothi House, 157, Kumaran Road, Tirupur -641601 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt:
 - a) The audited Standalone financial statements of the Company for the year ended 31st March, 2020, including the audited Standalone Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors (the Board) and Auditors thereon.
 - b) The audited consolidated financial statements of the Company for the year ended 31st March, 2020, including the audited Consolidated Balance Sheet as at 31st March, 2020 and the Statement of Consolidated Profit and Loss for the year ended on that date and the report of Auditors thereon.
2. To declare dividend for the financial year ended 31st March 2020.
3. To appoint a Director in the place of Sri. N.Radhakrishnan (DIN: 00390913), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof, for the time being in force),

Sri. M.Nagarajan, Practicing Cost Accountant (Firm No: 000088), who was appointed as Cost Auditor by the Board of Directors of the Company on the recommendation of the Audit Committee, to conduct the audit of the cost accounting records of the Company for the financial year 2020-21 on a remuneration of Rs. 40,000/- (Rupees Forty Thousand Only) as also the payment of service tax as applicable be and is hereby ratified and confirmed.”
5. To consider and if thought fit, to pass with or without modifications, the following resolution as an **Special Resolution**:

“ **RESOLVED THAT** pursuant to the provisions of Sections 149,152,160 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under read with Schedule IV to the Act, (including any statutory modification(s) or re-enactment thereof for the time being in force), the relevant provisions of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, (SEBI LODR) as amended and as per the recommendations of the Nomination and Remuneration Committee, the



approval of the members of the Company be and is hereby accorded for re-appointment of Smt. M.Amutha (DIN: 07137884) whose current period of office is expiring on 25th September 2020 and who has submitted a declaration confirming the criteria of Independence under Section 149(6) of the Companies Act, 2013 read with SEBI LODR, as amended from time to time, and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013, Rules made there under and Listing Regulations and in respect of whom the Company has received a notice in writing from a Member proposing her candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, as an Independent Non-Executive Director of the Company, whose term shall not be subject to retirement by rotation, to hold office for 5 (Five) consecutive years on the Board of the Company for a term w.e.f. 26th September 2020 to 25th September 2025.

By order of the Board

Place : Tirupur

Date : 21.08.2020

(Sd/-) **R.PREMCHANDER**

Managing Director

DIN: 00390795

(Sd/-) **R.JAICHANDER**

Joint Managing Director

DIN: 00390836

NOTES :

- 1) **THE EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 WITH RESPECT TO THE SPECIAL BUSINESS SET OUT IN THE NOTICE IS ANNEXED HERETO.**
- 2) In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs has permitted holding of the Annual General Meeting ("AGM") through Video conference (VC) / Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue, vide its circulars dated April 8, 2020 and April 13, 2020 and May 5, 2020. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the ensuing AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
- 3) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.** Since the ensuing AGM is being held through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- 4) Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act. In case of Joint Holders, the member whose name appears as First Holder in the order of names on the Register of Members of the Company will be entitled to vote. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.



- 5) The Register of Members and share transfer books of the Company will remain closed from Tuesday, the 22nd September 2020 to Monday, the 28th September 2020 (both days inclusive) as per Section 91 of the Companies Act, 2013 and Regulation 42 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 6) The dividend as recommended by the Board of Directors, if declared at the AGM will be paid, subject to deduction of tax at source, whose names appear in the Register of Members as on 21st September 2020 in respect of shares held in physical form and in respect of shares held in dematerialized form, the dividend shall be paid on or before 28th October, 2020.
- 7) Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with Share Transfer Agents, M/s. SKDC Consultants Limited (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in **Form No. 15G/15H**, to avail the benefit of non-deduction of tax at source by email to green@skdc-consultants.com on or before the end of the business hours of 17th September 2020. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, any other document which may be required to avail the tax treaty benefits by sending an email to green@skdc-consultants.com. The aforesaid declarations and documents need to be submitted by the shareholders on or before the end of business hour of 17th September 2020.

- 8) Members may note that Mr.P.S.Sitaram, Chartered Accountant, Coimbatore, (Membership No.023033), the statutory auditors of the company were appointed by the shareholders at 31st Annual General Meeting (AGM) held on 30.09.2019, to hold office for a period of 3 years till the conclusion of AGM to be held during the year 2022. However, the Ministry of Corporate Affairs vide its notification dated 07.05.2018 has amended Section 139 of the Companies Act, 2013 by omitting the requirement of seeking ratification of the Members for appointment of statutory auditors at every AGM. Hence, no resolution is being proposed for ratification of appointment of statutory auditors at this 32nd Annual General Meeting.
- 9) Pursuant to Section 124 (5) and 125, read with Rule 5 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, of the Companies Act, 2013, all unclaimed dividends shall be transferred to the 'Investor Education and Protection Fund' of the Central Government after a period of 7 years from the date of declaration. Shareholders who have not encashed the dividend warrants for the years 2012-2013, 2013-14, 2014-15, 2015- 16, 2016-17, 2017-18 &



2018-19 are requested to write to the Registrar and Share Transfer Agents of the Company, M/s. S.K.D.C. Consultants Limited, Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore – 641 006 for claiming the dividend. The details of shareholders whose unclaimed dividend / shares are liable to be transferred to IEPF are available at the Company's website – www.amarjothi.net.

- 10) Company's share transfer work and dematerialisation of shares, is done by Registrar and Share Transfer Agents - M/s. S.K.D.C. Consultants Ltd., Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore – 641 006.
- 11) Members are requested to make all correspondence in connection with shares held by them by addressing letters directly to the Company Secretary of the Company or its RTA – M/s. S.K.D.C. Consultants Ltd., Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore 641 006, by quoting their Folio Number or the Client ID No. with DP ID No.
- 12) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat account(s). Members holding shares in physical form can submit their PAN details to the company or to the Registrar and Share Transfer Agents - M/s. S.K.D.C. Consultants Ltd.
- 13) International Securities Identification Number of the company is INE484D01012.
- 14) Securities and Exchange Board of India (SEBI) and the Ministry of Corporate Affairs have made it mandatory for all the listed Companies to offer Electronic Clearing Service (ECS) facilities/ NEFT for payment of dividend, wherever applicable. In view of this provision, Shareholders who are interested to avail the facility of Dividend payment by National Electronic Clearing Service (NECS)/NEFT are requested to fill the prescribed form and send it along with the original cancelled cheque leaf to the Company's Registrar and Share Transfer Agents M/s. S.K.D.C. Consultants Ltd, "Kanapathy Towers", 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore 641 006.
- 15) Members holding shares in Physical form are requested to intimate the email id, change of address and their bank account details such as bank name, branch with address and account number for incorporating the same in the records of the Company to the Company's Registrar and Share Transfer Agents - M/s. S.K.D.C. Consultants Limited quoting their respective folio number. Members holding shares in Demat form are requested to intimate the email id, change of address notifications and updates of bank account details to their respective Depository Participants.
- 16) In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, securities of listed companies can only be transferred in dematerialized form with effect from 1st April, 2019. In view of the above, Members are advised to dematerialise shares held by them in physical form.
- 17) Pursuant to the provisions of Section 72 of the Companies Act, 2013, Members may file nomination forms in respect of their physical shareholdings. Any Member wishing to avail this facility may submit to the Company's Registrar & Share Transfer Agent in



the prescribed statutory form. Should any assistance be desired, Members should get in touch with the Company's Registrar & Share Transfer Agents.

- 18) Pursuant to MCA General Circular No. 20/2020 dated 05th May, 2020 and SEBI Circular dated 12th May 2020, electronic copy of the AGM Notice and the Annual Report containing Financial Statements, Boards Report, Auditors Report, Corporate Governance Report and other documents is being sent only by email to members of the Company who have registered their e-mail id with their depository participants (for members holding shares in demat form) and to their e-mail id registered with the Registrar and Share Transfer Agent of the Company (for members holding shares in physical form). Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.amarjothi.net and website of the BSE Limited at www.bseindia.com.
- 19) The results of the e-voting and e- voting during the Annual General Meeting will be announced by the Chairperson or person authorised by the Chairperson within 48 hours from the date of conclusion of the Annual General Meeting at the Registered office of the Company. A copy of which will be posted on the Company's website and forwarded to the Stock Exchange.

Voting through electronic means

- i) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Reg.44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting.

The Board of Directors has appointed Sri. RAMCHANDAR.R (Membership.No.10097), Company Secretary in Practice as the Scrutinizer, for conducting the postal ballot and e-voting process in a fair and transparent manner:

The Company has engaged the services of Central Depository Services (India) Limited ("CDSL") to provide e-voting facility.

The e-voting facility will be available at the link www.evotingindia.com during the following voting period.

- ii) **The remote e-voting would commence on Friday, the 25th September 2020 (9:00 am) and end on Sunday, the 27th September 2020 (5:00 pm).**

During the above period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21st September 2020, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5:00 p.m. on 27th September 2020. Once the vote on a resolution is cast by the shareholder, the shareholder cannot change it subsequently.



- iii) A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting.
- iv) The Members who have cast their vote by remote e-voting prior to the AGM may also attend / participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again. The Members, who has not cast their vote by remote e-voting, shall vote through e-voting system in the AGM.
- v) The Scrutinizer will submit his report to the Chairman after completion of the Scrutiny and the results of the physical ballot / e-voting will be announced by the Company on its website - www.amarjothi.net within 48 hours of the conclusion of the AGM.

PROCEDURE AND INSTRUCTION FOR E-VOTING:

- 1) The voting period begins on <25.09.2020 – 9.00 AM> and ends on <27.09.2020-5.00 PM>. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of <21.09.2020> may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- 2) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- 3) The shareholders should log on to the e-voting website www.evotingindia.com.
- 4) Click on Shareholders.
- 5) Now Enter your User ID
 - 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.

OR

Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from **Login - Myeasi** using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.

- 6) Next enter the Image Verification as displayed and Click on Login.
- 7) 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.
- 8) 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. <p>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 then enter RA00000001 in the PAN field.</p>
Dividend Bank Details or Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <p>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</p>

- 9) After entering these details appropriately, click on "SUBMIT" tab.
- 10) Members holding shares in physical form will then directly reach 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.
- 11) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- 12) Click on the EVSN relevant for <AMARJOTHI SPINNING MILLS LIMITED>
- 13) 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.
- 14) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- 15) 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.

- 16) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- 17) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- 18) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- 19) Shareholders can also cast their vote using CDSL's mobile app **m-voting** available for android based mobiles. The m- voting app can be downloaded from Google play Store. Apple and windows phone users can download the app from the App Store and the Windows phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to **Company/RTA email id**.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM AREAS UNDER:

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video



loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

INSTRUCTIONS FOR SHAREHOLDERS FOR VOTING DURING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the AGM.

NOTE FOR NON – INDIVIDUAL SHAREHOLDERS AND CUSTODIANS

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.



- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

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.com, under help section or write an email to helpdesk.evoting@cdslindia.com

STATEMENT OF MATERIAL FACTS UNDER SECTION 102 OF THE COMPANIES ACT, 2013.

ITEM No.4

The Board of Directors, on the recommendation of the Audit Committee, has approved the re-appointment of and remuneration payable to Sri. M. Nagarajan, Practicing Cost Accountant, Coimbatore, for auditing the cost accounting records of the Company pursuant to the Companies (Cost Records and Audit) Rules 2014 for the Financial Year 2020-21 at a remuneration of Rs. 40,000/- per annum excluding the applicable service tax and reimbursement of out of pocket expenses incurred by him in connection with the audit . As per Section 148 of the Companies Act, 2013 read with Companies (Audit & Auditors) Rules, 2014, the remuneration payable to the Cost Auditor as determined by the Board is required to be ratified by the members of the Company. Board recommends this resolution for the approval of the members.

Other than the appointee none of the Directors and other Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution.

ITEM No. 5:

Pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed there under and the SEBI (LODR) Regulations, 2015, at the 28th Annual General Meeting held on 25th September, 2015, Smt. M.Amutha (DIN: 07137884) was appointed as an Independent Director of the Company for a period of 5 (five) consecutive years for a term upto 25th September, 2020 . Since, Smt. M.Amutha (DIN: 07137884) has completed her initial term as an Independent Director of the Company on 25th September, 2020, she is eligible for re-appointment for one more term.

As per the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, subject to approval of Members at this Annual General Meeting and pursuant to the provisions of Sections 149, 150,152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Listing Regulations (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on her skills, rich experience, knowledge, contributions, continued valuable guidance to the management made by her during her tenure and outcome of performance evaluation of the Independent Directors, the approval of the Members of

AMARJOTHI SPINNING MILLS LIMITED



the Company be and is hereby accorded for re-appointment of Smt. M.Amutha (DIN: 07137884) as an Independent Non-Executive Director of the Company for the second term of 5 (five) years w.e.f. 26th September, 2020 upto 25th September, 2025 and he shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013.

The Company has received a declaration from Smt. M.Amutha (DIN: 07137884), being eligible for re-appointment as Independent Director for the second term providing her consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended from time to time. The Company has also received a declaration from Smt. M.Amutha (DIN: 07137884), confirming the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and under Regulation 16(b) of the Listing Regulations, as amended from time to time. Smt. M.Amutha (DIN: 07137884), is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013, as amended from time to time. In the opinion of the Board, she fulfills the conditions specified in the Companies Act, 2013 and is independent of the management.

In terms of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a member for proposing the candidature of Smt. M.Amutha (DIN: 07137884) to be re-appointed as an Independent Non-Executive Director of the Company as per the provisions of the Companies Act, 2013.

A copy of the draft letter for re-appointment of Smt. M.Amutha (DIN: 07137884) setting out the terms and conditions of re-appointment is available for inspection without any fees by the members during office hours on all working days except Sundays and Holidays at the Registered Office of the Company.

Disclosure under Regulation 36(3) of the Listing Regulations is set out in the Annexure to the Explanatory Statement.

The Board considers that her continued association would be of immense benefit to the Company and it is desirable to continue to avail her services. Accordingly, consent of the Members is sought for passing Special Resolution as set out in this item of the Notice for re-appointment of

Smt. M.Amutha (DIN: 07137884) as an Independent Director of the Company.

Except Smt. M.Amutha (DIN: 07137884) being an appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 5. This Explanatory Statement may also be regarded as an appropriate disclosure under the Listing Regulations.

By order of the Board

Place : Tirupur
Date : 21.08.2020

(Sd/-) **R.PREMCHANDER**
Managing Director
DIN: 00390795

(Sd/-) **R.JAICHANDER**
Joint Managing Director
DIN: 00390836

AMARJOTHI SPINNING MILLS LIMITED**Details of Director(s) seeking re-appointment at the Annual General Meeting in pursuance of Secretarial Standards (SS-2) and Regulation 36 of SEBI (LODR) Regulations, 2015.****Item No. 3 and 5**

Name of the director	N.Radhakrishnan	Smt. M.Amutha
DIN	00390913	07137884
Date of Birth	19.05.1948	28.03.1975
Date of appointment on the board	31.08.2005	25.09.2015
Board position held	Non-Executive – Non Independent Director	Non-Executive – Independent Director
Qualifications	SSLC	LLB
Terms and conditions of appointment	Retires by rotation and eligible for re-ap-ointment	Proposed to be re-appointed for a second term of 5 consecutive years
List of other companies in which directorship held as on 31 st March 2020.	Nil	Nil
Chairman/ Members of the Committees of the board of other Companies in which he is a director as on 31 st March 2020	Chairman: Nil Member : Nil	Nil
No. of Shares held	Nil	Nil
Relationship with other Directors	Uncle of Mr. R. Premchander, Managing Director and Mr.R.Jaichander, Joint Managing Director	Not related to any other director


**DIRECTORS' REPORT TO THE MEMBERS OF
AMARJOTHI SPINNING MILLS LIMITED**

Your Directors have pleasure in presenting the Thirty Second Annual Report together with the audited accounts of your Company for the year ended 31st March 2020.

FINANCIAL RESULTS

	2019-2020 Rs.	2018-2019 Rs.
Revenue from Operations	1825294128.42	2121960532.61
Other Income	26833293.48	76075164.95
Total Revenue	1852127421.90	2198035697.56
Less: Total Expenses	1702143813.37	1994387722.11
Profit before Tax	149983608.53	203647975.45
Profit after Tax	103262608.53	144131975.45
Surplus brought forward	993138396.50	881359003.05
Amount available for appropriation	1096401005.03	1025490978.50
Appropriations to :		
General Reserve	10326000.00	14413000.00
Dividend paid including Tax	16274965.00	16248282.00
Previous year Income tax adjusted	(-)2237343.00	1691300.00
Surplus carried to balance sheet	1072037383.03	993138396.50
TOTAL	1096401005.03	1025490978.50

STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK:
OPERATIONS

During the year under review, the Company's revenue from operations (net of GST) has decreased by Rs.2966.66 lakhs over the previous financial year and recorded a revenue of Rs.18252.94 lakhs for the financial year ended 31st March 2020. The profit after tax has decreased by 28.35% compared to the previous financial year.

1) YARN DIVISION

Your Directors inform you that yarn division continues to perform well. We hope that in future also our performance will improve.

2) PROCESSING UNIT

The Processing unit is fully utilized for the dyeing of material of our spinning unit. In addition to our own dyeing, we process our material in outside dyeing also.

FUTURE PROSPECTS:

The Company will continue to perform well in the domestic market. The Company is in the



process of implementing several cost saving measures including modernization, which will make the product more competitive.

CHANGE IN NATURE OF BUSINESS, IF ANY:

There were no changes in Nature of Business during the year 2019-2020.

DIVIDEND

The Directors have recommended a dividend of Rs. 2.00 per share (20% on the Face value) for the year ended 31st March 2020 absorbing a sum of Rs.1,35,00,000/- for the approval of the share holders at the ensuing Annual General Meeting. Pursuant to the Income-tax Act, 1961 read with the Finance Act, 2020. Dividend income is taxable in the hands of the Members with effect from 1st April, 2020 and the Company is required to deduct tax at source from such dividend at the prescribed rates.

GENERAL RESERVE

During the year, your Company has transferred an amount of Rs. 10326000.00 to the General Reserve.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The dividend amount remaining unclaimed for the year 2012-13 is required to be transferred to the Investor Education and Protection Fund established by the Central Government, after the conclusion of this Annual General Meeting.

SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2020 was Rs. 6,75,00,000/- comprising 67,50,000 shares of Rs. 10/- each. During the year under review, the company has not made any fresh issue of shares.

DISCLOSURE REGARDING ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS:

The Company has not issued any Equity Shares with Differential Rights during the Financial Year 2019-2020.

DISCLOSURE REGARDING ISSUE OF EMPLOYEE STOCK OPTIONS:

The Company has not provided any Stock Option Scheme to the employees during the year Under Review.

DISCLOSURE REGARDING ISSUE OF SWEAT EQUITY SHARES :

The Company has not issued any Sweat Equity Shares during the year under review.

EXTRACT OF ANNUAL RETURN :

As required pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014, an extract of Annual Return in



the Form MGT-9 is annexed as a part of this report vide "ANNEXURE VI" and available in the Company's Website www.amarjothi.net.

NUMBER OF BOARD MEETINGS:

During the year under review, 4 Meetings of the Board of Directors, 4 Meetings of the Audit Committee, 3 Meetings of the Nomination and Remuneration Committee, 1 Meeting of the Corporate Social Responsibility Committee, 4 Meetings of the Stakeholders Relationship Committee and 10 Meetings of the Share Transfer Committee were held. Further details of the same have been enumerated in the Corporate Governance Report annexed herewith.

Date of meetings:

30.05.2019	31.07.2019	01.11.2019	31.01.2020
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STATEMENT ON COMPLIANCE WITH SECRETARIAL STANDARDS

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively. The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Act.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements under Section 134(3)(c) of the Companies Act, 2013, with respect to the Directors' Responsibility Statement, it is hereby confirmed that-

- (i) In the preparation of the annual accounts for the year ended 31.03.2020, the applicable accounting standards have been followed and there are no material departures from those standards;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are 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 loss of the Company for that period;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors have prepared the annual accounts on a going concern basis;
- (v) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (vi) the Directors have devised proper systems to ensure compliance with the provisions of all the applicable laws and such systems were adequate and operating effectively.



DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12) OF THE COMPANIES ACT, 2013 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

There was no instance of fraud identified or reported by the Statutory Auditors during the course of their audit to report to the Audit Committee and / or Board pursuant to Section 143(12) of the Companies Act, 2013 and rules framed thereunder.

DECLARATION OF INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as stipulated in Section 149(6) of the Companies Act, 2013 and Regulation 16 (1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, the Independent Directors, fulfil the conditions of independence as specified in Section 149(6) of the Act and Regulation 16 (1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Independent Directors have also confirmed that they have complied with the Company's Code of Business Conduct & Ethics.

Pursuant to Companies (Appointment and Qualification of Directors) Rules, 2014 the Certificate of Registration as required from all the Independent Directors of the Company were taken on note by the Board of Directors of the Company.

Board of Directors have evaluated the Independent Directors appointed / re-appointed during the year 2019-20 and opined that the integrity, expertise and experience (including proficiency) of the Independent Directors is satisfactory.

NOMINATION AND REMUNERATION COMMITTEE AND POLICY

The composition and attendance of the Nomination and Remuneration Committee of Directors of the Company are reported elsewhere in the Annual Report.

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The Policy broadly lays down the guiding principles, philosophy and the basis for payment of remuneration to the Executive and Non-executive Directors, Key Managerial Personnel and Senior Management. The policy also provides the criteria for determining qualifications, positive attributes and Independence of Directors and criteria for appointment of Key Managerial Personnel / Senior Management and performance evaluation which are considered by the Nomination and Remuneration Committee and the Board of Directors while making selection of the candidates. The above policy has been posted on the website of the Company at – www.amarjothi.net/Policies. The abstract of the policy is annexed hereto as Annexure – II(i).

PARTICULARS OF LOAN, GUARANTEES AND INVESTMENTS UNDER SECTION 186:

The Company has not given any loans or guarantees covered under the provisions of Section 186 of the Companies Act, 2013.



The details of the investments made by the Company are given in the notes to the financial statements.

RELATED PARTY TRANSACTIONS:

All transactions entered into by the Company with related parties were in the ordinary course of business and on an arm's length basis. The Company did not enter into any material transaction with related parties, under Section 188 of the Companies Act, 2013, during the year. Form AOC-2, as required under Section 134 (3) (h) of the Act, read with Rule 8 (2) of the Companies (Accounts) Rules 2014, is attached as part of this report, vide Annexure III (i). Further, the Company's policy on Related Party Transactions is attached as part of this report, vide Annexure III (ii).

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS:

There are no qualifications, reservations or adverse remarks or disclaimers made by the auditors for the year.

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THESE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

Due to outbreak of COVID 19 pandemic and based on the directives of the Government of India, Government of Tamil Nadu, the operations of the Company was suspended on 24th March 2020 and resumed on 06th May 2020 in phased manner with minimal workforce by following requisite precautions/ guidelines. This has impacted the turnover and profitability of the Company.

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

The information relating to Conservation of Energy, Foreign Exchange Earning and Out Go, Technology Absorption pursuant to section 134(3) (m) of the Act, read with rule 8 sub rule 3 of the Companies (Accounts) Rules, 2014 is attached as ANNEXURE -I which forms part of the report.

RISK MANAGEMENT :

This annual report has got a detailed chapter on management discussion and analysis on risk management stating about risk management by the Company. It is periodically reviewed by the Board. The Company's business model has Comprehensive and integrated risk management framework that comprises a clear understanding of strategy, policy initiatives, prudential norms, proactive mitigation and structured reporting. In addition, the Board periodically reviews and discusses all assets with significant risks, including deliberating on the sector- specific and systemic risks in the business environment. Other key variables monitored for risk are market condition and product costing.



EVALUATION OF BOARD'S PERFORMANCE:

On the advice of the Board of Directors, the Nomination and Remuneration Committee of Board of Directors of the Company have formulated the criteria for the evaluation of the performance of Board of Individual Directors, Board as a whole, Committees of Directors, Independent Directors, Non-Independent Directors and the Chairperson of the Board. Based on that performance evaluation has been undertaken. The Independent Directors of the Company have also convened a separate meeting for this purpose. All the results and evaluation has been communicated to the Chairperson of the Board of Directors.

DIRECTORS' & KEY MANAGERIAL PERSONNEL

Disclosure pursuant to Rule 5 (1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed vide "ANNEXURE VII".

DETAILS OF DIRECTORS CESSATION AND RESIGNATION

- 1) We deeply mourn the passing away of our Chairman Late Sri N.Rajan who passed away on 30.03.2020.

He is the founder and promoter Director of the Amarjothi group of Companies. He served as a Chairman and Non-Executive Director of the Company since 1991. His leadership promotes positive image of the Company among the Stakeholders and the industry. His vast experience in auditing and expertise in various fields of Textile Industry, actively and effectively conducts the Board and Annual General Meetings.

His loss is irreparable to us. We express our deep condolences at the untimely and sad demise of Sri N.Rajan.

The Board of Directors placed on record a deep appreciation for the valuable services rendered by Sri.N.Rajan during his tenure as a Director of the Company.

The Company has filed necessary forms with ROC with respect to his cessation.

- 2) Sri.V.Manikandan who was appointed as Non- executive Independent Director with effect from 05.09.2014, served his valuable services till 29.06.2020.

The Board hereby noted the resignation of Sri.V.Manikandan and recorded his invaluable contribution made by him during his period of association with the company. The company has given intimation to Stock Exchange as per Regulation 30 of SEBI(LODR) Regulations and filed his resignation with Registrar of Companies on 06.07.2020.

DETAILS OF DIRECTORS RETIRE BY ROTATION AND INDEPENDENT DIRECTORS

RE- APPOINTMENT:

- 1) Mr. N.Radhakrishnan, retires by rotation and, being eligible, offers himself for re- election.

In accordance with the provisions of Section 152 of the Act and the Articles of Association of the Company, Sri . N.Radhakrishnan (DIN: 00390913), Director is



liable to retire by rotation at the ensuing Annual General Meeting (“AGM”) and being eligible offers himself for re-appointment. The Board recommends his reappointment on the consideration of the Members of the Company at the forthcoming Annual General Meeting.

Brief profile of Sri. N.Radhakrishnan (DIN: 00390913) has been given in the Notice convening the Annual General Meeting.

- 2) Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors, at their meeting held on 21st August 2020 has recommended the reappointment of Smt. M.Amutha (DIN: 07137884) as Independent Director for a second term of 5 consecutive years from the ensuing Annual General Meeting by way of passing necessary Special Resolution in accordance with the provisions of Section 149 of the Companies Act, 2013.

The Company has also received declaration from the appointee Independent Director that she fulfils the criteria of independence as prescribed under the provisions of Section 149(6) of the Companies Act, 2013 read with Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including statutory reenactment thereof for the time being in force).

Your Directors recommend the reappointment of Smt. M.Amutha (DIN: 07137884), Independent Director of the Company.

KEY MANAGERIAL PERSONNEL:

During the year under review, Mrs. K.Mohana Priya (ACS- 50102) who was appointed as Company Secretary with effect from 29.05.2017 , served her services till 31st January, 2020. As on 31.03.2020 there was no Company Secretary appointed in the company. Further, Mrs. Mohana Priya .M (ACS- 47463) was appointed as Company Secretary on 28th May, 2020.

Therefore, as on 31st March, 2020 following persons have been designated as Key Managerial Personnel of the Company pursuant to Section 2(51) and Section 203 of the Act, read with the Rules framed thereunder.

1. Sri. R. Premchander - Managing Director,
2. Sri. R. Jaichander - Joint Managing Director, and
3. Sri P. Singaravelu - Chief Financial Officer.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Company has one wholly owned subsidiary company M/s.RPJ Textiles Ltd., in which our company holds 100% of equity shares. The details are mentioned in AOC-1.

The Company has Four Associate Companies, Jayanthi Green Energy Private Limited, Premchander Green Energy Private Limited, in which our company holds 27% shares and AFCM Wind Farms Private Limited, AJSM Green Energy Private Limited in which our company holds 29 % shares for the purpose of captive consumption of wind power. The details are mentioned in AOC-1.



Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part A: Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

As on/ for the year ended 31.03.2020

Sl.No	1
Name of the subsidiary	M/s.R P J TEXTILES LIMITED.
The date since when subsidiary was acquired	28/07/2017
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.
Share capital	Rs.500000/-
Reserves and surplus	Rs.12900008/-
Total assets	Rs.132921823/-
Total Liabilities	Rs.119521815/-
Investments	NIL
Turnover	Rs.259314539/-
Profit before taxation	Rs.2132373/-
Profit after taxation	Rs.1577873/-
Proposed Dividend	NIL
Extent of shareholding (in percentage)	100%

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations : NIL
- Names of subsidiaries which have been liquidated or sold during the year. NIL



Part B: Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

S.No	Name of Associates or Joint Ventures	Shares of Associate or Joint Ventures held by the company on the year end			Description of how there is significant influence	Reason why the associate/ joint venture is not consolidated Sheet	Networth attributable to share holding as per latest audited Balance	Profit or Loss for the year	
		No.	Amount of Investment in Associates or Joint Venture	Extent of Holding (in per centage)				Consi dered in Consoli dation	Not Consi dered in Consoli dation
1.	Jayanthi Green Energy Private Limited	8991	89910	27.00%	By Virtue of Holdings being 20% or more shares	N.A.	(-)10.85	(-)11.75	(-)31.76
2	Premchander Green Energy Private Limited	8991	89910	27.00%	By Virtue of Holdings being 20% or more shares	N.A.	(-)12.06	(-)12.96	(-)35.05
3.	AFCM Wind Farms Private Limited	9800	98000	29.43%	By Virtue of Holdings being 20% or more shares	N.A.	0.87	(-)0.10	(-)0.24
4.	AJSM Green Energy Private Limited	9800	98000	29.43%	By Virtue of Holdings being 20% or more shares	N.A.	0.97	(-)0.01	(-)0.02

- Names of associates or joint ventures which are yet to commence operations. NIL ()
- Names of associates or joint ventures which have been liquidated or sold during the year. NIL

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified”.

By Order of the Board

Place : Tirupur
Date : 21.08.2020

(Sd/-) R. PREMCHANDER **(Sd/-) R. JAICHANDER**
Managing Director Joint Managing Director
DIN: 00390795 DIN: 00390836



FIXED DEPOSITS

During the year under review, your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

REMUNERATION OF DIRECTORS & KMP:

Disclosure pursuant to Rule 5 (1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed vide "ANNEXURE VII".

DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL:

During the year 2019-20, no significant and material Orders were passed by the Regulators or Courts or Tribunals impacting the going concern status and company's operations in future

STATEMENT IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROL WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The Company has a well-established internal financial control and risk management framework, with appropriate policies and procedures, to ensure the highest standards of integrity and transparency in its operations and a strong corporate governance structure, while maintaining excellence in services to all its stakeholders. Appropriate controls are in place to ensure: (a) the orderly and efficient conduct of business, including adherence to policies, (b) safeguarding of assets, (c) prevention and detection of frauds / errors, (d) accuracy and completeness of the accounting records and (e) timely preparation of reliable financial information.

CONSOLIDATED FINANCIAL STATEMENTS:

In accordance with the provisions of Section 129 (3) of the Companies Act, 2013, the Consolidated Financial Statements, drawn up in accordance with the applicable Accounting Standards, form part of the Annual Report.

The consolidated net profit for the year was Rs.10.886 cr. as against Rs. 15.237 cr. in the previous year. The Company's consolidated net worth stood at Rs.134.261 cr. as on 31st March 2020.

RECEIPT OF ANY COMMISSION BY MD/WTD FROM A COMPANY OR FOR RECEIPT OF COMMISSION/REMUNERATION FROM ITS HOLDING OR SUBSIDIARY.

The MD/WTD has not received any commission from other company/ its subsidiary.

BOARD & AUDIT COMMITTEE:

The details regarding number of board meetings held during the financial year and composition of Audit Committee is furnished in the Corporate Governance Report.

COMPOSITION OF AUDIT COMMITTEE AND VIGIL MECHANISM / WHISTLE BLOWER POLICY

The composition and attendance of the Audit Committee of the Board of Directors of the Company are disclosed elsewhere in the Annual Report. The Company has devised a vigil mechanism in the form of a Whistle Blower Policy in pursuance of provisions of Section 177(10) of the Companies Act, 2013 as explained in the Corporate Governance Report and also posted on the website of company and can be accessed at the link <http://www.amarjothi.net/Policies>. During the year under review, there were no complaints received under this mechanism.



AUDITORS:

STATUTORY AUDITORS

Mr. P.S.Sitaram, B.Sc., F.C.A., Chartered Accountant, Coimbatore, (Membership No.023033), retires and is eligible for re-appointment for the term of 3 (three) years from the conclusion of 31st Annual General Meeting until the conclusion of 34th Annual General Meeting of the Company. A certificate from the Auditors that they satisfy the Eligibility conditions prescribed under the Companies Act, 2013 and the Rules made there under (including satisfaction of criteria under section 141 of the Companies Act, 2013), has been received from them.

INTERNAL AUDITORS

Mr.M.S Sivakumar, Chartered Accountant, is appointed as internal auditor of the Company. He has played an important role in strengthening the Systems and internal Controls within the Company.

DISCLOSURE OF COST AUDITOR AND COST AUDIT REPORT

As per Section 148 of the Companies Act, 2013 read with Rules framed there under, M/s. Nagarajan & Co, Practicing Cost Accountants, (Firm's Membership No; 000088) were appointed as Cost Auditors for the financial year 2019-20 to conduct cost audit of the accounts maintained by the Company in respect of the various products prescribed under the applicable Cost Audit Rules. The remuneration of Cost Auditors has been approved by the Board of Directors on the recommendation of Audit Committee. The requisite resolution for ratification of remuneration of cost Auditors by members of the Company has been set out in the Notice of ensuing annual general meeting. They have also been appointed as Cost Auditors for financial year 2020-21 by the Board of Directors, upon recommendation of Audit Committee, to conduct cost audit of the accounts maintained by the Company in respect of the various products prescribed under the applicable Cost Audit Rules.

The Cost Audit Report for the financial year 2019-20, issued by M/s. Nagarajan & Co, Cost Auditors, in respect of the various products prescribed under Cost Audit Rules will be filed within the due date prescribed by the Act.

COST RECORDS

The Company has maintained the Cost Records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.

POSTAL BALLOT

During the year under review, the Company has not passed any transaction through Postal Ballot.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. R.Ramchandrar B.com, ACS, LLB, Company Secretary in Practice (C.P No. 12240) to undertake the Secretarial Audit of the Company. The Secretarial Audit report is annexed herewith as Annexure – V and forms an integral part of this Report.

CORPORATE GOVERNANCE

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report, Report on Corporate



Governance and Auditors Certificate regarding compliance of conditions of Corporate Governance provided elsewhere in this Report, forms part of the Directors' Report. A detailed report on corporate governance, together with a certificate from the Statutory Auditors, in compliance with Reg 15(2) of the SEBI (LODR) Regulations, 2015 is attached as part of this report vide "ANNEXURE II".

CORPORATE SOCIAL RESPONSIBILITY

Based on last three years average Net Profit, the Company is required to spend a sum of Rs.32,28,125, in the year 2019-20. The Company has spent the amount towards the Prime Ministers Relief Fund.

The company has adopted a Corporate Social Responsibility Policy defining therein the CSR activities to be undertaken by the Company in areas or subject specified in Schedule VII of the Companies Act, 2013. The Corporate Social Responsibility Committee of the Board is responsible for the implementation and effective monitoring of the CSR activities of the Company. The Annual Report on Company's CSR activities of the Company is furnished in the prescribed format as ANNEXURE IV" to this report.

PERSONNEL

In term of the provision of Section 197(12) of Act read with rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014 a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules are annexed to this report as "ANNEXURE VII".

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy. No complaints were received during the year 2019-20.

ACKNOWLEDGEMENT

Your directors gratefully acknowledge the support and co-operation extended to your Company by all the customers, shareholders and bankers.

Your directors also place on record their appreciation of the tireless efforts of Team Amarjothi, a dedicated and loyal band of people who have displayed unswerving commitment to their work in these challenging times and helped the Company deliver good results.

The Company extends its thanks to the Central and State Government authorities for their continued co-operation and assistance.

MAY LORD VENKATESWARA SHOWER HIS BLESSINGS FOR THE CONTINUED PROSPERTIY OF THE COMPANY.

By Order of the Board

Place : Tirupur
Date : 21.08.2020

(Sd/-) R. PREMCHANDER	(Sd/-) R. JAICHANDER
Managing Director	Joint Managing Director
DIN: 00390795	DIN: 00390836



MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

1. INDUSTRY STRUCTURE AND DEVELOPMENT:

Textile industry is India's major industry and one of the age old industry. With the modernization of the industry substantial capacity expansion has taken place in the textile sector. Industry has gone through rising raw material cost, scarcity of power, labour, market fluctuation and fluctuation in currency rates etc.

2. OPPORTUNITIES AND THREATS:

This Company being a major supplier of melange yarn to the Tirupur market with its local presence, there is good scope for improved turnover and profitability. The Company has been improving its share of value added yarn in the market in the form of Dyed fibre yarn, Dyed cotton yarn, PC yarn, etc. The Company offers competitive price due to low power cost through windmills, low interest cost, low processing cost, etc. The Company has obtained ISO 9001:2000 Certification, MGMT.SYS RVA C 216 Certification for quality management and systems and OEKO TEX STANDARD- 100 Certification for not using harmful substances in the product.

Though presently there is a certain lack of clarity in the general market conditions, no unit - specific threat to the operations and performance of the Company is perceived in the long run. However any major changes in export / import policies related to cotton and yarn and foreign currency fluctuations will have their impact on textile sector. Current Price fluctuations in yarn will affect the Market of our product in the forthcoming period. More over we are facing Labour scarcity and it will have impact on our production. Power generated by wind mills are not fully utilized by the Electricity Board and due to this wind mills were kept idle for some times.

3. SEGMENT-WISE PERFORMANCE:

The Company operates only in one segment and the operational results are mentioned elsewhere in this report.

4. OUTLOOK:

The Company will continue to perform well in the domestic market. The Company is in the process of implementing several cost saving measures, which will make the product more competitive.

RISKS AND CONCERNS:

With our presence in three continents we are exposed to risks which can adversely impact our operating performance, cash flows, financial performance, management performance and overall sustainability. We have an active risk management strategy in the place for the company, whose role is to identify potential risks, create mitigation strategies and monitor the occurrence of risk.

The risks that may affect us include, but are not limited to:

- Economic conditions.
- Inflationary pressure and other factors affecting demand for our products.



AMARJOTHI SPINNING MILLS LIMITED

- Increase in costs of raw material, transport and storage.
- Supplier and distributor relationships and retention of distribution channels.
- Competitive market conditions and new entrants to the market.
- Labour shortages and attrition of key staff.
- Exchange rate fluctuation and arbitrage risk.
- Compliance and regulatory pressures including changes to tax laws.
- Seasonal fluctuations.
- Political risks associated with unrest and instability in countries where we have a presence or operation
- Power shortage

5. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has adequate internal control systems and procedures commensurate with its size and nature of its business for the purchase of raw materials, plant and machinery, components and other items and for sale of goods. The adequacy of the internal control system is also periodically reviewed by the Audit Committee.

6. FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

The financial performance of the Company has been discussed at length in the directors' report to the members.

7. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT :

The Company has required number of skilled / semi-skilled persons and places emphasis on training for improving quality and productivity.

8. HEALTH AND SAFETY MEASURES :

The Company has taken medical insurance cover for all workers. Adequate safety measures have been taken in all our plants for prevention of any untoward incidents.

9. CAUTIONARY STATEMENT :

Statements made in this report regarding the Company's objectives, projections, expectations and predictions may be forward looking statements under the applicable securities law and regulations. Actual results could differ materially from those expressed or implied. Some of the important factors that could make a difference to the Company's operations include global and domestic demand- supply conditions, finished goods prices, raw material costs and availability, interest rates, fuel prices, fluctuations in exchange rates, changes in government regulations and tax structure, economic developments in the domestic and overseas market and other incidental factors.

By Order of the Board

Place : Tirupur
Date : 21.08.2020

(Sd/-)R. PREMCHANDER (Sd/-)R. JAICHANDER
Managing Director Joint Managing Director
DIN: 00390795 DIN: 00390836



CEO/CFO CERTIFICATION

To

The Board of Directors
Amarjothi Spinning Mills Limited

We, the undersigned, in our respective capacities as Managing Director and Chief Executive Officer of Amarjothi Spinning Mills Limited ("the Company"), to the best of our knowledge and belief certify that:

- 1) We have reviewed the financial statements and the cash flow statement for the Financial Year ended 31st March, 2020 and based on our knowledge and belief, we state that :
 - 1) These statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading.
 - 2) These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- 2) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- 3) We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- 4) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
 - 1) significant changes, If any, in the internal control over financial reporting during the year;
 - 2) significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
 - 3) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Place: Tirupur
Date: 29.06.2020

(Sd/-) **R.PREMCHANDER**
Managing Director

(Sd/-) **P.SINGARAVELU**
Chief Financial Officer



AMARJOTHI SPINNING MILLS LIMITED

ANNEXURE – I TO DIRECTOR'S REPORT

The information required under Section 134(3)(m) of the Companies Act, 2013 read with the Rule 8 of the Companies (accounts) Rules 2014 as follows :

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

CONSERVATION OF ENERGY:

1. The steps taken or impact on conservation of energy : Started power saving methods in humidification plant.
2. The steps taken by the Company for utilising alternate sources of energy:
Made power purchase contract with APGL Green Energy Private Limited, Premchander Green Energy Private Limited, Jayanthi Green Energy Private Limited and Kanagathara Wind Farms.
3. The capital investment on energy conservation equipments: NIL
4. a) Measures taken
 - 1) Continuous monitoring of energy consumption.
 - 2) Optimization of power parameters.
 - 3) Improving power factorb) Proposed measures
Installed Humifogg system for power saving purpose after trial is satisfactory last year.

B. RESEARCH AND DEVELOPMENT

The Company is a member of SITRA (South India Textile Research Association) and is being benefited from their R & D activities. Significant improvements have been made in the quality of the melange yarn.

C. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

- a. **The efforts made towards technology absorption**
The latest technology has been/is being adopted in various stages
- b. **The benefits derived as a result of above efforts**
 - Increase in productivity
 - product quality improvement
 - reduction in consumption of power.
- c. **Imported Technology** : None

D. FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Exchange earnings : Rs. 1055.66 Lakhs

Foreign Exchange outgo : Rs. 195.84 Lakhs



ANNEXURE – II

REPORT ON CORPORATE GOVERNANCE

1. COMPANY PHILOSOPHY ON CORPORATE GOVERNANCE

The Company believes in systematic approach, professionalism, accountability and transparency. It will constantly endeavor to improve in all spheres of activity.

2. BOARD OF DIRECTORS

All the members of the Board are eminent persons with considerable expertise and experience in the engineering, banking, finance, accounts and audit, Legal consulting and Capital Market. The Company is immensely benefited by the range of experience and skills that the Directors bring to the Board.

The Composition of the Board is in conformity with the listing agreement requirements as on 31st March 2020.

Name of the Director	DIN	Attendance Particulars		Directorships in other Public Limited Companies		Committees in which Chairman / Member of other Public Limited Companies*	
		Board Meetings	AGM	Chairman	Director	Chairman	Member
Promoter Directors							
Sri. N.Rajan**	00390813	3	No	-	2	-	-
Sri. R.Premchander (Executive)	00390795	4	Yes	-	3	-	-
Sri. R.Jaichander (Executive)	00390836	4	Yes	-	2	-	-
Sri. N.Radhakrishnan Independent- Non-Executive Directors	00390913	4	Yes	-	-	-	-
Dr. V.Subramaniam	00781690	4	Yes	-	-	-	-
Sri. V.T.Subramanian	02311576	4	Yes	-	-	-	-
Sri. V.Manikandan	01920550	4	Yes	-	1	-	-
Sri. M.S.Sivakumar	06930290	4	Yes	-	-	-	-
Smt. M.Amutha Non-Executive Directors	07137884	4	Yes	-	-	-	-
Sri. M.Moorthi	06801357	4	Yes	-	-	-	-

*Audit Committee and Stakeholders' Relationship Committee considered.

** (Sri.N.Rajan – upto 30.03.2020)

All Directors and Senior Management Personnel have re-affirmed compliance with the Code of Conduct approved and adopted by the Board of Directors.



3. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company has familiarised the Independent Directors with their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model etc. through a familiarisation programme. Details of the familiarisation programme have been disclosed on the company's website : <http://www.amarjothi.net/>

4. BOARD MEETINGS

The Board of Directors formulates the broad business and operational policies, periodically reviews the performance and engages itself with strategic issues concerning the Company.

During the year under review, 4 meetings of the Board of Directors were held as given below:

30 th May 2019	31 st July 2019	01 st November 2019	31 st January 2020
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5. AUDIT COMMITTEE

The Audit Committee reviews the financial accounting policies, adequacy of internal control systems and systems audit and interacts with the statutory auditors, internal auditors and system auditors. Senior Executives and functional heads are invited to the committee meetings. Besides, the Committee reviews the audit plans, interim and annual financial results, management discussion and analysis of financial condition and results of operations, related party transactions, observations of the management and internal / external auditors on internal control and follow-up reports of the management.

Composition of the Audit Committee and attendance of the members at Committee meetings are as follows:

Name of Director	Designation	No. of meetings attended	Meeting dates
Sri. V.T. Subramanian	Chairman	4	30 th May 2019
Dr. V. Subramaniam	Member	4	31 st July 2019
Sri. N. Rajan*	Member	4	01 st November 2019
			31 st January 2020

* (Sri.N.Rajan – upto 30.03.2020)

6. NOMINATION COMPENSATION AND REMUNERATION COMMITTEE

The Nomination Compensation and Remuneration Committee has formulated criteria for evaluation of the Board and non-independent directors for the purpose of review of their performance at a separate meeting of the Independent Directors. Further, the Committee has recommended a policy relating to the remuneration of the directors, key managerial personnel and other employees which, inter alia, includes the principles for identification of persons who are qualified to become directors.



The criteria laid down for evaluation of the directors and the remuneration policy, as approved and adopted by the Board, are attached as part of this report vide Annexures II (i).

Composition of the Nomination, Compensation and Remuneration Committee and attendance of the members at Committee Meetings are as follows

Name of the Member	Designation	No.of MeetingsAttended	Meeting dates
Dr.V.Subramaniam	Chairman	3	30.05.2019
Sri.V.T.Subramanian	Member	3	31.07.2019
Sri. N. Rajan*	Member	2	31.01.2020

* (Sri.N.Rajan – upto 30.03.2020)

7. SEPARATE MEETING OF INDEPENDENT DIRECTORS

A Separate Meeting of Independent Directors was held on 31st January, 2020 without the attendance of non-independent directors and members of management. All the Independent Directors attended the meeting and:

- I. reviewed the performance of non-independent directors and the Board as a whole;
- II. reviewed the performance of the Chairperson of the Company, taking into account the views of executive directors and non- executive directors;
- III. assessed the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

8. REMUNERATION OF DIRECTORS

The Remuneration, Commission and Sitting Fees paid to the Directors for the year 2019-2020 was as follows:

Directors	Salary and Perquisites (Rupees)	Commission (Rupees)	Sitting Fees (Rupees)	Number of shares held individually	Relationship with other Directors
1) Sri. N. Rajan*	Nil	1409949	2250	1164980	Father of Mr. Premchander & Mr. Jaichander
2) Sri. R. Premchander	720000	6329745	Nil	1275653	Son of Mr. N. Rajan & Brother of Mr. Jaichander
3) Sri. R. Jaichander	720000	6329745	Nil	1275498	Son of Mr. N. Rajan & Brother of Mr. Premchander
4) Dr. V. Subramaniam	Nil	Nil	3000	Nil	-

* (Sri.N.Rajan – upto 30.03.2020)



Directors	Salary and Perquisites (Rupees)	Commission (Rupees)	Sitting Fees (Rupees)	Number of shares held individually	Relationship with other Directors
5) Sri. N. Radhakrishnan	Nil	Nil	3000	Nil	Brother of Mr. N. Rajan
6) Sri. V.T. Subramanian	Nil	Nil	3000	Nil	-
7) Sri. M. Moorthi	Nil	Nil	3000	Nil	-
8) Sri. V. Manikandan	Nil	Nil	3000	Nil	-
9) Sri. M.S. Sivakumar	Nil	Nil	3000	Nil	-
10) Smt. M. Amutha	Nil	Nil	3000	Nil	-

9. STAKEHOLDER RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee

- I. approves and monitors transfer, transmission, splits and consolidation of securities of the Company,
- II. reviews the redressal of grievances / complaints from shareholders and debenture holders on matters relating to transfer of shares, non-receipt of annual report, dividends, interest etc., and
- III. reviews the compliances with various statutory and regulatory requirements.

Composition of the Stakeholders Relationship Committee and attendance of the members at Committee meetings are as follows:

Name of the Member	Designation	No. of Meetings Attended	Meeting dates
Sri. V.T. Subramanian	Chairman	4	30 th May 2019 31 st July 2019
Sri. R. Premchander	Member	4	01 st November 2019
Sri. R. Jaichander	Member	4	31 st January 2020

No share transfer requests were pending as on 31st March 2020. During the year 3 letters were received from investors regarding non-receipt of dividend warrants, annual reports, share certificates, etc. and all of them were replied to/ resolved to the satisfaction. None was pending unresolved as on 31st March 2020.

Smt.Mohanapriya.M, Company Secretary, is the Compliance Officer.

Contact Details of Compliance Officer:

Smt.Mohanapriya.M,

Company Secretary & Compliance Officer, Amarjothi House,

157, Kumaran Road, Tirupur – 641 601. E-mail : mill@amarjothi.net

7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility (CSR) Committee has formulated a Corporate Social Responsibility Policy indicating the CSR activities to be undertaken by the company in accordance with Schedule VII to the Companies Act, 2013. The terms of reference of



the CSR Committee include recommending to the Board the amount of expenditure to be incurred on the CSR activities and monitoring the implementation of the CSR Policy from time to time. The CSR Policy of the Company, as approved and adopted by the Board, has been posted on the website of the Company.

The Corporate Social Responsibility (CSR) Policy is available under the following website: <http://www.amarjothi.net/>

Composition of the Corporate Social Responsibility Committee and attendance of the members at Committee meetings are as follows:

Name of the Member	Designation	No.of MeetingsAttended	Meeting dates
Sri. M.Moorthi	Chairman	1	31.07.2019
Sri.R.Jaichander	Member	1	
Sri. V.Manikandan	Member	1	

11. GENERAL BODY MEETINGS

The location and time of the annual general meetings held during the last three years are as follows:

Financial Year	Date	Time	Venue	No.of Special Resolutions Passed
31.03.2017	25.09.2017	11.00A.M.	Meeting Hall of Gayathri Hotel, Kangeyam Road, Tirupur –641 604	NIL
31.03.2018	28.09.2018	11.00A.M.		NIL
3103.2019	30.09.2019	11.00A.M.		<ol style="list-style-type: none"> 1. To approve the Continuation of Directorship Sri.N.Rajan aged about 80 years as Non-Executive Director of the Company. 2. Re- appointment of Independent Director Dr.V.Subramaniam 3. Re- appointment of Independent Director Sri.V.T.Subramanian 4. Re- appointment of Independent Director Sri.V.Manikandan 5. Re- appointment of Independent Director Sri.M.S.Sivakumar

EGM AND POSTAL BALLOT

No EGM was held during the year under review.

No Special Resolution was required to be put through postal ballot during the year under review.

No Special Resolution on matters requiring Postal Balloting is placed for Shareholders approval at the ensuing Annual General Meeting.



12. WHISTLE BLOWER POLICY

During the year the Company adopted the Whistle Blower Policy and established the necessary vigil mechanism for Directors and Employees to report concerns about unethical behavior. The mechanism provides for adequate safeguards against victimization. Further, no person has been denied access to the Audit Committee. The Whistle Blower Policy is available under the following website : <http://www.amarjothi.net/>

13. DISCLOSURES

- There were no materially significant related party transactions having potential conflict with the interests of the company at large.
- All the mandatory requirements specified under Regulation have been complied with. The Company will continue to adopt other non-mandatory requirements as appropriate. The Company has a record of unqualified financial statements since inception.

14. MEANS OF COMMUNICATION

- Quarterly unaudited and annual audited results of the Company were published in “Trinity Mirror” (English) and “Makkal Kural” (Tamil).
- The results and press release were also displayed on the Company’s website at [http:// www.amarjothi.net](http://www.amarjothi.net)
- Shareholders have been provided with an opportunity to provide their email id for receiving correspondence and annual report in electronic form.

15. SHAREHOLDERS INFORMATION 32nd ANNUAL GENERAL MEETING

Day & Date : **Monday, 28th September 2020**
Time : **12.00 P.M.**
Venue : Annual General Meeting (AGM) to be conducted through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”), pursuant to MCA circular dated 05.05.2020 read with circulars dated 08.04.2020 and 13.04.2020, without physical presence of Members at a common venue. The deemed venue for the AGM shall be the Registered Office of the Company – Amarjothi House, 157, Kumaran Road, Tirupur – 641601.

FINANCIAL CALENDAR

Financial Year : 1st April, 2019 to 31st March, 2020
 Announcement of Annual Results 2019-20 : 29.06.2020
 Mailing of Annual Reports : On or before 5th, September 2020 2019-20
 E-voting period : 25.09.2020 - 9.00 AM to 27.09.2020 - 5.00 PM
 Date of Book Closure : 22.09.2020 - Tuesday to 28.09.2020 – Monday (Both days inclusive)
 Date of payment of dividend : On or before 28th October 2020 – Rs.2/- per share 20%

AMARJOTHI SPINNING MILLS LIMITED



LISTING ON STOCK EXCHANGES

The equity shares of the : BSE Limited, Mumbai – 400 001

Company are listed at

BSE Limited, Stock Code : 521097

ISIN No. : INE484D01012

Listing fee for 2019-2020 has been paid in respect of BSE Ltd.

Following Dividends are transferable to the Investor Education and Protection Fund (IEPF) on the respective due dates, as under, in accordance with the provisions of Sections 124(5) and 125 of the Companies Act, 2013.

Amount of Dividend	Dividend for the Financial Year	Due date of credit to the Central Government	Date of Transfer to the Central Government
524138	2012-13	28-Oct-2020	28-Oct-2020

Reminders are sent to members for encashing unclaimed and unpaid dividends, on a regular basis. Members who have not yet made claims are, therefore, requested to contact the Registrar and Share Transfer Agents immediately.

MARKET PRICE DATA

The Company's stock code in BSE is 521097. The High and Low quotations of the Company's shares on the (BSE) from April 2019 to March 2020 are given below:

Month	BSE	
	High (Rs.)	Low (Rs.)
Apr 2019	100.00	80.20
May 2019	90.45	81.55
June 2019	92.55	75.15
July 2019	82.00	64.20
Aug 2019	69.55	50.15
Sep 2019	74.95	57.00
Oct 2019	70.00	54.05
Nov 2019	65.50	57.00
Dec 2019	62.90	55.20
Jan 2020	86.50	61.00
Feb 2020	79.00	55.05
Mar 2020	65.80	39.00



Performance in comparison to broad based indices
Amarjothi Share performance (April 2019 to March 2020)
BSE Sensex Vs Amarjothi Share Price



Share transfers were processed and share certificates dispatched within 15 days from lodgment in accordance with the stock exchange listing agreement.

Dematerialisation requests have been confirmed within 21 days from the date of request.

M/s SKDC Consultants Limited, Registrars and Share Transfer Agents of the company have attended to the share transfer formalities regularly. The Registrar and Share Transfer Agents can be contacted by the investors at the following address:

M/s SKDC Consultants Limited
 Kanapathy Towers, 3rd Floor, 1391/A-1 ,
 Sathy Road, Ganapathy, Coimbatore – 641 006.
 Telephone : 0422-4958995,2539835 Fax No. : 0422-2539837
 E-mail : info@skdc-consultants.com

Contact Persons : Mr. K. NARENDRA , Managing Director,
 Mr. MARIMUTHU



DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2020

Slab of Shareholding	Shareholders	%	No. of Shares	%
1 - 500	6714	90.72	852386	12.63
501 - 1000	319	4.31	252592	3.74
1001 - 2000	206	2.78	314689	4.66
2001 - 3000	74	1.00	183828	2.72
3001 - 4000	18	0.24	64285	0.95
4001 - 5000	19	0.26	88392	1.31
5001 - 10000	31	0.42	208482	3.09
10001 AND ABOVE	20	0.27	4785346	70.90
Total	7401	100.00	6750000	100.00

SHAREHOLDING PATTERN AS ON 31ST MARCH 2020

Category	No. of Shares held	%
Indian Promoters	3716131	55.054
Bodies Corporate	68676	1.017
Indian Public	2598135	38.50
NRI	60377	0.895
Clearing Members	6384	0.095
HUF	144002	2.133
IEPF	156295	2.315
Total	6750000	100.00

Mode	No. of Shares	% of Listed Capital
Depository	6455419	95.63
Physical	294581	4.37
Total	6750000	100.00

SHAREHOLDING OF NON-EXECUTIVE DIRECTORS AS ON 31ST MARCH 2020

Sri.N.Rajan, Chairman holds 1164980 equity shares. The other non-executive directors do not hold any shares.

* (Sri.N.Rajan – upto 30.03.2020)

PLANT LOCATIONS:

Spinning unit : Puduripalayam, Nambiyur-638458, Gobi Taluk.

Processing Unit : SIPCOT, Perundurai, Erode Dist.

AMARJOTHI SPINNING MILLS LIMITED



INVESTOR CORRESPONDENCE:

The Company Secretary & Compliance officer,
Amarjothi Spinning Mills Limited, Amarjothi House,
157, Kumaran Road, Tirupur-641601.

By Order of the Board

Place : Tirupur

Date : 21.08.2020

(Sd/-) R. PREMCHANDER

Managing Director

DIN: 00390795

(Sd/-) R. JAICHANDER

Joint Managing Director

DIN: 00390836

AUDITOR CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of AMARJOTHI SPINNING MILLS LIMITED,

I have examined the compliance of conditions of Corporate Governance by AMARJOTHI SPINNING MILLS LIMITED, for the year ended 31.03.2020, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as stipulated in Regulations 17 to 27 of Chapter IV.

The compliance of conditions of corporate governance is the responsibility of the management. My examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in above mentioned Listing Agreement/Listing Regulations.

I state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Tirupur

Date : 29.06.2020

(Sd/-) P.S.Sitaram B.Sc., F.C.A

Chartered Accountant

Membership No. 023033



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

**(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To

The Members
Amarjothi Spinning Mills Limited
(CIN:L17111TZ1987PLC002090)
157, Kumaran Road,
Tirupur-641601.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Amarjothi Spinning Mills Limited having CIN: L17111TZ1987PLC002090, and having Regd. Office at 157, Kumaran Road, Tirupur-641601, TamilNadu, India (here in after referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number(DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Coimbatore
21.08.2020

Sd/-
Ramchandar .R
Company Secretary in Practice
FCS No: 10097
C.P.No:12240
UDIN: F010097B000605505



CRITERIA FOR EVALUATION

(As approved by the Board on 31st January 2020)

Criteria for evaluation of the Board and non-independent directors at a separate meeting of independent directors:

1. Composition of the board and availability of multi-disciplinary skills.
Whether the Board comprises of directors with sufficient qualifications and experience in diverse fields to make SF a versatile institution.
2. Commitment to good Corporate Governance Practices
 - (a) Whether the company practices high ethical and moral standards.
 - (b) Whether the company is fair and transparent in all its dealings with the stake holders.
3. Adherence to Regulatory Compliance
Whether the company alters to the various Government regulations.....Local, state and central, in time.
4. Track record of financial performance
 - (a) Whether the Company has been consistently recording satisfactory and profitable financial performance year on year adding to share holder value.
 - (b) Whether the Company is transparent in all its disclosures on financial data.
5. Grievance redressal mechanism
Whether a proper system is in place to attend to the complaints /grievances from the shareholders, depositors, customers, employees and others quickly and fairly.
6. Existence of integrated Risk management system
Whether the company has integrated risk management system to cover the business risks.
7. Use of Modern Technology
Whether the Company has an integrated IT strategy and whether there is any system for periodical technology up gradation covering both hardware and software.
8. Commission to CSR
Whether the Company is committed to social clauses and CSR and whether there is a system to identify, finance and monitor such social activities.

Criteria for evaluation of chairman at separate meeting of Independent Directors:

1. Leadership qualities
2. Standard of Integrity
3. Understanding of Macroeconomic trends and Micro industry trends.
4. Public Relations
5. Future Vision and Innovation

Criteria for evaluating of Independent Directors by the entire Board:

1. Qualifications & Experience
2. Standard of Integrity
3. Attendance in Board Meetings/AGM
4. Understanding of Company's business
5. Value addition in Board Meetings

Criteria for evaluating of the Audit Committee by the Board:

1. Qualification & Experience of members
2. Depth of review of financial parameters
3. Oversight of Audit & Inspection
4. Review of Regulatory compliance
5. Fraud monitoring



ANNEXURE II (i)

NOMINATION, REMUNERATION AND EVALUATION POLICY INTRODUCTION

In terms of section 178 of the Companies Act, 2013 and the Listing Agreement, entered into by the company with Stock Exchange, as amended from time to time, this policy on nomination and remuneration of directors, Key Managerial Personnel (KMP), senior management and other employees of the company has been formulated by the nomination and remuneration committee of the company and approved by the board of directors vide its resolution dated 30.05.2014. This policy shall act as a guideline for determining, inter-alia, qualifications, positive attributes and independence of a director, matters relating to the remuneration, appointment, removal and evaluation of performance of the directors, KMP and Senior Management Personnel including functional heads (one level below the Board).

OBJECTIVE OF THE POLICY

The policy is framed with the objective(s):

1. That the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors, KMP, Senior Management Personnel of the quality required to run the company successfully.
2. That the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
3. That the remuneration to directors, KMP, and Senior Management Personnel (one level below the Board) of the company involves a balance between fixed and incentive pay reflecting short and long- term performance objectives appropriate to the working of the company and its goals.
4. To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become directors (Executive and Non-executive) and persons who may be appointed in Senior Management (one level below the Board), key managerial positions and to determine their remuneration.
5. To determine remuneration based on the company's size and financial position and trends and practices on remuneration prevailing in peer companies in the industry.
6. To carry out evaluation of the performance of directors, as well as key managerial and Senior Management Personnel (one level below the Board) and to provide for reward(s) linked directly to their effort, performance, dedication and achievement relating to the company's operations; and
7. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
8. To lay down criteria for appointment and removal of directors, KMP and Senior Management Personnel (one level below the Board) and evaluation of their performance.

In the context of the aforesaid criteria the following policy has been formulated by the nomination and remuneration committee and adopted by the board of directors at its meeting held on 30.05.2014.

DEFINITIONS

In this policy unless the context otherwise requires:

1. 'Act' means Companies Act, 2013 and rules there under
2. 'Board of directors' or 'board', in relation to the company, means the collective body of the directors of the company



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3. 'Committee' means Nomination and Remuneration Committee of the company as constituted or reconstituted by the board
4. 'Company' means Amarjothi Spinning Mills Limited
5. 'Directors' means directors of the company
6. 'Independent Director' means a director referred to in Section 149 (6) of the Companies Act, 2013
7. 'Key Managerial Personnel' (KMP) means:
 - 1) Chief Executive Officer and / or Managing Director
 - 2) Whole-time Director
 - 3) Chief Financial Officer
 - 4) Company Secretary
 - 5) Such other officer as may be prescribed
8. 'Ministry' means the Ministry of Corporate Affairs
9. 'Regulations' refers to and comprise of Companies Act, 2013, The Companies (Meeting of Board and its Powers) Rules, 2014, The Companies (Appointment and Qualification of Directors) Rules, 2014, The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Listing Agreement and such other rules and provisions as applicable to the matters dealt in by this policy
10. 'Senior Management Personnel' for this purpose shall mean employees of the company who are members of its core management team excluding board of directors. It would comprise all members of management one level below the Board, including the functional heads.
11. Senior Management means executive positions one level below the Board of Directors including functional heads.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time, shall have the meaning respectively assigned to them therein.

CONSTITUTION OF THE COMMITTEE

The committee will consist of three or more non-executive directors, out of which at least one-half shall be independent director(s), provided that chairperson of the company may be appointed as a member of this committee but shall not chair the committee.

The committee will meet at such intervals as it may deem fit to carry out the objectives set out in the policy. A quorum of two members is required to be present for the proceedings to take place. The committee members may attend the meeting physically or via permitted audio-visual mode, subject to the provisions of the applicable Regulations. The committee shall have the authority to call such employee(s), senior official(s) and / or externals, as it deems fit. The Company Secretary shall act as secretary to the committee.

FUNCTIONS OF THE COMMITTEE

The committee shall, inter-alia, perform the following functions:



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1. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the board their appointment and removal and shall carry out evaluation of every director's performance
2. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board a policy, relating to the remuneration for the directors, key managerial personnel, Senior Management Personnel and other employees
3. Ensure that the board comprises of a balanced combination of executive directors and non-executive directors and also the independent directors
4. Devise framework to ensure that directors are inducted through suitable familiarization process covering their roles, responsibility and liability
5. Oversee the formulation and implementation of ESOP Schemes, its administration, supervision, and formulating detailed terms and conditions in accordance with SEBI guidelines
6. Decide/ approve details of fixed components and performance linked incentives along with the performance criteria
7. Formulate the criteria for evaluation of independent directors and the board
8. The committee shall assist the board in ensuring that plans are in place for orderly succession for appointments to the board and to senior management

The chairman of the committee could be present at the Annual General Meeting, to answer the shareholders' queries. However, it would be up to the chairman to decide who should answer the queries.

Provided that committee may set up mechanism to carry out its functions and is further authorized to delegate any / all of its powers to any of the directors and / or officers of the company, as deemed necessary for proper and expeditious execution.

APPLICABILITY

This policy is applicable to:

1. Directors (Executive and Non-executive)
2. KMP
3. Senior management personnel

APPOINTMENT OF DIRECTOR, KMP AND SENIOR MANAGEMENT

1. The committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as director, KMP or at senior management level and recommend to the board his / her appointment
2. A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/ satisfactory for the concerned position.
3. Appointment of independent directors is subject to compliance of provisions of section 149 of the Companies Act, 2013, read with schedule IV and rules there under
4. The company shall not appoint or continue the employment of any person as whole-time director who has attained the age of seventy years. Provided that the term of the person



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holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

MANAGING DIRECTOR /WHOLE-TIME DIRECTOR

The company shall appoint or re-appoint any person as its managing director, whole time director or executive director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

INDEPENDENT DIRECTOR

Subject to the provisions of the applicable Regulations, an independent director shall hold office for a term up to five consecutive years on the board of the company and will be eligible for re-appointment on passing of a special resolution by the company.

No independent director shall hold office for more than two consecutive terms, but such independent director shall be eligible for appointment after expiry of three years of ceasing to become an independent director. Provided that an independent director shall not, during the said period of three years, be appointed in or be associated with the company in any other capacity, either directly or indirectly.

At the time of appointment of independent director, it should be ensured that number of boards on which such independent director serves is restricted to seven listed companies as an independent director and three listed companies as an independent director in case such person is serving as a whole-time director of a listed company or such prescribed number by the statutory authority from time to time

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTOR

1. The company shall familiarize the independent directors with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc. through various programs
2. The details of such familiarization programs shall be disclosed on the company's website and a web link thereto shall also be given in the Annual Report

EVALUATION

Following are the criteria for evaluation of performance of independent directors and the board:

1. Executive Directors

The executive directors shall be evaluated on the basis of targets/ criteria given to executive directors by the board from time to time

2. Non-Executive Director

The Non-Executive Directors shall be evaluated on the basis of the following criteria i.e. whether they:

- a) Act objectively and constructively while exercising their duties;
- b) Effectively deploy knowledge and expertise;
- c) Maintain confidentiality and Integrity and Independence of behavior and judgment;
- d) Exercise their responsibilities in a bona fide manner in the interest of the company;
- e) Devote sufficient time and attention to their professional obligations for informed and balanced decision making;



- f) Do not abuse their position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- g) Refrain from any action that would lead to loss of his independence
- h) Inform the board immediately when they lose their independence,
- i) Assist the company in implementing the best corporate governance practices.
- j) Strive to attend all meetings of the board of directors and the committees;
- k) Participate constructively and actively in the committees of the board in which they are chairpersons or members;
- l) Keep themselves well informed about the company and the external environment in which it operates;
- m) Moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.
- n) Abide by company's Memorandum and Articles of Association, company's policies and procedures including code of conduct, insider trading guidelines etc.

DISQUALIFICATIONS FOR APPOINTMENT OF DIRECTORS

A person shall not be eligible for appointment as a director of the company, if he is disqualified under section 164 of the Companies Act, 2013 or under any other regulations.

REMOVAL

The committee may recommend, to the board with reasons recorded in writing, removal of a director, KMP or senior management personnel subject to the provisions of the Companies Act, 2013, and all other applicable Acts, Rules and Regulations, if any.

RETIREMENT

The Director, KMP and senior management personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the company. The board will have the discretion to retain the director, KMP, senior management personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the company.

BOARD DIVERSITY

The board of directors shall have the optimum combination of directors from the different areas / fields like management, finance, marketing, legal etc. or as may be considered appropriate.

The board shall have at least one board member who has accounting or related financial management expertise and at least three members who are financially literate.

MATTERS RELATING TO THE REMUNERATION, PERQUISITES FOR THE DIRECTORS, KMP AND SENIOR MANAGEMENT PERSONNEL

1. The remuneration/ compensation/ profit-linked commission etc. to the executive and non-executive directors will be determined by the committee and recommended to the board for approval. The remuneration/ compensation/ profit-linked commission etc. shall be in accordance with the percentage/ slabs/ conditions laid down in the Act and shall be subject to the prior/ post approval of the shareholders of the company and Central Government, wherever required.
2. The committee may in its discretion structure any portion of remuneration to link rewards to corporate and individual performance, fulfillment of specified improvement targets or the



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attainment of certain financial or other objectives set by the board. The amount payable is determined by the committee, based on performance against pre-determined financial and non-financial metrics.

3. As regards the remuneration of KMP, senior management personnel and other employees, the determination shall be effected by way of presentation before the committee, which would have requisite details. The committee shall peruse the same and approve accordingly.

REMUNERATION TO WHOLE-TIME / EXECUTIVE / MANAGING DIRECTOR Remuneration

The whole-time director shall be eligible for remuneration as may be approved by the shareholders of the company on the recommendation of the committee and the board of directors. The break-up of the pay scale, performance bonus and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the board on the recommendation of the committee and shall be within the overall remuneration approved by the shareholders and Central Government, wherever required.

Minimum remuneration

If, in any financial year, the company has no profits or its profits are inadequate, the company shall pay remuneration to its whole-time director in accordance with the provisions of the Companies Act, 2013 and if it is not able to comply with such provisions, then with the previous approval of the Central Government.

REMUNERATION TO NON-EXECUTIVE / INDEPENDENT DIRECTOR Sitting Fees

The non-executive independent directors of the company shall be paid sitting fees and such other variable pay, if any, as per the applicable regulations. The quantum of sitting fees and variable pay, if any, will be determined as per the recommendation of the committee and approved by the board of directors of the company. The boarding and lodging expenses shall be reimbursed.

Stock Options

Pursuant to the provisions of the Act, an independent director shall not be entitled to any stock option of the company.

REMUNERATION TO KMP, SENIOR MANAGEMENT PERSONNEL AND OTHER EMPLOYEES

The Remuneration to be paid to KMPs/ senior management personnel shall be based on the experience, qualification and expertise of the related personnel.

The KMP, senior management personnel and other employees of the company shall be paid monthly remuneration as per the company's HR policies and/or as may be approved by the committee. The break- up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses etc. shall be as per the company's HR policies.

The remuneration details shall be presented before the committee which would have requisite details setting out the proposed increments for the next financial year. The committee shall peruse and forward the same to the board of directors of the company.

This remuneration policy shall apply to all future/ continuing employment/ engagement(s) with the company. In other respects, the remuneration policy shall be of guidance for the board. Any departure from the policy shall be recorded and reasoned in the committee and board meeting minutes.



DISSEMINATION

The details of the policy and the evaluation criteria as applicable shall be published on company's website and accordingly disclosed in the annual report as part of board's report therein.

AMENDMENT TO THE POLICY

The board of directors on its own and / or as per the recommendations of the committee can amend this policy, as and when deemed fit.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

ANNEXURE III

ANNEXURE –III (i)– AOC-2

PARTICULARS OF CONTRACTS /ARRANGEMENTS MADE WITH RELATED PARTIES

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

The Form pertains to the disclosure of particulars of contracts /arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis:
All transactions entered into by the Company during the year with related parties were on an arm's length basis.
2. Details of material contracts or arrangement or transactions at arm's length basis:
The transactions entered into by the Company during the year with related parties on an arm's length basis were not material in nature.

ANNEXURE III(ii)

POLICY ON RELATED PARTY TRANSACTIONS

(As per Regulation 23(1) of SEBI (LODR) Regulations, 2015)

The Company shall enter into transactions with related parties only on arm's length basis, supported by agreement or formal letter. If the transaction is not on arm's length basis, then, necessary compliances under Companies Act, 2013 and / or Listing Agreement will be adhered to.

For the purpose of the above clause, transaction with a related party shall be considered material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds 10% of the annual consolidated turnover of the company as per the last audited financial statements of the company.



ANNEXURE V

SECRETARIAL AUDIT REPORT

For the Financial Year ended 31.03.2020

Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
AMARJOTHI SPINNING MILLS LIMITED
Tirupur.

I have conducted the SECRETARIAL AUDIT of the compliance of applicable statutory provisions and the adherence to good corporate practices by AMARJOTHI SPINNING MILLS LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2020 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;



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- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; **(except for the matters listed below)**
- vi. Other Applicable Laws specifically applicable to the Company, namely:
- (a) Air (prevention and Control of pollution) Act, 1981
 - (b) Hazardous Waste (Management Handling and Transboundary Movement) Third Amendment Rules, 2000
 - (c) Tamil Nadu Pollution Control Board – Norms, Rules and Regulations – from time to time amendment and relevant notification / modifications.
 - (d) Other labour laws applicable to the extent.

I have also examined compliance with the applicable clauses of the following :

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with Bombay Stock Exchange.
- iii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

On the basis of the information and explanation provided, the Company had no transaction during the period under Audit requiring the compliance of applicable the provisions of Act/ Regulations/Directions as mentioned above in respect of:

- a) Issue of securities both equity and/or debt.
- b) Share based employee benefits.
- c) Foreign Direct Investment, External Commercial Borrowings and overseas Direct investment.
- d) Buy-back of securities.
- e) Delisting of securities.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:



1. *The Company had not published the financial results of two quarters within the prescribed time, as referred in Regulation 47(3) of SEBI (LODR) 2015*
2. *Based on my examination and the records produced before me, there was an actions taken against the listed entity, in respect of non compliance of Regulation 33 of SEBI LODR and had levied a fine for such non-compliance and the fine has been duly paid by the Company. However there were no actions taken against the promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued there under.*

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Coimbatore
Date : 21.08.2020

(Sd/-) RAMCHANDAR.R
Company Secretary in Practice
FCS No.10097, CP No.12240
UDIN: F010097B000605494

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.



ANNEXURE A

To

The Members
Amarjothi Spinning Mills Limited, Tirupur.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company.

Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Coimbatore
Date : 21.08.2020

(Sd/-) RAMCHANDAR.R
Company Secretary in Practice
FCS No.10097, CP No.12240
UDIN: F010097B000605494

AMARJOTHI SPINNING MILLS LIMITED



ANNEXURE VI

Form No. MGT - 9

Extract of Annual Return as on the Financial Year ended on 31st March, 2020
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L17111TZ1987PLC002090
ii)	Registration Date	16/12/1987
iii)	Name of the Company	AMARJOTHI SPINNING MILLS LIMITED
iv)	Category / Sub-Category of the Company	COMPANY LIMITED BY SHARES / INDIAN NON-GOVERNMENT COMPANY
v)	Address of the Registered office and Contact Details	Amarjothi House 157, Kumaran Road Tirupur, Tirupur District Tamil Nadu - 641 601 India Mail ID: mill@amarjothi.net
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. SKDC Consultants Limited Kanapathy Towers, 3rd Floor, 1391/A-1 , Sathy Road, Ganapathy, Coimbatore – 641 006. Telephone : 0422-6549995, 2539835; Fax No. : 0422-2539837 E-mail : info@skdc-consultants.com

II. Principal Business Activities of the Company

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the Company
1	Spinning	1311	100%

III. Particulars of Holding, Subsidiary and Associate Companies

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	RPJ Textiles Limited, Amarjothi house, 157, Kumaran road, Tirupur – 641601.	U17120TZ2013PLC019661	Wholly owned subsidiary	100%	2(87)(ii)
2.	Premchander Green Energy Private Limited, Amarjothi house, 157, Kumaran road, Tirupur – 641601.	U40108TZ2019PTC031579	Associate	27%	2(6)
3.	Jayanthi Green Energy Private Limited Amarjothi house, 157, Kumaran road, Tirupur – 641601.	U40106TZ2019PTC031577	Associate	27%	2(6)

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III. Particulars of Holding, Subsidiary and Associate Companies					
Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
4.	AFCM Wind Farms Private Limited Amarjothi house, 157, Kumaran road, Tirupur – 641601	U40106TZ2019PTC031611	Associate	29%	2(6)
5.	AJSM Green Energy Private limited Amarjothi house, 157, Kumaran road, Tirupur – 641601	U40300TZ2019PTC031612	Associate	29%	2(6)

I. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding as on 31st March 2020

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individuals/ Hindu Undivided Family	3716131	0	3716131	55.054	3716131	0	3716131	55.054	0.00
b) Central Government/ State Government(s)	0	0	0	0.000	0	0	0	0	0.000
c) Bodies Corporate	0	0	0	0.000	0	0	0	0	0.000
d) Financial Institutions/ Banks	0	0	0	0.000	0	0	0	0	0.000
e) Any Others(Specify)	0	0	0	0.000	0	0	0	0	0.000
TRUSTS	0	0	0	0.000	0	0	0	0	0.000
Sub Total(A)(1)	3716131	0	3716131	55.054	3716131	0	3716131	55.054	0.00
(2) Foreign									
a) Individuals (Non-Residents Individuals/Foreign Individuals)	0	0	0	0.000	0	0	0	0.000	0.000
b) Bodies Corporate	0	0	0	0.000	0	0	0	0.000	0.000
c) Institutions	0	0	0	0.000	0	0	0	0.000	0.000
d) Qualified Foreign Investor	0	0	0	0.000	0	0	0	0.000	0.000
e) Any Others(Specify)	0	0	0	0.000	0	0	0	0.000	0.000
Sub Total(A)(2)	0	0	0	0.000	0	0	0	0.000	0.000
Total Shareholding of Promoter and Promoter Group(A)= (A)(1)+(A)(2)	3716131	0	3716131	55.054	3716131	0	3716131	55.054	0.00
(B) Public shareholding									
(1) Institutions									
a) Mutual Funds/ UTI	0	100	100	0.001	0	0	0	0	-0.001
b) Financial Institutions /Banks	0	0	0	0	0	0	0	0	0.000
c) Central Government/ State Government(s)	0	0	0	0	0	0	0	0	0.000
d) Venture Capital Funds	0	0	0	0	0	0	0	0	0.000
e) Insurance Companies	0	0	0	0	0	0	0	0	0.000
f) Foreign Institutional Investors	0	0	0	0	0	0	0	0	0.000
g) Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0.000
h) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0.000
i) Any Other (specify)	0	0	0	0	0	0	0	0	0.000
FOREIGN PORTFOLIO INV (CORP.CAT)	0	0	0	0	0	0	0	0	0.000
Sub-Total (B)(1)	0	100	100	0.001	0	100	100	0.001	0.000

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i) Category-wise Share Holding as on 31st March 2020

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Non-institutions									
a) Bodies Corporate									
i) Indian	82790	8100	90890	1.347	61076	7600	68676	1.017	-0.330
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs 1 lakh	1461724	297081	1758805	26.056	1477872	286981	1764853	26.146	0.090
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	790388	0	790388	11.709	833203	0	833203	12.344	0.635
c) Others (specify)									
NON RESIDENT INDIANS	75874	0	75874	1.124	60377	0	60377	0.895	-0.229
CLEARING MEMBERS	12122	0	12122	0.180	6384	0	6384	0.095	-0.085
HINDU UNDIVIDED FAMILIES	149195	0	149195	2.210	144002	0	144002	2.133	-0.077
Inv.Education and Protection Fund Auth.	156595	0	156595	2.320	156295	0	156295	2.315	-0.005
Sub-Total (B)(2)	2728688	305181	3033869	44.946	2739209	294581	3033790	44.945	-0.001
Total Public Shareholding (B)= (B)(1)+(B)(2)	2728688	305281	3033969	44.947	2739288	294581	3033869	44.946	-0.001
C. Shares held by Custodian for GDRs & ADRs									
GRAND TOTAL (A)+(B)+(C)	6444819	305281	6750100	100.001	6455419	294581	6750000	100.000	-0.001

ii) Shareholding of Promoter as on 31st March 2020:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	PREMCHANDER.R	1275653	18.899	0.000	1275653	18.899	0.000	0.000
2	JAICHANDER.R	1275498	18.896	0.000	1275498	18.896	0.000	0.000
3	RAJAN.N	1164980	17.259	0.000	1164980	17.259	0.000	0.000
	TOTAL	3716131	55.054	0.000	3716131	55.054	0.000	0.000

iii) Change in Promoters' Shareholding

NIL



AMARJOTHI SPINNING MILLS LIMITED

iv) Shareholding Pattern of top ten Shareholders: (other than Directors, Promoters and Holders of GDRs and ADRs)

Name	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	of % total Shares of the company	No. of Shares	% of total Shares of the company
ANIL KUMAR GOEL	At the beginning of the year	220025	3.260	220025	3.260
	Market purchase on 21.06.2019	4975	0.073	225000	3.333
	Market purchase on 05.07.2019	3442	0.050	228442	3.383
	Market purchase on 12.07.2019	1558	0.023	230000	3.406
	Market purchase on 19.07.2019	5000	0.074	235000	3.481
	Market purchase on 30.08.2019	5000	0.074	240000	3.556
	At the End of the year			240000	3.556
CH KIRON	At the beginning of the year	171216	2.537	171216	2.537
	At the End of the year			171216	2.537
INVESTOR EDUCATION AND PROTECTION FUND	At the beginning of the year	156595	2.320	156595	2.320
	Sold on 28.02.2020	300	(0.004)	156295	2.315
	At the End of the year			156295	2.315
SANGEETHA S	At the beginning of the year	0	0	153790	2.278
	Market purchase on 08.11.2019	153790	2.278	153790	2.278
	At the End of the year			153790	2.278
ANIRUDH MOHTA	At the beginning of the year	93000	1.378	93000	1.378
	At the End of the year	93000	1.378	93000	1.378
SATYA PRAKASH MITTAL (HUF)	At the beginning of the year	64723	0.959	64723	0.959
	Market sale on 27.03.2020	(6)	(0.00)	64717	0.959
	At the End of the year			64717	0.959
PRADEEP AGGARWAL	At the beginning of the year	35875	0.531	35875	0.531
	At the End of the year	35875	0.531	35875	0.531
ASHOK K POPHALE	At the beginning of the year	11992	0.178	11992	0.178
	Market Purchase on 26.04.2019	5313	0.078	17305	0.256
	Market Purchase on 03.05.2019	300	0.004	17605	0.261
	Market purchase on 10.05.2019	5388	0.079	22993	0.341
	Market purchase on 17.05.2019	2214	0.033	25207	0.373
	Market purchase on 24.05.2019	3257	0.048	28464	0.422
	Market purchase on 07.06.2019	1450	0.021	29914	0.443
	At the End of the year			29914	0.443
SP MEYY APPAN	At the beginning of the year	9236	0.137	9236	0.137
	At the End of the year	9236	0.137	9236	0.137

AMARJOTHI SPINNING MILLS LIMITED


Name	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	of % total Shares of the company	No. of Shares	% of total Shares of the company
MEYYA PPAN SP.	At the beginning of the year	8711	0.129	8711	0.129
	At the End of the year	8711	0.129	8711	0.129
PRATIK RAJENDRA BHAI GANDHI	At the beginning of the year	0	0	10000	0.148
	Market purchase on 16.08.2019	10000	0.148	10000	0.148
	At the End of the year			10000	0.148
DOLLY KHANNA	At the beginning of the year	19755	0.293	19755	0.293
	Market sale on 05-04-2019	(3461)	(0.051)	16294	0.241
	Market sale on 12-04-2019	(1000)	(0.015)	15294	0.227
	Market sale on 10.05.2019	(1000)	(0.015)	14294	0.212
	Market sale on 31.05.2019	(2000)	(0.030)	12294	0.182
	Market sale on 08.11.2019	(1000)	(0.015)	11294	0.167
	Market sale on 15.11.2019	(1000)	(0.015)	10294	0.153
	Market sale on 22.11.2019	(1000)	(0.015)	9294	0.138
	Market sale on 29.11.2019	(1000)	(0.015)	8294	0.123
	Market sale on 06.12.2019	(1000)	(0.015)	7294	0.108
	Market sale on 20.12.2019	(1000)	(0.015)	6294	0.093
	Market sale on 27.12.2019	(1000)	(0.015)	5294	0.078
	Market sale on 14.02.2020	(3020)	(0.045)	2274	0.034
	Market sale on 21.02.2020	(1250)	(0.018)	1024	0.015
	Market sale on 28.02.2020	(1000)	(0.015)	24	0.000
At the End of the year			24	0.000	
SUBRA MANIAN P	At the beginning of the year	153790	2.278	153790	2.278
	Market sale on 08.11.2019	(153790)	(2.278)	0	0
	At the End of the year			0	0
KISHAN GOPAL MOHTA	At the beginning of the year	15500	0.23	15500	0.23
	Market sale on 19.04.2019	(7404)	0.109	8096	0.120
	Market sale on 26.04.2019	(8096)	(0.120)	0	0
	At the End of the year			0	0

AMARJOTHI SPINNING MILLS LIMITED



v) Shareholding of Directors and Key Managerial Personnel:

Name	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	of % total Shares of the company	No. of Shares	% of total Shares of the company
Premchander. R	At the beginning of the year	1275653	18.899	1275653	18.899
	At the End of the year			1275653	18.899
Jaichander. R	At the beginning of the year	1275498	18.896	1275498	18.896
	At the End of the year			1275498	18.896
Rajan. N	At the beginning of the year	1164980	17.259	1164980	17.259
	At the End of the year			1164980	17.259

vi) Indebtedness:

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i. Principal Amount	414630738.60	284669487.96	0.00	699300226.56
ii. Interest due but not paid	0.00	0.00	0.00	0.00
iii. Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	414630738.60	284669487.96	0.00	699300226.56
Change in Indebtedness during the financial year				
Addition	0.00	0.00	0.00	0.00
Reduction	141024382.83	14007290.00	0.00	155031672.83
Net change	141024382.83	14007290.00	0.00	155031672.83
Indebtedness at the end of the financial year.				
i. Principal Amount	273606355.77	270662197.96	0.00	544268553.73
ii. Interest due but not paid	0.00	0.00	0.00	0.00
iii. Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	273606355.77	270662197.96	0.00	544268553.73

AMARJOTHI SPINNING MILLS LIMITED



vii) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A Remuneration to Managing Director, Whole-time Director and / or Manager

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		R. Premchander	R. Jaichander	
1.	Gross salary			
	a) Salary as per provisions contained in section 17 (1) of the Income-tax Act, 1961	720000	720000	1440000
	b) Value of perquisites u/s 17(2)Income-tax Act,1961	Nil	Nil	Nil
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission			
	- as% of profit	6329745	6329745	12659490
	- others, specify ...	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil
6.	Total (A)	7049745	7049745	14099490
	Ceiling as per the Act	7049745	7049745	14099490

B. Remuneration to other Directors :

	Name of Directors	Particulars of Remuneration			Total Amount
		Fee for attending Board/Committee Meetings	Commission	Others, Please specify	
1	Independent Directors				
	V.Subramaniam	3000			3000
	V.T.Subramanian	3000			3000
	V.Manikandan	3000			3000
	M.S.Sivakumar	3000			3000
	M.Amutha	3000			3000
	Total (1)	15000			15000
2.	Other Non-Executive Directors				
	Rajan N	3000	1409949		1412949
	N. Radha krishnan	3000			3000
	M.Moorthi	3000			3000
	Total (2)	9000	1409949		1418949
	Total B = (1 + 2)	24000	1409949		1433949

Overall Ceiling as per the Act In terms of the provisions of the Companies Act 2013, the remuneration payable to Directors other than Executive Directors shall not exceed 1% of the net profit of the Company. The Company may pay sitting fees to the Directors for attending Board/ Committee Meetings as may be decided by the Board. The Board has fixed Rs.750/- as Sitting fees for Board/Committee Meetings.

AMARJOTHI SPINNING MILLS LIMITED



B. Remuneration to key Managerial Personnel other than MD/Manager/WTD

Sl.	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount
		K.Mohanapriya Company Secretary	P.Singaravelu Chief Financial Officer	
1.	Gross salary			
	a) Salary as per provisions contained in section 17 (1) of the Income-tax Act, 1961	397900	415289	813189
	b) Value of perquisites u/s 17(2)Income-tax Act,1961	Nil	188660	188660
	c) Profits in lieu of salary under section17(3) Income-tax Act, 1961	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission			
	- as% of profit	Nil	Nil	Nil
	- others, specify ...	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil
6.	Total	397900	603949	1001849

Note : During the year 2019-20, The Company has appointed Company Secretary and Chief Financial officer as Key Managerial Personnel under the sec 203 of Companies Act, 2013.

VII . Penalties / Punishment / Compounding of Offences :

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ compounding- fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A.	COMPANY Penalty Punish-ment Compounding		NONE		
B.	DIRECTORS Penalty Pun-ishment Compounding		NONE		
C.	OTHER OFFICERS IN DEFAULT Penalty Punishment Compounding		NONE		

By Order of the Board

Place : Tirupur
Date : 21.08.2020

(Sd/-) R. PREMCHANDER (Sd/-) R. JAICHANDER
Managing Director Joint Managing Director
DIN: 00390795 DIN: 00390836



ANNEXURE – VII

**Disclosure pursuant to Rule 5 of Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014**

1. The ratio of the remuneration of each Director to the median and mean remuneration of the employees of the company for the financial year and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Names of the Directors / Key Managerial Personnel	Ratio to Median Remuneration (times)	Ratio to Mean Remuneration (times)	Increase / Decrease in Remuneration
Sri. N. Rajan, Chairman	8.08	6.04	(-)9.77%
Sri. R. Premchander, Managing Director	40.40	30.19	(-)9.77%
Sri. R. Jaichander	40.40	30.19	(-)9.77%
Dr. V. Subramaniam	0	0	0
Sri. N. Radhakrishnan	0	0	0
Sri. V.T. Subramanian	0	0	0
Sri. M. Moorthi	1.23	0.92	3.03%
Sri. V. Manikandan	0	0	0
Sri. M.S. Sivakumar	0	0	0
Smt. M. Amutha	0	0	0
Smt .K. Mohanapriya, Company secretary	2.28	1.70	61.08%

2. The percentage increase in the median remuneration of employees in the financial year: 18.96%
3. The Number of permanent employees on the rolls of the Company: 337
4. Explanation on the relationship between average increase in remuneration and company performance:
The remuneration components include a fair proportion of fixed and variable pay. The increase in fixed pay is periodically reviewed while the increase in variable pay is broadly aligned to the company's performance during the financial year.
5. Comparison of the remuneration of the Key Managerial Personnel against the performance of the company – Profit before Tax – Rs.1499.83 Lakhs



(Rs. in lakhs)

Particulars	Chairman	Managing Director	Whole time Director	Total
Remuneration	14.10	70.49	70.49	155.08
Remuneration (as % of PBT)	1.00	5.00	5.00	11.00

6. Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year:

Particulars	As at 31.03.2020	As at 31.03.2019	Increase
Closing price of share at BSE (Rs.)	45.15	86.45	(-)47.77%
Market Capitalisation (Rs. in cr.)	30.48	58.35	(-)47.76%
Price Earnings ratio	2.95	4.05	(-)27.16%
Net worth (Rs. in cr.)	131.37	122.45	7.28%

7. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average increase in salaries of employees other than managerial personnel in 2019-20 was 7.51%. Managerial remuneration is increased for the year by 9.77%.

8. Comparison of the each remuneration of the Key managerial personnel against the performance of the company;

Please refer point no. (vi)

9. The key parameters for any variable component of remuneration availed by the directors; Commission within the ceiling of 11% of the net profits of the Company, as approved by the shareholders.

10. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year; Not applicable.

11. Affirmation that the remuneration is as per the remuneration policy of the company.

The Company affirms that remuneration is as per the remuneration policy of the company.



ANNEXURE – VIII

**Statement u/s.197 (12) of the Companies Act, 2013 read with the Companies
(Appointment and remuneration of Managerial Personnel) rules, 2014**

- a) Employed throughout the year and were in receipt of remuneration at the rate of not less than Rs. 1,02,00,000/- per annum.
None
- b) Employed for part of the year and were in receipt of remuneration at the rate of not less than Rs. 8,50,000/- per month :
None



INDEPENDENT AUDITOR'S REPORT

To The Members of M/s. Amarjothi Spinning Mills Limited,

Report on the Audit of the Standalone Financial Statements

Opinion:

I have audited the accompanying standalone financial statements of **Amarjothi Spinning Mills Limited.**, ("the company"), which comprise the Balance sheet as at **31st March, 2020**, the statement of Profit and Loss, statement of changes in equity, the Cash Flow Statement for the year ended, and notes to the final statement including a summary of significant accounting policies and other explanatory information.

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other the accounting principles generally accepted in India, of the state of affairs of the Company as at **31st March 2020**, its profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion:

I conducted my Audit in accordance with the **Standards on Auditing** (SAs) specified U/S. 143(10) of the companies Act, 2013 ("The Act"). My responsibilities under those standards are further described in the **Auditor's Responsibilities** for the Audit of the Financial Statements section of my report. I am independent of the company in accordance with the code of ethics issued by the institute of Chartered Accountants of India together with the ethical requirements that are the rules thereunder and I have fulfilled our other ethical responsibilities in accordance with these requirements and the code of Ethics. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon:

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and my auditor's report thereon.

My opinion on the standalone financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the standalone financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or my knowledge obtained during the course of my audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.



Management’s Responsibility for the Standalone Financial Statements:

The company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give true and fair view of the financial position, financial performance, changes in equity and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Ind AS specified u\ 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement, whether due to fraud or error.

In preparing the standalone financial statements, Management is responsible for assessing the company’s ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern, basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the company’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Standalone Financial statements:

My objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

Report on other legal and regulatory requirements

1. As required by the companies [Auditors report] Order,2016 (“the order”), issued by the central government of India in terms of sub section (11) of Section 143 of the Companies Act,2013, I give in the “Annexure-A” a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.
2. As required by section 197(16) of the Act, as amended in my opinion and to the best of any information and according to the explanations given to me, the remuneration paid by the company to its directors during the year is in accordance with the provisions of the Section 187 of the Act.
3. As required by sec.143 (3) of the act, I report that:
 - a. I have sought and obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of my Audit.



AMARJOTHI SPINNING MILLS LIMITED

- b. in my opinion, proper books of accounts as required by law have been kept by the company so far as it appears from my examination of those books
- c. The Balance Sheet, the statement of Profit and Loss, and the Cash Flow statement dealt with by this report are in agreement with the books of account
- d. In my opinion, the aforesaid standalone financial statements comply with the Ind AS specified u/s. 133 of the act, read with Rule 7 of the companies [Accounts] Rules, 2014.
- e. On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of sec.164(2) of the Act.
- f. with respect to the adequacy of the internal financial control over financial reporting of the company and the operating effectiveness of such controls, refer to my separate report in 'Annexure-B'.
- g. With respect to the other matters to be included in the Auditor's report in accordance with Rule 11 of the companies [Audit and Auditors] Rules, 2014, in my opinion and to the best of my information and according to the explanations given to me;
 - 1) The Company does not have any pending litigations which would impact its financial position.
 - 2) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - 3) There has been no delay in transferring amounts, required to be transferred to the Investor Education and protection Fund by the Company.

Place: Coimbatore
Date: 29.06.2020

P.S.SITARAM
Chartered Accountant.

Membership No: 023033

ANNEXURE – A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF AMARJOTHI SPINNING MILLS LIMITED.

(Referred to in paragraph (1) under 'Report on other legal and regulatory requirements' of my report of even date)

In terms of the information and explanations sought by me and given by the company and the books and records examined by me in the normal course of audit and to the best of my knowledge and belief, I report the following:-

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management during the year, which in my opinion is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.

AMARJOTHI SPINNING MILLS LIMITED



- (c) The title deeds of all the immovable properties of the company shown under the Fixed Assets schedule are held in the name of the company.
2. The inventories have been physically verified by the management at reasonable intervals during the year. In my opinion, the frequency of such verification is reasonable and no material discrepancies were noticed at the time of verification.
 3. The Company has not granted loans, secured or unsecured, to Companies, Firms, LLPs or other parties covered in the register maintained under section 189 of the Act.
 4. In respect of loans, investments and guarantees, the provisions of Sections 185 and 186 of the Act have been complied with.
 5. The Company has not accepted any deposits to which the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under and the Directions issued by the RBI are applicable. Hence paragraph 3 (5) of CARO is not applicable to the company.
 6. I have broadly reviewed the books of accounts maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148 of the Act and I am of the opinion that prima facie the prescribed accounts and records have been made and maintained. I have not however made a detailed examination of the cost records with a view to determining whether they are accurate or complete.
 7.
 - (a) Undisputed statutory dues including PF, or ESI, Income Tax, sales tax, service tax, Excise duty, customs duty, VAT cess etc have been regularly deposited by the Company with the appropriate authorities in all cases during the year.
 - (b) There are no dues of income tax, sales tax, customs duty, excise duty, service tax, VAT or cess etc, which have not been deposited on account of any dispute. A sum of Rs.5152506/- has not been paid being Generation tax payable on electricity charges. The matter is under dispute and pending with the honourable high court of Madras. No provision has been made for this in the books.
 8. The Company has not defaulted in repayment of loans taken from Financial Institution, Banks, Government or dues to Debenture holders.
 9. The Company has not raised any money by way of Initial Public offer/Further Public offer during the year. In my opinion, the moneys raised by way of Term Loans during the year have been applied for the purposes for which those are raised.

Place: Coimbatore
Date: 29.06.2020

P.S.SITARAM
Chartered Accountant.
Membership No: 023033.



ANNEXURE – B TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF AMARJOTHI SPINNING MILLS LIMITED.

Report on the Internal Financial Controls under clause (i) of sub section 3 of Section 143 of the Companies Act 2013 (“The Act”).

I have audited the internal financial controls over financial reporting of Amarjothi Spinning Mills Limited (“the Company”) as of **31st March 2020** in conjunction with my audit of the standalone financial statements of the company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls:

The Company’s management is responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate Internal Financial Controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act 2013.

Auditors’ Responsibility:

My responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on my audit. I conducted my audit in accordance with the Guidance Note on Internal Financial Controls Over Financial Reporting (“the Guidance Note”) and the Standards on Auditing issued by the ICAI and deemed to be prescribed under section 143(10) of the Companies’ Act 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those standards and the Guidance Note require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

My audit involves performing procedures to obtain evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. My audit of internal financial controls over financial reporting, included obtaining an understanding of internal controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the Company’s internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING:

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that:-



1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING:-

Because of the inherent limitations of internal financial controls over financial reporting including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION:-

In my opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at **March 31, 2020**, based on "the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

Place: Coimbatore
Date: 29.06.2020

P.S.SITARAM
Chartered Accountant.
Membership No: 023033

AMARJOTHI SPINNING MILLS LIMITED


STANDALONE BALANCE SHEET AS AT 31st MARCH 2020		Rupees in Lakhs	
		As at	
ASSETS	Note no.	31.03.2020	31.03.2019
1 Non-Current Assets			
(a) Property, Plant and Equipment	1.A	10423.04	10815.54
(b) Capital work-in-progress	1.B	493.85	496.67
(c) Investment Property		0.00	0.00
(d) Goodwill		0.00	0.00
(e) Other Intangible assets	1.C	0.44	1.05
(f) Intangible assets under development		0.00	0.00
(g) Biological Assets other than bearer plants		0.00	0.00
(h) Financial Assets			
(i) Investments	2	208.46	115.89
(ii) Trade receivables		0.00	0.00
(iii) Loans		0.00	0.00
(iv) Others (to be specified)	3	108.70	104.91
(i) Deferred tax assets (net)		0.00	0.00
(j) Other non-current assets	4	49.75	93.67
Total Non-current assets		11284.24	11627.73
2 Current assets			
(a) Inventories	5	4861.18	5430.35
(b) Financial Assets			
(i) Investments		0.00	0.00
(ii) Trade receivables	6	3043.98	2960.90
(iii) Cash and cash equivalents	7	8.48	68.23
(iv) Bank balances other than (iii) above	8	35.20	35.98
(v) Loans		0.00	0.00
(vi) Others (to be specified)		0.00	0.00
(c) Current Tax Assets (Net)	9	21.43	0.00
(d) Other current assets	10	2617.65	2637.18
Total Current assets		10587.92	11132.64
TOTAL ASSETS		21872.16	22760.37
EQUITY AND LIABILITIES			
Equity			
a) Equity Share capital	11	675.00	675.00
(b) Other Equity		12462.53	11570.29
Total equity		13137.53	12245.29
LIABILITIES			
1 Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	12	4005.51	6412.22
(ii) Trade payables		0.00	0.00
(iii) Other financial liabilities (other than those specified in item (b), to be specified)		0.00	0.00
(b) Provisions		0.00	0.00
(c) Deferred tax liabilities (Net)	13	1582.97	1415.76
(d) Other non-current liabilities		0.00	0.00
Total Non-current liabilities		5588.48	7827.98
2 Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	742.61	580.78
(ii) Trade payables	15	1273.24	892.72
(iii) Other financial liabilities (other than those specified in item (c))	16	884.99	888.32
(b) Other current liabilities		0.00	0.00
(c) Provisions	17	245.31	289.56
(d) Current tax liabilities (Net)	18	0.00	35.72
Total Current liabilities		3146.15	2687.10
Total Liabilities		8734.63	10515.08
TOTAL EQUITY AND LIABILITIES		21872.16	22760.37
Notes to the financial statements 1-27			
The accompanying notes form an integral part of these financial statements			
As per my report of even date		On behalf of the Board of Directors	
P.S.SITARAM, B.Sc., F.C.A.	R. PREMCHANDER	R.JAICHANDER	
Chartered Accountant	Managing Director	Joint Managing Director	
Membership No.023033			
Place : Tirupur			
Date : 29/06/2020			

AMARJOTHI SPINNING MILLS LIMITED


STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2020		Rupees in Lakhs	
		For the year ended	
	Note no.	31.03.2020	31.03.2019
I.	Revenue from operations	18252.94	21219.60
II.	Other Income	<u>268.32</u>	<u>760.75</u>
III.	Total Income (I+II)	<u>18521.26</u>	<u>21980.35</u>
IV.	Expenses		
	Cost of Materials Consumed	9168.95	10996.88
	Purchases of Stock-in-Trade	0.00	0.00
	Changes in Inventories of Finished goods, Stock-in-Trade and work-in-progress	<u>380.28</u>	<u>169.76</u>
	Employee Benefits Expenses	<u>1336.24</u>	<u>1399.84</u>
	Finance Costs	<u>684.49</u>	<u>1284.49</u>
	Depreciation and Amortization Expenses	<u>1554.36</u>	<u>1542.52</u>
	Other Expenses	<u>3897.11</u>	<u>4550.38</u>
	Total Expenses	<u>17021.43</u>	<u>19943.87</u>
V.	Profit Before Exceptional Items and Tax (III-IV)	1499.83	2036.48
VI.	Exceptional Items	0.00	0.00
VII	Profit Before Tax (V-VI)	<u>1499.83</u>	<u>2036.48</u>
VIII	Tax Expense:		
	[1] Current Tax	300.00	343.00
	[2] Deferred Tax	167.21	252.16
IX	Profit (Loss) for the period from Continuing Operations (VII-VIII)	1032.62	1441.32
X	Profit (Loss) from Discontinued Operations	0.00	0.00
XI	Tax Expense of Discontinued Operations	0.00	0.00
XII	Profit (Loss) from Discontinued Operations (after tax) (X-XI)	<u>0.00</u>	<u>0.00</u>
XIII	Profit (Loss) for the Period (IX+XII)	<u>1032.62</u>	<u>1441.32</u>
XIV	Other Comprehensive income	0.00	0.00
XV	Total Comprehensive Income for the period (XIII+XIV)	<u>1032.62</u>	<u>1441.32</u>
XVI.	Earnings Per Equity Share(for Continuing operation)		
	[1] Basic & Diluted	15.30	21.35
	Notes to the financial statements	1-27'	
The accompanying notes form an integral part of these financial statements			
As per my report of even date		On behalf of the Board of Directors	
P.S.SITARAM, B.Sc., F.C.A. Chartered Accountant Membership No.023033	R. PREMCHANDER Managing Director	R.JAICHANDER Joint Managing Director	
Place : Tirupur Date : 29/06/2020			

AMARJOTHI SPINNING MILLS LIMITED

Standalone Statement of Changes in Equity For the year ended March 31, 2020 Rupees in Lakhs
A. Equity Share Capital

Balance as at 31.03.2019	Changes in equity share capital during the year	Balance as at 31.03.2020
675.00	0.00	675.00

Balance as at 31.03.2018	Changes in equity share capital during the year	Balance as at 31.03.2019
675.00	0.00	675.00

B. Other Equity

Particulars	Reserves and Surplus						Total
	Capital Reserve	Securities Premium Reserve	ESOP Outstanding	General Reserve	Retained Earnings	Debt Instruments through other comprehensive income	
Balance as at 31.03.2019	0.00	225.00	0.00	1413.90	9931.39	0.00	11570.29
Changes in accounting policy/prior period errors					22.37		22.37
Restated balance at the beginning of the reporting period	0.00	225.00	0.00	1413.90	9953.76	0.00	11592.66
Profit for the year					1032.62		1032.62
Other comprehensive income for the year					0.00		0.00
Total comprehensive income for the year					1032.62		1032.62
Transactions with owners in capacity as owners							0.00
Dividends					-162.75		-162.75
Transferred to retained earnings							0.00
Bonus shares							0.00
Movement during the year		0.00		103.26	-103.26		0.00
Balance as at 31.03.2020	0.00	225.00	0.00	1517.16	10720.37	0.00	12462.53

Particulars	Reserves and Surplus						Total
	Capital Reserve	Securities Premium Reserve	ESOP Outstanding	General Reserve	Retained Earnings	Debt Instruments through other comprehensive income	
Balance as at 31.03.2018	0.00	225.00	0.00	1269.77	8813.59	0.00	10308.36
Changes in accounting policy/prior period errors					-16.91		-16.91
Restated balance at the beginning of the reporting period	0.00	225.00	0.00	1269.77	8796.68	0.00	10291.45
Profit for the year					1441.32		1441.32
Other comprehensive income for the year					0.00		0.00
Total comprehensive income for the year					1441.32		1441.32
Transactions with owners in capacity as owners							0.00
Dividends					-162.48		-162.48
Transferred to retained earnings							0.00
Bonus shares							0.00
Movement during the year		0.00		144.13	-144.13		0.00
Balance as at 31.03.2019	0.00	225.00	0.00	1413.90	9931.39	0.00	11570.29

The accompanying notes form an integral part of these financial statements

As per my report of even date

On behalf of the Board of Directors

P.S.SITARAM, B.Sc., F.C.A.
 Chartered Accountant
 Membership No.023033

R. PREMCHANDER
 Managing Director

R.JAICHANDER
 Joint Managing Director

 Place : Tirupur
 Date : 29/06/2020



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2020

1 Property, Plant and Equipment, Capital work-in-progress, Investment Property and Intangible Assets: Rupees in Lakhs

S. No.	Particulars of Assets	Gross Block				Depreciation / Amortisation				Net Block			
		Grosscost/ Valuesas on 01.04.2019	Acquisition	Addition Other Adjust ment	Sub Total	Sale/ Adjustment during this year	Gross balance as on 31.03.2020	Total as on 01.04.2019	For this year	Sale during this year	Total as on 31.03.2020	W.D.V. as on 31.03.2019	W.D.V. as on 31.03.2020
A	Property, Plant and Equipment												
1	Land: Lease Hold	78.75	0.00	0.00	0.00	0.00	78.75	0.00	0.00	0.00	0.00	78.75	78.75
2	Land: Free Hold	96.37	28.89	0.00	28.89	0.30	124.96	0.00	0.00	0.00	0.00	124.96	96.37
3	Building	2582.79	0.00	0.00	0.00	0.00	2582.79	1110.83	111.66	0.00	1222.49	1360.30	1471.96
4	Plant & Equipment	23032.79	1319.71	0.00	1319.71	888.82	23463.68	14015.88	1405.92	682.77	14739.03	8724.65	9016.91
5	Furniture & Fixtures	45.30	1.15	0.00	1.15	0.00	46.45	37.58	1.04	0.00	38.62	7.83	7.72
6	Vehicles	286.49	0.31	0.00	0.31	0.33	286.47	188.90	26.46	0.32	215.04	71.43	97.59
7	Office Equipment	327.50	17.56	0.00	17.56	0.00	345.06	281.26	8.68	0.00	289.94	55.12	46.24
	Total	264489	136762	0.00	136762	889.45	282216	15334.45	1533.76	683.09	16505.12	10423.04	108155.4
B	Capital work-in-progress	496.67	0.00	0.00	0.00	2.82	493.85	0.00	0.00	0.00	0.00	493.85	496.67
C	Other intangible assets												
1	Computer software	13.31	0.00	0.00	0.00	0.00	13.31	12.27	0.60	0.00	12.87	0.44	1.04



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2019

1 Property, Plant and Equipment, Capital work-in-progress, Investment Property and Intangible Assets: Rupees in Lakhs

S. No.	Particulars of Assets	Gross Block						Depreciation / Amortisation				Net Block		
		Grosscost/ Values on 01.04.2018	Acquisition		Other Adjust ment	Sub Total	Sale/ Adjustment during this year	Gross balance as on 31.03.2019	Total as on 01.04.2018	For this year	Sale during this year	Total as on 31.03.2019	W.D.V. as on 31.03.2019	W.D.V. as on 31.03.2018
A	Property, Plant and Equipment													
1	Land: Lease Hold	78.75	0.00	0.00	0.00	0.00	78.75	0.00	0.00	0.00	0.00	78.75	78.75	
2	Land: Free Hold	97.93	0.00	0.00	0.00	1.56	96.37	0.00	0.00	0.00	0.00	96.37	97.93	
3	Building	2462.41	120.38	0.00	120.38	0.00	2582.79	1023.22	87.61	0.00	1110.83	1471.96	1439.19	
4	Plant & Equipment	25231.30	47.56	0.00	47.56	2246.07	23032.79	14731.89	1415.69	2131.70	14015.88	9016.91	10499.41	
5	Furniture & Fixtures	45.24	0.06	0.00	0.06	0.00	45.30	36.33	1.25	0.00	37.58	7.72	8.91	
6	Vehicles	285.87	0.62	0.00	0.62	0.00	286.49	162.31	26.59	0.00	188.90	97.59	123.56	
7	Office Equipment	315.02	12.48	0.00	12.48	0.00	327.50	270.48	10.78	0.00	281.26	46.24	44.54	
	Total	28516.52	181.10	0.00	181.10	2247.63	26449.99	16224.23	1541.92	2131.70	15534.45	10815.54	12322.29	
B	Capital work-in-progress	535.49	2.82	0.00	2.82	41.64	496.67	0.00	0.00	0.00	0.00	496.67	535.49	
C	Other intangible assets													
1	Computer software	13.31	0.00	0.00	0.00	0.00	13.31	11.66	0.60	0.00	12.26	1.05	1.65	

AMARJOTHI SPINNING MILLS LIMITED


NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2020	Rupees in Lakhs	
	Year ended	
	31.03.2020	31.03.2019
[2] NON-CURRENT INVESTMENTS (AT COST):		
Investment in Fully paid equity Instruments: (Quoted)		
50 Equity Shares of Rs.10 each fully paid of Precot Meridian Industries Ltd.. (Market value – Rs.1073(2200))	0.09	0.09
100 Equity Shares of Rs.10 each fully paid of Thambbi Modern Spinning Mills Ltd. (Market value – Rs.732(770))	0.05	0.05
Investment in Fully paid equity Instruments: (unquoted)		
8307 Equity shares of Rs.1000 each fully paid of Perundurai Common Effluent Treatment Plant (Including premium)	83.08	83.08
Investment in Subsidiaries and Associates in Fully paid equity Instruments: - (unquoted)		
520 Equity shares of Rs.1500 each fully paid of Amarjothi Power Generation & Distribution Company Ltd.	7.71	7.71
5000 Equity shares of Rs.100 each fully paid of RPJ Textiles Ltd.	20.00	20.00
233 (130) Equity shares of Rs.10 each fully paid of Premchander Wind Farms Private Ltd.	0.02	0.01
9800 Equity shares of Rs.10 each fully paid of AFCM Wind Farms Private Ltd.,	0.98	0.98
9800 Equity shares of Rs.10 each fully paid of AJSM Green Energy private Ltd.,	0.98	0.98
430(740) Equity shares of Rs.10 each fully paid of APGL Green Energy private Ltd.,	0.04	0.74
294(30) Equity shares of Rs.10 each fully paid of Jaichander wind Farms Pvt Ltd.,	0.03	0.00
223(32) Equity shares of Rs.10 each fully paid of Jayanthi wind Farms Pvt Ltd.,	0.02	0.00
8991(7400) Equity shares of Rs.10 each fully paid of Jayanthi Green Energy Pvt Ltd.,	0.90	0.74
8991(7400) Equity shares of Rs.10 each fully paid of Premchander Green Energy Pvt Ltd.,	0.90	0.74
230 Equity shares of Rs.10 each fully paid of Puvaneswari Enterprises Wind Farms Pvt. Ltd	0.02	0.02
450 Equity shares of Rs.10 each fully paid of Saroja Rajan Green Energy Pvt Ltd.,	0.05	0.00
430 Equity shares of Rs.10 each fully paid of Susmitha Titikshaa Green Energy Pvt Ltd.,	0.04	0.00
Investment in Associate Partnersip Firms:		
Partnership Capital @27% share in Kanagadhara wind Farms	93.55	0.75
Total	208.46	115.89



AMARJOTHI SPINNING MILLS LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2020		Rupees in Lakhs	
		Year ended	
Note:	31.03.2020	31.03.2019	
a) Aggregate amount of quoted investments	0.14	0.14	
b) Aggregate market value of quoted investments	0.02	0.03	
c) Aggregate amount of unquoted investments	208.32	115.75	
d) Aggregate amount of impairment in value of investments.	0.00	0.00	
[3] OTHER NON-CURRENT FINANCIAL ASSETS:			
Bank Deposit Accounts (for bank guarantee - EPCG)	108.70	104.91	
	<u>108.70</u>	<u>104.91</u>	
[4] OTHER NON-CURRENT ASSETS:			
(Unsecured & considered good)			
Balance with Excise Department	0.00	0.10	
Deposit with Government Departments	49.75	93.57	
	<u>49.75</u>	<u>93.67</u>	
[5] INVENTORIES :			
a) Raw Materials	3758.66	4010.91	
b) Work-in-Progress	203.45	291.18	
c) Finished Goods	749.86	1042.41	
d) Waste Stock	25.75	25.01	
e) Stores, Tools, Spares & Packing Materials	123.46	60.84	
	<u>4861.18</u>	<u>5430.35</u>	
[6] TRADE RECEIVABLES :			
1 Due for More than 6 months (Unsecured)			
(a) Considered Good	1.90	2.30	
(b) Considered Doubtful	32.40	32.00	
2 Others (Unsecured and considered good)	<u>3042.52</u>	3076.82	<u>2959.44</u> 2993.74
Less : Provision for Doubtful Receivables		<u>32.84</u>	<u>32.84</u>
		<u>3043.98</u>	<u>2960.90</u>
[7] CASH AND CASH EQUIVALENTS:			
Cash on Hand	2.55	1.83	
Balances with Scheduled Banks In Current Accounts	5.93	66.40	
	<u>8.48</u>	<u>68.23</u>	
[8] BANK BALANCES OTHER THAN [7] ABOVE:			
Unpaid Dividend Warrant Account	35.20	35.98	
	<u>35.20</u>	<u>35.98</u>	
[9] CURRENT TAX ASSETS(NET):			
Income tax Assets (Net of provision)	<u>21.43</u>	<u>0.00</u>	

AMARJOTHI SPINNING MILLS LIMITED



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2020		Rupees in Lakhs		
		Year ended		
		31.03.2020	31.03.2019	
[10] OTHER CURRENT ASSETS: (Unsecured & considered good)				
Advances recoverable in cash or in kind or for value to be received		<u>2617.65</u>	<u>2637.18</u>	
[11] SHARE CAPITAL:				
Equity Shares:				
Authorised:				
9750000 Equity Shares of Rs.10 each		<u>975.00</u>	<u>975.00</u>	
Issued, Subscribed & Paid-up Capital :				
6750000 Equity Shares of Rs.10 each fully paid		<u>675.00</u>	<u>675.00</u>	
Notes:				
1 Reconciliation of Equity shares at the end of the year				
	No.of shares	Amount	No.of shares	Amount
Balance at the beginning of the year	6750000	675.00	6750000	675.00
Additions	0	0.00	0	0.00
Deletions	0	0.00	0	0.00
Balance at the end of the year	6750000	675.00	6750000	675.00
2 List of shareholders holding more than 5%				
Name	No.of shares	%	No.of shares	%
Rajan.N	1164980	17.26	1164980	17.26
Premchander.R	1275653	18.90	1275653	18.90
Jaichander.R	1275498	18.90	1275498	18.90
Total	<u>3716131</u>	<u>55.06</u>	<u>3716131</u>	<u>55.06</u>
3 During the five reporting periods immediately preceding the reporting date, no shares have been issued by capitalization of reserves as bonus shares or for Consideration other than cash.				
4 The Company has a single class of equity shares. Accordingly all equity shares rank equally with regard to voting rights, dividends and share in the Company's residual assets.				
[12] LONG TERM BORROWINGS:				
(a) Term Loan From Banks (Secured)		1298.89		3565.53
(b) Loan from Directors (Unsecured)		<u>2706.62</u>		<u>2846.69</u>
		<u>4005.51</u>		<u>6412.22</u>
Notes:				
1 Long Term Loans From Banks were taken for the purchase of new wind mills and these loans are required to be repaid before July 2023.				
2 Loan from Directors have been brought in pursuant to the terms of sanction of Loans by Bankers and retained as unsecured loans.				



AMARJOTHI SPINNING MILLS LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2020		Rupees in Lakhs	
		Year ended	
		31.03.2020	31.03.2019
[13] DEFERRED TAX LIABILITIES (NET)			
As per last year Balance Sheet		1415.76	1163.60
Add/less : Transfer from / to P&L a/c for current year		167.21	252.16
		1582.97	1415.76
[14] SHORT TERM BORROWINGS			
(a) Loan Repayable on Demand from Banks (Secured)		742.61	580.78
		742.61	580.78
[15] TRADE PAYABLES			
(a) Sundry Creditors		1273.24	892.72
[16] OTHER FINANCIAL LIABILITIES			
(a) Current Maturities of Long Term Debts		694.56	715.19
(b) Unclaimed Dividend		35.20	35.98
(c) GST(VAT) Payable		0	0
(d) Disputed Electricity Charges		51.53	45.53
(e) Others		103.70	91.62
		884.99	888.32
[17] SHORT TERM PROVISIONS			
(a) Provision for Employee Benefits		83.43	90.17
(b) Others			
1 Provision for Outstanding Liability		161.88	199.39
2 Provision for CSR expenditure		0.00	0.00
		245.31	289.56
Proposed Dividend per share (in Rs.)		2.00	2.00
Number of Shares		6750000	6750000
Total Proposed Dividend		135.00	135.00
[18] CURRENT TAX LIABILITIES:			
For Taxation net of advances		0.00	35.72
		0.00	35.72
[19] REVENUE FROM OPERATIONS			
a) Sale of Products		18252.94	21219.60
b) Sale of Services		0.00	0.00
c) Other Operating Revenues		0.00	0.00
		18252.94	21219.60

AMARJOTHI SPINNING MILLS LIMITED



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2020		Rupees in Lakhs	
		Year ended	
		31.03.2020	31.03.2019
[20] OTHER INCOME			
a) Interest Income (TDS Rs.10.25 lakh (Rs.13.83 lakh)		39.13	107.47
b) Dividend Income & Profit from Firms		94.50	-1.97
c) Net gain / Loss on sale of Fixed assets		23.88	473.96
d) Foreign Exchange Rate Gain		24.93	60.59
e) Insurance Claims		19.00	37.65
f) Other Non-Operating Income		<u>66.88</u>	<u>83.05</u>
		<u>268.32</u>	<u>760.75</u>
[21] COST OF MATERIALS CONSUMED :			
Opening Stock :			
Raw Materials	4010.91		5541.19
Waste Stock	<u>25.01</u>	4035.92	<u>38.52</u> 5579.71
ADD : Purchases		8917.44	9453.09
		12953.4	15032.80
LESS : Closing Stock :			
Raw Materials	3758.66		4010.91
Waste Stock	<u>25.75</u>	3784.41	<u>25.01</u> 4035.92
		<u>9168.95</u>	<u>10996.88</u>
[22] CHANGES IN INVENTORIES OF FINISHED GOODS WORK-IN-PROGRESS AND STOCK-IN-TRADE:			
Inventories at the Beginning of the year			
Finished Goods	1042.41		1092.44
Work-in-Progress	<u>291.18</u>	1333.59	<u>410.91</u> 1503.35
Inventories at the end of the year			
Finished Goods	749.86		1042.41
Work-in-Progress	<u>203.45</u>	953.31	<u>291.18</u> 1333.59
Net (increase) / decrease		<u>380.28</u>	<u>169.76</u>
[23] EMPLOYEE BENEFITS EXPENSES			
i) Salaries & Wages		1086.00	1123.53
ii) Contribution to Provident & Other Funds		23.19	21.88
iii) Expense on ESOP & ESPP		0.00	0.00
iv) Staff Welfare Expenses		<u>227.05</u>	<u>254.43</u>
		<u>1336.24</u>	<u>1399.84</u>

AMARJOTHI SPINNING MILLS LIMITED



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2020		Rupees in Lakhs	
		Year ended	
		31.03.2020	31.03.2019
[24] FINANCE COSTS			
a) Interest on Term Loans		232.77	368.80
b) Interest on Other Loans		451.72	915.69
		<u>684.49</u>	<u>1284.49</u>
[25] OTHER EXPENSES			
a) Consumption of Stores & Spare Parts		917.14	734.21
b) Power & Fuel		912.85	734.56
c) Rent		70.79	78.80
d) Repairs to Building		80.38	57.15
e) Repairs to Machinery		230.08	546.96
f) Insurance		68.14	39.85
g) Rates and Taxes		43.15	72.53
h) Dyeing and Processing Expenses		934.02	1645.29
i) Miscellaneous Expenses:			
Advertisement		17.57	15.74
Bank Charges		37.29	19.18
CSR Contribution to PM relief fund		28.05	30.90
Computer Maintenance Expenses		11.64	5.13
Freight & Other Expenses		84.48	104.99
General Expenses		82.78	41.79
Managerial Remuneration		155.09	171.88
Printing, Stationery & Postage		34.72	26.48
Professional Charges		13.03	17.21
Remuneration to Auditors		2.31	2.31
RF Tower Maintenance Expenses		0.19	2.64
Sales Commissions		70.03	91.06
Goods and Service Tax Paid		2.14	10.78
Share Transfer Expenses		2.28	2.61
Sitting Fees		0.24	0.36
Telephones		9.41	8.39
Travelling & Conveyance		42.92	30.12
Vehicle Maintenance		46.39	59.46
Total		<u>3897.11</u>	<u>4550.38</u>



**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2020**

26. SIGNIFICANT ACCOUNTING POLICIES

26.1. METHOD OF ACCOUNTING:

The financial statements have been prepared in accordance with historical cost convention and accrual system of accounting has been followed.

26.2. FIXED ASSETS:

Fixed assets are stated at cost less accumulated depreciation. Depreciation is provided on Straight Line Method on the basis of useful lives and in the manner specified in Schedule II to the Companies Act, 2013.

26.3. INVENTORIES :

Finished Goods are stated at lower of cost or net realisable value as specified in Ind AS-2 prescribed by the Institute of Chartered Accountants of India. Other inventories are stated at cost and waste at net realisable value.

26.4. SALES :

Sales are recognized when goods are supplied and are net of Sales Tax and other levies.

26.5. FOREIGN CURRENCY TRANSACTIONS :

Foreign currency transactions are recorded in the books by applying the exchange rates as on the date of transaction. Foreign currency assets are converted at the exchange rate prevailing on the last working day of the accounting year and the exchange is adjusted to the Profit & Loss Account.

26.6. INVESTMENTS :

Investments are stated at cost and are long term in nature and hence no provision has been made for the diminution in the value, if any, during the year. Income from investments is accounted on receipt basis.

26.7. TAXATION :

Income tax for the current year has been calculated based on the current year's working. Provision has been made in the accounts for Income tax and Deferred Tax for the current year.



**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2020**

27.1. SECURED LOANS FROM BANKS:

Sl.No.	Name of the Bank	Limit Rs. In lakhs.	Nature of Facility	Security Offered
1	Karur Vysya Bank	1045.00	Working Capital Facility	First Charge on Current Assets and second charge on the other fixed assets.
2	Bank of Baroda	1005.00	Working Capital Facility	
3	Karur Vysya Bank	5000.00	Raw Material Key Loan	Exclusive charge on the Cotton purchased.
4	Karur Vysya bank	4000.00	Machinery Term Loan	EM charge on 4 nos of Wind Mill along with land at Kayathar, Tuticorin.

All the above loans are personally guaranteed by the Chairman, Managing Director and Joint Managing Director of the Company.

As at As at
31.03.2020 31.03.2019

27.2. CONTINGENT LIABILITIES :

a)	Bills discounted	Nil	Nil
b)	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of Advances)	Nil	Nil

27.3. Income Tax assessments have been completed up to the Assessment Year 2017-2018.

27.4. The Company declared Dividend at Rs.2 per Equity share for the year ending March 2020. The Total Dividend payable for 6750000 Equity shares comes to Rs.13500000/-. Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates.

27.5. As at the end of the year, the Company does not have small-scale industries as defined by Section 3-J of the Industries (Development and Regulation) Act, 1951 and to whom more than Rs. 1.00 lakh is due and also for more than 30 days. Hence, the provision of interest does not arise. There were no overdue payments to Micro, Small and Medium scale enterprises during the year and there is no amount overdue as on the date of the Balance Sheet to such enterprises.

27.6. Sundry debtors which are overdue for a period of 6 months and more include a sum Rs.32.40 lakhs (Rs.32 lakhs) for which the Company has taken legal action and is



**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2020**

hopeful of recovery. Existing provision has been maintained for Rs.32.84 Lakhs for Doubtful Debtors.

27.7. Depreciation has been calculated according to Schedule II of the Companies Act, 2013 as amended on straight-line method.

27.8. The Company has received a demand towards additional Electricity tax amounting to Rs.51.52 lakhs from TNEB against which the Company has gone on appeal to the Honourable High Court of Madras. The Company has not paid this amount due to dispute. No provision has been made in the accounts, pending disposal of appeal by the Honourable High Court of Madras.

	Rupees in Lakhs	
	As on	
	31.03.2020	31.03.2019
27.9. a) Counter Guarantee given by the Chairman, Managing Director and Joint Managing Director for Working Capital Loans including Non-fund based Limits taken by the Company from its bankers	7050.00	7050.00
b) Counter Guarantee given by Chairman, Managing Director and Joint-Managing Director for Term Loan from its bankers	4000.00	4000.00

AMARJOTHI SPINNING MILLS LIMITED



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2020

27.10. QUANTITATIVE PARTICULARS

		As at		
		31.03.2020	31.03.2019	
i.	Licensed Capacity*			
	Spindles	75000	75000	
	Rotor	4768	4768	
ii)	Installed Capacity*			
	Spindles	29280	29280	
	Rotor	4768	4768	
iii)	Actual Production - Yarn	Kgs. 6086258	7004562	
iv)	Turnover - Yarn	Kgs. 6261470	6918680	
		Rs. 1801456957	210551744	
Turnover - Waste	Kgs. 1568539	1629305		
	Rs. 23837170	16443086		
v)	Opening Yarn Stock	Kgs. 1011432	950406	
		Rs. 104241282	109244147	
vi)	Closing Yarn Stock	Kgs. 833229	1011432	
		Rs. 74985961	104241282	
* As certified by Management not verified by Auditor				
vii)	Consumption of Raw Materials	Kgs. 7648678	8327238	
		Rs. 916894324	1099688085	
viii)	Consumption of Stores & Spares			
		Indigenous (86.46%/76.58%)	Rs. 79295419	56225511
		Imported (13.54%/23.42%)	Rs. 12418519	17195790

27.11. EARNINGS IN FOREIGN CURRENCY :

FOB Value of Exports	Rs. 105566193	161639571
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27.12. EXPENDITURE IN FOREIGN CURRENCY :

a) Traveling	Rs. 421908	331474
b) CIF Value of Imports	Rs. 194840067	17195790
c) Certification charges	Rs. 585314	75190

27.13. REMUNERATION TO DIRECTORS :

a) Managing Director (Salary)	Rs. 720000	720000
b) Joint Managing Director (Salary)	Rs. 720000	720000
c) Managing Director (Commission)	Rs. 6329745	7092743
d) Joint Managing Director (Commission)	Rs. 6329745	7092743
e) Chairman (Commission)	Rs. 1409949	1562549
Total	Rs. <u>15509439</u>	<u>17188035</u>

AMARJOTHI SPINNING MILLS LIMITED**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2020**

	As at	
	31.03.2020	31.03.2019
Computation of Remuneration to Directors:		
Net Profit before tax as per Profit & Loss account	149983609	203651304
Add: Remuneration debited to Profit & Loss account	15509439	17188035
Less / Add: (Profit) / Loss on sale of Assets	<u>-8988713</u>	<u>-47396449</u>
Net Profit available	156504334	173442890
Managerial Remuneration eligible	<u>15509439</u>	<u>17188034</u>
27.14. PAYMENT TO AUDITOR : (Inclusive of GST)		
Audit Fees	Rs. 206500	206500
Reimbursement of Expenses	Rs. 20000	20000
Other Services	Rs. 42480	42480
Total	<u>268980</u>	<u>268980</u>

27.15. Previous year figures have been regrouped and reclassified wherever necessary to conform to current year's classification.

As per my report of even date

On behalf of the Board of Directors

P.S.SITARAM, B.Sc., F.C.A.

Chartered Accountant
Membership No.023033

R. PREMCHANDER

Managing Director

R.JAICHANDER

Joint Managing Director

Place : Tirupur

Date : 29/06/2020



NOTES FORMING PART OF STANDALONE ACCOUNTS – DISCLOSURE

I. Segment-wise Reporting:

The Company is engaged mainly in the manufacture of yarn. The Company owns Ten wind mills mainly for captive consumption purpose only. During the year the value of power generated through these mills is Rs. 12,56,53,364 (2,00,03,376 units) and this is adjusted with the power cost of the Company. The processing division is operating mainly for captive utilization and hence segment- wise reporting as defined in Accounting Standard 17 is not required.

II. Deferred Tax Assets / Liability:

Deferred tax provision for the current year has been credited to the profit and loss account for the year. The Balance of deferred Tax liability is being disclosed as a liability. Deferred Taxation Liability on account of Timing Difference : (Rs.)

As on 01.04.2019	141576000
Less: Transfer from Profit & Loss a/c	16721000
Balance of Liability as on 31.03.2020	<u>158297000</u>

III. Employee Benefits: Ind AS 19 :

Provident Fund Contribution:

During the year the Company has contributed Rs.15,48,562/- to Government Provident fund after adjustment of PMR PF claim. The Company does not have a separate exempted provident fund.

Gratuity:

As per the records of the Company none of the employees come under the purview of Payment of Gratuity Act.

With regard to other terminal benefits payable to employees the Company makes a payment of such benefits every year and hence no provision is required.

IV. Related Party Disclosure as per Ind AS 24 :

1. Related Parties: Associates:
1. N.Rajan & Sons
 2. Kanagadhara wind Farms ,
 3. AJSM Green Energy Pvt.Ltd.,
 4. AFCM Wind Farms Pvt Ltd.,
 5. Premchander Green Energy Pvt Ltd.,
 6. Jayanthi Green Energy Pvt Ltd.,

Subsidiaries: 1. RPJ Textiles Ltd.

Key Management Personnel : Sri. R. Premchander, Managing Director
Sri. R. Jaichander, Joint Managing Director



Transactions:

Particulars	Related Parties/ Associates	Key Management Personnel & Relatives	Directors
Remuneration	-	Rs.1,55,09,439	-
Sitting fees	-	-	Rs.24,000
Purchase(Power)	Rs.4,50,31,531		
Payment of Interest	Rs.3,93,10,841	-	-
Credit Balance as at 31.03.2020	Rs.27,06,62,198	-	-

V. Earning Per share as per Ind AS 33 :

Particulars	31.03.2020	31.03.2019
a) Net Profit after tax (Rs.)	10,32,62,608	14,41,31,975
b) Number of Equity shares	67,50,000	67,50,000
c) Earning Per Share (Rs.) (a/b)	15.30	21.35

AMARJOTHI SPINNING MILLS LIMITED



STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED		Rupees in Lakhs	
31st MARCH 2020		Year ended 31.03.2020	Year ended 31.03.2019
A. CASH FLOW FROM OPERATING ACTIVITIES:			
NET Profit before Taxation		1499.83	2036.48
Adjustments for:			
Depreciation and amortisation		1554.36	1542.52
Loss /(Profit) on Sale of Assets		-23.88	-473.96
Interest Income		-39.13	-107.47
Finance costs		<u>684.49</u>	<u>1284.49</u>
		2175.84	2245.58
Operating Profit before Working Capital Changes		3675.67	4282.06
Adjustments for:			
Trade & other Receivables		-352.87	-248.35
Inventories		569.18	1706.42
Trade Payable & Other Liabilities		<u>459.03</u>	<u>531.37</u>
Cash Generated from Operations		675.34	1989.44
Direct Taxes provisions / paid		-81.09	16.91
Net Cash from Operating activities	A	<u>4269.92</u>	<u>6288.41</u>
B. CASH FLOW FROM INVESTMENT ACTIVITIES:			
Purchase of Fixed Assets		-1367.62	-181.10
Sale of Fixed Assets		182.49	-358.02
Payment for Capital Projects in Progress		0.01	-2.80
Investments made		-131.69	-49.31
Adjustments for other non current assets		40.13	179.72
Interest Received		39.13	107.47
Net Cash from Investment activities	B	<u>-1237.55</u>	<u>-304.04</u>

AMARJOTHI SPINNING MILLS LIMITED



		Rupees in Lakhs	
		Year ended 31.03.2020	Year ended 31.03.2019
C. CASH FLOW FROM FINANCING ACTIVITIES:			
Borrowings (net)		-2244.88	-4501.96
Dividend paid including tax		-162.75	-162.48
Finance costs		-684.49	-1284.49
Net Cash from Financing Activities	C	-3092.12	-5948.93
Net Increase/ (Decrease) in cash and cash equivalents	(A+B+C)	-59.75	35.44
Cash and Cash Equivalents as at the beginning of the period		68.23	32.79
Cash and Cash Equivalents as at the end of the period		8.48	68.23
As per my report of even date		On behalf of the Board of Directors	
P.S.SITARAM, B.Sc., F.C.A. Chartered Accountant Membership No.023033	R. PREMCHANDER Managing Director	R.JAICHANDER Joint Managing Director	
Place : Tirupur Date : 29/06/2020			
AUDITOR'S CERTIFICATE			
To			
The Board of Directors, Amarjothi Spinning Mills Ltd.,			
I have examined the attached Cash Flow Statement of Amarjothi Spinning Mills Ltd., for the year ended 31st March 2020 . The Statement has been prepared by the Company in accordance with the requirements of Regulation 34 of the SEBI (LODR) Regulations, 2015 with the Stock Exchanges and is based on and is in agreement with the corresponding Profit and Loss Statement and Balance Sheet of the Company covered by my report of 29 th June, 2020 to the members of the Company.			
Place : Coimbatore Date : 29.06.2020	P.S.SITARAM. B.Sc., F.C.A. Chartered Accountant Membership no.023033		



**CONSOLIDATED
FINANCIAL STATEMENTS
2019-20**



INDEPENDENT AUDITOR'S REPORT

**To The Members of M/s. Amarjothi Spinning Mills Limited,
Report on the Audit of the Consolidated Financial Statements**

Opinion:

I have audited the accompanying consolidated financial statements of **Amarjothi Spinning Mills Limited.**, (hereinafter referred to as "the Holding company") and its subsidiaries and associates (the holding company and its subsidiaries and associates together referred to as "the Group"), which comprise the Consolidated Balance sheet as at **31st March, 2020**, the Consolidated statement of Profit and Loss, Consolidated statement of changes in equity, the Consolidated Cash Flow Statement for the year ended, and notes to the final statement including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "The Consolidated Financial Statements").

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other the accounting principles generally accepted in India of state of affairs of the Group as at **31st March, 2020** and profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion:

I conducted my Audit in accordance with the **Standards on Auditing (SAs)** specified U/S. 143(10) of the companies Act, 2013 ("The Act"). My responsibilities under those standards are further described in the **Auditor's Responsibilities** for the Audit of the Financial Statements section of my report. I am independent of the Group in accordance with the code of ethics issued by the institute of Chartered Accountants of India together with the ethical requirements that are the rules thereunder and I have fulfilled our other ethical responsibilities in accordance with these requirements and the code of Ethics. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon:

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated financial statements and my auditor's report thereon.

My opinion on the Consolidated financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the Consolidated financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements or my knowledge obtained during the course of my audit or otherwise appears to be materially misstated.



If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements:

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated financial statements that give true and fair view of the financial position, financial performance, changes in equity and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the accounting standard specified u/s 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement, whether due to fraud or error.

In preparing the Consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern, basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial statements:

My objectives are to obtain reasonable assurance about whether the Consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated financial statements.

Report on other legal and regulatory requirements

1. As required by section 197(16) of the Act, as amended in my opinion and to the best of any information and according to the explanations given to me, the remuneration paid by the company to its directors during the year is in accordance with the provisions of the Section 197 of the Act.
2. As required by sec.143 (3) of the act, I report that:
 - a. I have sought and obtained all the information and explanation which to the best of my knowledge and belief were necessary for the purpose of my Audit of the aforesaid consolidated financial statements.
 - b. In my opinion, proper books of accounts as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the company so far as it appears from my examination of those books

AMARJOTHI SPINNING MILLS LIMITED



- c. The Consolidated Balance Sheet, the consolidated statement of Profit and Loss, and the consolidated Cash Flow statement dealt with by this report are in agreement with the relevant books of accounts maintained for the purpose of preparation of the consolidated financial statements.
- d. In my opinion, the aforesaid Consolidated financial statements comply with the accounting standard specified u/s. 133 of the act, read with Rule 7 of the companies [Accounts] Rules, 2014.
- e. On the basis of the written representations received from the directors of the Holding company as on 31st March, 2020 and taken on record by the Board of Directors of the Holding company and the reports of the statutory auditors of the associate and subsidiary companies, none of the directors of the group is disqualified as on 31st March, 2020 from being appointed as a director in terms of sec.164(2) of the Act.
- f. with respect to the adequacy of the internal financial control over financial reporting of the Group and the operating effectiveness of such controls, refer to my separate report in 'Annexure-A'.
- g. With respect to the other matters to be included in the Auditor's report in accordance with Rule 11 of the companies [Audit and Auditors] Rules, 2014, in my opinion and to the best of my information and according to the explanations given to me;
 - 1) The Group does not have any pending litigations which would impact its financial position.
 - 2) The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - 3) There has been no delay in transferring amounts, required to be transferred to the Investor Education and protection Fund by the Group.

Place: Coimbatore
Date: 29.06.2020

P.S.SITARAM
Chartered Accountant.
Membership No: 023033



ANNEXURE -A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF AMARJOTHI SPINNING MILLS LIMITED.

Report on the Internal Financial Controls under clause (i) of sub section 3 of Section 143 of the Companies Act 2013 ("The Act").

I have audited the internal financial controls over financial reporting of the Holding Company and its Subsidiaries and Associates as of **31st March 2020** in conjunction with my audit of the consolidated financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls:

The respective Board of Directors of the Group are responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate Internal Financial Controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act 2013.

Auditors' Responsibility:

My responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on my audit. I conducted my audit in accordance with the Guidance Note on Internal Financial Controls Over Financial Reporting ("the Guidance Note") and the Standards on Auditing issued by the ICAI and deemed to be prescribed under section 143(10) of the Companies' Act 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those standards and the Guidance Note require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

My audit involves performing procedures to obtain evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. My audit of internal financial controls over financial reporting included obtaining an understanding of internal controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

I believe that the audit evidence I have obtained and the audit evidence obtained by the other auditor is sufficient and appropriate to provide a basis for my audit opinion on the Company's internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING:

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:-

Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.

Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures

AMARJOTHI SPINNING MILLS LIMITED



of the company are being made only in accordance with authorisations of management and directors of the company; and

Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING:-

Because of the inherent limitations of internal financial controls over financial reporting including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION:-

In my opinion, the Holding Company and its Subsidiary and Associate companies have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at **March 31, 2020**, based on "the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

Place : Coimbatore
Date : 29.06.2020

P.S.SITARAM BSC FCA
Chartered Accountant.
Membership No: 023033

AMARJOTHI SPINNING MILLS LIMITED


CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2020		Rupees in Lakhs	
		31.03.2020	31.03.2019
ASSETS		As at	
ASSETS	Note no.	31.03.2020	31.03.2019
1 Non-Current Assets			
(a) Property, Plant and Equipment	1.A	17197.60	18571.36
(b) Capital work-in-progress	1.B	496.67	496.67
(c) Investment Property		0.00	0.00
(d) Goodwill		0.00	0.00
(e) Other Intangible assets	1.C	0.45	1.05
(f) Intangible assets under development		0.00	0.00
(g) Biological Assets other than bearer plants		0.00	0.00
(h) Financial Assets			
(i) Investments	2	91.15	90.96
(ii) Trade receivables		0.00	0.00
(iii) Loans		0.00	0.00
(iv) Others (to be specified)	3	108.70	104.91
(i) Deferred tax assets (net)		0.00	0.00
(j) Other non-current assets	4	49.91	93.81
Total Non-current assets		<u>17944.48</u>	<u>19358.76</u>
2 Current assets			
(a) Inventories	5	6085.52	5499.52
(b) Financial Assets			
(i) Investments		0.00	0.00
(ii) Trade receivables	6	1852.66	2915.74
(iii) Cash and cash equivalents	7	43.24	168.12
(iv) Bank balances other than (iii) above	8	35.20	35.98
(v) Loans		0.00	0.00
(vi) Others (to be specified)		0.00	0.00
(c) Current Tax Assets (Net)	9	21.43	0.00
(d) Other current assets	10	4277.77	4701.90
Total Current assets		<u>12315.82</u>	<u>13321.26</u>
TOTAL ASSETS		<u>30260.30</u>	<u>32680.02</u>
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	11	675.00	675.00
(b) Other Equity		12751.16	11803.25
Equity Attributable to shareholders of parent		13426.16	12478.25
Non Controlling Interest		829.38	809.05
Total equity		<u>14255.54</u>	<u>13287.30</u>
LIABILITIES			
1 Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	12	11037.71	10262.87
(ii) Trade payables		0.00	0.00
(iii) Other financial liabilities (other than those specified in item (b), to be specified)		0.00	0.00
(b) Provisions		0.00	0.00
(c) Deferred tax liabilities (Net)	13	1582.97	1415.76
(d) Other non-current liabilities		0.00	0.00
Total Non-current liabilities		<u>12620.68</u>	<u>11678.63</u>
2 Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	742.61	580.78
(ii) Trade payables	15	1531.56	5960.14
(iii) Other financial liabilities (other than those specified in item (c))	16	864.60	868.58
(b) Other current liabilities		0.00	0.00
(c) Provisions	17	245.31	291.00
(d) Current tax liabilities (Net)	18	0.00	13.59
Total Current liabilities		<u>3384.08</u>	<u>7714.09</u>
Total Liabilities		<u>16004.76</u>	<u>19392.72</u>
TOTAL EQUITY AND LIABILITIES		<u>30260.30</u>	<u>32680.02</u>
Notes to the financial statements	1-27'		
The accompanying notes form an integral part of these financial statements			
As per my report of even date		On behalf of the Board of Directors	
P.S.SITARAM, B.Sc., F.C.A.	R. PREMCHANDER	R.JAICHANDER	
Chartered Accountant	Managing Director	Joint Managing Director	
Membership No.023033			
Place : Tirupur			
Date : 29/06/2020			

AMARJOTHI SPINNING MILLS LIMITED


CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2020		Rupees in Lakhs	
	Note no.	For the year ended	
		31.03.2020	31.03.2019
I.	Revenue from operations	17159.44	21399.13
II.	Other Income	602.55	929.02
III.	Total Income (I+II)	<u>17761.99</u>	<u>22328.15</u>
IV.	Expenses		
	Cost of Materials Consumed	9193.55	11022.29
	Purchases of Stock-in-Trade	0.00	0.00
	Changes in Inventories of Finished goods, Stock-in -Trade and work-in-progress	-799.49	203.62
	Employee Benefits Expenses	1350.89	1413.03
	Finance Costs	956.47	1402.45
	Depreciation and Amortization Expenses	1744.47	1676.15
	Other Expenses	3643.27	4497.01
	Total Expenses	<u>16089.16</u>	<u>20214.55</u>
V.	Profit Before Exceptional Items and Tax (III-IV)	1672.83	2113.60
VI.	Exceptional Items	0.00	0.00
VII	Profit Before Tax (V-VI)	<u>1672.83</u>	<u>2113.60</u>
VIII	Tax Expense:		
	[1] Current Tax	305.55	343.00
	[2] Deferred Tax	167.21	252.16
IX	Profit (Loss) for the period from Continuing Operations (VII-VIII)	1200.07	1518.44
X	Profit (Loss) from Discontinued Operations	0.00	0.00
XI	Tax Expense of Discontinued Operations	0.00	0.00
XII	Profit (Loss) from Discontinued Operations (after tax) (X-XI)	0.00	0.00
XIII	Profit (Loss) for the Period (IX+XII)	<u>1200.07</u>	<u>1518.44</u>
XIV	Non-controlling Interest	-67.06	0.00
XV	Share of Profit of associates	178.46	-5.34
XVI	Profit (Loss) after Non-controlling interest and share of profit of associates	<u>1088.67</u>	<u>1523.78</u>
XVII	Other Comprehensive income	0.00	0.00
XVIII	Total Comprehensive Income for the period (XIII+XIV)	<u>1088.67</u>	<u>1523.78</u>
XIX.	Earnings Per Equity Share(for Continuing operation)		
	[1] Basic & Diluted	16.13	22.57
Notes to the financial statements		1-27'	
The accompanying notes form an integral part of these financial statements			
As per my report of even date		On behalf of the Board of Directors	
P.S.SITARAM, B.Sc., F.C.A.		R. PREMCHANDER	
Chartered Accountant		Managing Director	
Membership No.023033		R.JAICHANDER	
Place : Tirupur		Joint Managing Director	
Date : 29/06/2020			

AMARJOTHI SPINNING MILLS LIMITED

Consolidated Statement of Changes in Equity **Rupees in Lakhs**
For the year ended March 31, 2020
A. Equity Share Capital

Balance as at 31.03.2019	Changes in equity share capital during the year	Balance as at 31.03.2020
675.00	0.00	675.00

Balance as at 31.03.2018	Changes in equity share capital during the year	Balance as at 31.03.2019
675.00	0.00	675.00

B. Other Equity

Particulars	Reserves and Surplus						Total
	Capital Reserve	Securities Premium Reserve	ESOP Outstanding	General Reserve	Retained Earnings	Debt Instruments through other comprehensive income	
Balance as at 31.03.2019	67.45	225.00	0.00	1413.90	10096.90	0.00	11803.25
Changes in accounting policy/prior period errors					0.00		0.00
Restated balance at the beginning of the reporting period	67.45	225.00	0.00	1413.90	10096.90	0.00	11803.25
Profit for the year					1088.67		1088.67
Other comprehensive income for the year					0.00		0.00
Total comprehensive income for the year					1088.67		1088.67
Transactions with owners in capacity as owners:							0.00
Dividends					-162.48		-162.48
Transferred to retained earnings							0.00
Bonus shares							0.00
Movement during the year	21.72	0.00	0.00	144.13	-144.13		21.72
Balance as at 31.03.2020	89.17	225.00	0.00	1558.03	10878.96	0.00	12751.16

Particulars	Reserves and Surplus						Total
	Capital Reserve	Securities Premium Reserve	ESOP Outstanding	General Reserve	Retained Earnings	Debt Instruments through other comprehensive income	
Balance as at 31.03.2018	9.29	225.00	0.00	1269.77	8896.64	0.00	10400.70
Changes in accounting policy/prior period errors					-16.91		-16.91
Restated balance at the beginning of the reporting period	9.29	225.00	0.00	1269.77	8879.73	0.00	10383.79
Profit for the year					1523.78		1523.78
Other comprehensive income for the year					0.00		0.00
Total comprehensive income for the year					1523.78		1523.78
Transactions with owners in capacity as owners:							0.00
Dividends					-162.48		-162.48
Transferred to retained earnings							0.00
Bonus shares							0.00
Movement during the year	58.16	0.00	0.00	144.13	-144.13		58.16
Balance as at 31.03.2019	67.45	225.00	0.00	1413.90	10096.90	0.00	11803.25

The accompanying notes form an integral part of these financial statements

As per my report of even date

P.S.SITARAM, B.Sc., F.C.A.

Chartered Accountant

Membership No.023033

Place : Tirupur
Date : 29/06/2020

On behalf of the Board of Directors

R. PREMCHANDER

Managing Director

R. JAICHANDER

Joint Managing Director



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2020

1 Property, Plant and Equipment, Capital work-in-progress, Investment Property and Intangible Assets: Rupees in Lakhs

S. No.	Particulars of Assets	Gross Block				Depreciation / Amortisation				Net Block			
		Grosscost/ Valueason 01/04/2019	Acquisition	Other Adjust ment	Sub Total	Sale/ Adjustment during this year	Gross balance as on 31/03/2020	Total as on 01/04/2019	For this year	Sale during this year	Total as on 31/03/2020	W.D.V. as on 31/03/2020	W.D.V. as on 31/03/2019
A	Property, Plant and Equipment												
1	Land: Lease Hold	78.75	0.00	0.00	0.00	0.00	78.75	0.00	0.00	0.00	0.00	78.75	78.75
2	Land: Free Hold	151.89	29.55	0.00	29.55	0.30	181.14	0.00	0.00	0.00	0.00	181.14	151.89
3	Building	2582.79	0.00	0.00	0.00	0.00	2582.79	1110.83	111.66	0.00	1222.49	1360.30	1471.96
4	Plant & Equipment	32058.21	1848.75	-1360.43	488.32	888.83	31667.70	15340.98	1596.03	722.36	16214.65	15443.05	16717.23
5	Furniture & Fixture	45.29	1.15	0.00	1.15	0.00	46.44	37.58	1.04	0.00	38.62	7.82	7.71
6	Vehicles	286.49	0.31	0.00	0.31	0.33	286.47	188.90	26.46	0.32	215.04	71.43	97.59
7	Office Equipment	327.49	17.56	0.00	17.56	0.00	345.05	281.26	8.68	0.00	289.94	55.11	46.23
	Total	35530.91	1897.32	-1360.43	536.89	888.46	35178.34	16889.55	1743.87	722.68	17980.74	17197.60	18571.36
	Capital work-in-progress	496.67	0.00	0.00	0.00	0.00	496.67		0.00	0.00	0.00	496.67	496.67
	Other intangible assets												
	Computer software	13.31	0.00	0.00	0.00	0.00	13.31	12.26	0.60	0.00	12.86	0.45	1.05

AMARJOTHI SPINNING MILLS LIMITED



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2019

1 Property, Plant and Equipment, Capital work-in-progress, Investment Property and Intangible Assets: Rupees in Lakhs

S. No.	Particulars of Assets	Gross Block				Depreciation / Amortisation				Net Block			
		Grosscost/ Valueas on 01.04.2018	Acquisition	Addition Other Adjust ment	Sub Total	Sale/ Adjustment during this year	Gross balance as on 31.03.2019	Total as on 01.04.2018	For this year	Sale during this year	Totals on 31.03.2019	W.D.V. as on 31.03.2019	W.D.V. as on 31.03.2018
A	Property, Plant and Equipment												
1	Land: Lease Hold	78.75	0.00	0.00	0.00	0.00	78.75	0.00	0.00	0.00	0.00	78.75	78.75
2	Land: Free Hold	294.46	55.52	0.00	55.52	198.09	151.89	0.00	0.00	0.00	0.00	151.89	294.46
3	Building	2462.41	120.38	0.00	120.38	0.00	2582.79	1023.22	87.61	0.00	1110.83	1471.96	1439.19
4	Plant & Equipment	30518.89	7750.24	0.00	7750.24	6210.92	32058.21	16054.62	1549.31	2262.95	15340.98	16717.23	14464.27
5	Furniture & Fixtures	45.23	0.06	0.00	0.06	0.00	45.29	36.33	1.25	0.00	37.58	7.71	8.90
6	Vehicles	285.87	0.62	0.00	0.62	0.00	286.49	162.30	26.60	0.00	188.90	97.59	123.57
7	Office Equipment	315.01	12.48	0.00	12.48	0.00	327.49	270.48	10.78	0.00	281.26	46.23	44.53
	Total	34000.62	7930.30	0.00	7930.30	6400.01	35300.91	17546.95	1675.55	2262.95	16899.55	16571.36	16463.67
B	Capital work-in-progress	535.49	2.82	0.00	2.82	41.64	496.67		0.00	0.00	0.00	496.67	535.49
C	Other intangible assets												
1	Computer software	13.31	0.00	0.00	0.00	0.00	13.31	11.66	0.60	0.00	12.26	1.05	1.65

AMARJOTHI SPINNING MILLS LIMITED


NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2020		Rupees in Lakhs	
		Year ended	
		31.03.2020	31.03.2019
[2] NON-CURRENT INVESTMENTS (AT COST):			
Investment in Fully paid equity Instruments: (Quoted)			
50 Equity Shares of Rs.10 each fully paid of Precot Meridian Industries Ltd.. (Market value – Rs.1073(2200))	0.09	0.09	
100 Equity Shares of Rs.10 each fully paid of Thambbi Modern Spinning Mills Ltd. (Market value – Rs.732(770))	0.05	0.05	
Investment in Fully paid equity Instruments: (unquoted)			
8307 Equity shares of Rs.1000 each fully paid of Perundurai Common Effluent Treatment Plant (Including premium)	83.08	83.08	
520 Equity shares of Rs.1500 each fully paid of Amarjothi Power Generation & Distribution Company Ltd.	7.71	7.71	
430 Equity shares of Rs.10 each fully paid of APGL Green Energy private Ltd.,	0.04	0.00	
294(30) Equity shares of Rs.10 each fully paid of Jaichander wind Farms Pvt Ltd.,	0.03	0.00	
223(32) Equity shares of Rs.10 each fully paid of Jayanthi wind Farms Pvt Ltd.,	0.02	0.00	
233 (130) Equity shares of Rs.10 each fully paid of Premchander Wind Farms Private Ltd.	0.02	0.01	
230 Equity shares of Rs.10 each fully paid of Puvaneswari Enterprises Wind Farms Pvt. Ltd	0.02	0.02	
450 Equity shares of Rs.10 each fully paid of Saroja Rajan Green Energy Pvt Ltd.,	0.05	0.00	
430 Equity shares of Rs.10 each fully paid of Susmitha Titikshaa Green Energy Pvt Ltd.,	0.04	0.00	
Total	<u>91.15</u>	<u>90.96</u>	
Note:			
a) Aggregate amount of quoted investments	0.14	0.14	
b) Aggregate market value of quoted investments	0.02	0.03	
c) Aggregate amount of unquoted investments	91.01	90.82	
d) Aggregate amount of impairment in value of investments.	0.00	0.00	
[3] OTHER NON-CURRENT FINANCIAL ASSETS:			
Bank Deposit Accounts (for bank guarantee - EPCG)	108.70	104.91	
	<u>108.70</u>	<u>104.91</u>	
[4] OTHER NON-CURRENT ASSETS: (Unsecured & considered good)			
Balance with Excise Department	0.00	0.10	
Deposit with Government Departments	49.91	93.71	
	<u>49.91</u>	<u>93.81</u>	

AMARJOTHI SPINNING MILLS LIMITED



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2020		Rupees in Lakhs		
		Year ended		
		31.03.2020	31.03.2019	
[5] INVENTORIES :				
a) Raw Materials		3758.66	4010.91	
b) Work-in-Progress		205.56	291.18	
c) Finished Goods		1959.98	1074.87	
d) Waste Stock		37.86	61.72	
e) Stores, Tools, Spares & Packing Materials		<u>123.46</u>	<u>60.84</u>	
		<u>6085.52</u>	<u>5499.52</u>	
[6] TRADE RECEIVABLES :				
1 Due for More than 6 months (Unsecured)				
(a) Considered Good	1.90		2.3	
(b) Considered Doubtful	32.40		32	
2 Other Debts (Unsecured and considered good)	1851.20	1885.50	2914.28	
Less : Provision for Doubtful Receivables		<u>32.84</u>	<u>32.84</u>	
		<u>1852.66</u>	<u>2915.74</u>	
[7] CASH AND CASH EQUIVALENTS:				
Cash on Hand		2.69	1.83	
Balances with Scheduled Banks In Current Accounts		<u>40.55</u>	<u>166.29</u>	
		<u>43.24</u>	<u>168.12</u>	
[8] BANK BALANCES OTHER THAN [7] ABOVE:				
Unpaid Dividend Warrant Account		<u>35.20</u>	<u>35.98</u>	
[9] CURRENT TAX ASSETS(NET):				
Advance payment of tax (Net of provision)		<u>21.43</u>	<u>0.00</u>	
[10] OTHER CURRENT ASSETS: (Unsecured & considered good)				
Advances recoverable in cash or in kind or for value to be received		<u>4277.77</u>	<u>4701.90</u>	
		<u>4277.77</u>	<u>4701.90</u>	
[11] SHARE CAPITAL:				
Equity Shares:				
Authorised:				
9750000 Equity Shares of Rs.10 each		<u>975.00</u>	<u>975.00</u>	
Issued, Subscribed & Paid-up Capital :				
6750000 Equity Shares of Rs.10 each fully paid		<u>675.00</u>	<u>675.00</u>	
Notes:				
1 Reconciliation of Equity shares at the end of the year				
	No.of shares	Amount	No.of shares	Amount
Balance at the beginning of the year	6750000	675.00	6750000	675.00
Additions	0	0.00	0	0.00
Deletions	0	0.00	0	0.00
Balance at the end of the year	6750000	675.00	6750000	675.00

AMARJOTHI SPINNING MILLS LIMITED



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2020

Rupees in Lakhs

Year ended

31.03.2020

31.03.2019

- 2 List of shareholders holding more than 5%

Name	No.of shares	%	No.of shares	%
Rajan.N	1164980	17.26	1164980	17.26
Premchander.R	1275653	18.90	1275653	18.90
Jaichander.R	1275498	18.90	1275498	18.90
Total	3716131	55.06	3716131	55.06

- 3 During the five reporting periods immediately preceding the reporting date, no shares have been issued by capitalization of reserves as bonus shares or for Consideration other than cash.
- 4 The Company has a single class of equity shares. Accordingly all equity shares rank equally with regard to voting rights, dividends and share in the Company's residual assets.

[12] LONG TERM BORROWINGS:

(a) Term Loan From Banks (Secured)	5534.40	5765.52
(b) Loan from Directors (Unsecured)	<u>5503.31</u>	<u>4497.35</u>
	<u>11037.71</u>	<u>10262.87</u>

Notes:

- 1 Long Term Loans From Banks were taken for the purchase of new wind mills and these loans are required to be repaid before July 2023.
- 2 Loan from Directors have been brought in pursuant to the terms of sanction of Loans by Bankers and retained as unsecured loans.

[13] DEFERRED TAX LIABILITIES (NET)

As per last year Balance Sheet	1415.76	1163.60
Add/less : Transfer from / to P&L a/c for current year	<u>167.21</u>	<u>252.16</u>
	<u>1582.97</u>	<u>1415.76</u>

[14] SHORT TERM BORROWINGS

(a) Loan Repayable on Demand from Banks (Secured)	<u>742.61</u>	<u>580.78</u>
	<u>742.61</u>	<u>580.78</u>

AMARJOTHI SPINNING MILLS LIMITED



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2020		Rupees in Lakhs	
		Year ended	
		31.03.2020	31.03.2019
[15] TRADE PAYABLES			
(a) Sundry Creditors		1531.56	5960.14
		<u>1531.56</u>	<u>5960.14</u>
[16] OTHER FINANCIAL LIABILITIES			
(a) Current Maturities of Long Term Debts		694.56	715.19
(b) Unclaimed Dividend		35.20	35.98
(c) GST(VAT) Payable		0	0
(d) Disputed Electricity Charges		51.52	45.53
(e) Others		83.32	71.88
		<u>864.60</u>	<u>868.58</u>
[17] SHORT TERM PROVISIONS			
(a) Provision for Employee Benefits		83.43	90.16
(b) Others			
1 Provision for Outstanding Liability		161.88	200.84
2 Provision for CSR expenditure		0.00	0.00
		<u>245.31</u>	<u>291.00</u>
Proposed Dividend per share (in Rs.)		2.00	2.00
Number of Shares		6750000	6750000
Total Proposed Dividend		135.00	135.00
[18] CURRENT TAX LIABILITIES:			
For Taxation net of advances		0.00	13.59
		<u>0.00</u>	<u>13.59</u>

AMARJOTHI SPINNING MILLS LIMITED


NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2020		Rupees in Lakhs	
		Year ended	
		31.03.2020	31.03.2019
[19] REVENUE FROM OPERATIONS			
a) Sale of Products		17159.44	21399.13
b) Sale of Services		0.00	0.00
c) Other Operating Revenues		0.00	0.00
		<u>17159.44</u>	<u>21399.13</u>
[20] OTHER INCOME			
a) Interest Income (TDS Rs.13.83 lakh (Rs.8.06 lakh)		369.12	264.50
b) Dividend Income & Profit from Firms		94.50	-1.97
c) Net gain / Loss on sale of Fixed assets		23.88	473.97
d) Foreign Exchange Rate Gain		24.93	60.59
e) Insurance Claims		19.00	37.65
f) Other Non-Operating Income		71.12	94.28
		<u>602.55</u>	<u>929.02</u>
[21] COST OF MATERIALS CONSUMED :			
Opening Stock :			
Raw Materials	4010.91		5541.19
Waste Stock	<u>61.72</u>	4072.63	<u>121.17</u> 5662.36
ADD : Purchases		8917.44	9432.56
		12990.07	15094.92
LESS : Closing Stock :			
Raw Materials	3758.66		4010.91
Waste Stock	<u>37.86</u>	3796.52	<u>61.72</u> 4072.63
		<u>9193.55</u>	<u>11022.29</u>
[22] CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE:			
Inventories at the Beginning of the year			
Finished Goods	1074.87		1158.76
Work-in-Progress	<u>291.18</u>	1366.05	<u>410.91</u> 1569.67
Inventories at the end of the year			
Finished Goods	1959.98		1074.87
Work-in-Progress	<u>205.56</u>	2165.54	<u>291.18</u> 1366.05
Net (increase) / decrease		<u>-799.49</u>	<u>203.62</u>

AMARJOTHI SPINNING MILLS LIMITED



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2020		Rupees in Lakhs	
		Year ended	
		31.03.2020	31.03.2019
[23]	EMPLOYEE BENEFITS EXPENSES		
	i) Salaries & Wages	1100.65	1136.72
	ii) Contribution to Provident & Other Funds	23.19	21.88
	iii) Expense on ESOP & ESPP	0.00	0.00
	iv) Staff Welfare Expenses	<u>227.05</u>	<u>254.43</u>
		<u>1350.89</u>	<u>1413.03</u>
[24]	FINANCE COSTS		
	a) Interest on Term Loans	487.68	416.52
	b) Interest on Other Loans	<u>468.79</u>	<u>985.93</u>
		<u>956.47</u>	<u>1402.45</u>
[25]	OTHER EXPENSES		
	a) Consumption of Stores & Spare Parts	917.14	734.21
	b) Power & Fuel	626.37	643.53
	c) Rent	81.20	90.91
	d) Repairs to Building	80.38	57.15
	e) Repairs to Machinery	231.92	548.96
	f) Insurance	69.84	41.11
	g) Rates and Taxes	44.05	73.80
	h) Dyeing and Processing Expenses	934.02	1645.29
	i) Miscellaneous Expenses:		
	Advertisement	20.62	18.40
	Bank Charges	37.51	19.26
	CSR Contribution to PM relief fund	28.05	30.90
	Computer Maintenance Expenses	11.64	5.13
	Freight & Other Expenses	88.74	109.90
	General Expenses	84.33	44.18
	Managerial Remuneration	155.10	171.88
	Printing, Stationery & Postage	35.17	26.86
	Professional Charges	13.32	17.22
	Remuneration to Auditors	2.31	2.31
	RF Tower Maintenance Expenses	0.19	2.64
	Sales Commissions	77.34	101.32
	Goods and Service Tax Paid	2.27	10.78
	Share Transfer Expenses	2.28	2.61
	Sitting Fees	0.24	0.36
	Telephones	9.41	8.40
	Travelling & Conveyance	43.44	30.43
	Vehicle Maintenance	<u>46.39</u>	<u>59.47</u>
	Total	<u>3643.27</u>	<u>4497.01</u>



26. NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020:

SIGNIFICANT ACCOUNTING POLICIES TO THE CONSOLIDATED FINANCIAL STATEMENTS:

26.1. PRINCIPLES OF CONSOLIDATION:

The consolidated financial statements relate to Amarjothi Spinning Mills Ltd (the “company”) and its subsidiary and associate companies. The consolidated financial statements have been prepared on the following basis:

The financial statements of the company and its subsidiary and associate companies are combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra group balances and intra group transactions resulting in unrealised profit or losses. Subsidiaries are Consolidated from the date control commences until the date control ceases.

The difference between cost of investment in the subsidiary and associates, over the net assets at the time of acquisition of shares in the subsidiary and associates is recognised in the financial statements as Goodwill or Capital reserve as the case may be.

As far as possible, the consolidated financial statements are prepared using accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the company’s separate financial statements.

26.2. METHOD OF ACCOUNTING:

The financial statements have been prepared in accordance with historical cost convention and accrual system of accounting has been followed.

26.3. FIXED ASSETS:

Fixed assets are stated at cost less accumulated depreciation. Depreciation is provided on Straight Line Method on the basis of useful lives and in the manner specified in Schedule II to the Companies Act, 2013.

26.4. INVENTORIES:

Finished Goods are stated at lower of cost or net realisable value as specified in Ind AS-2 prescribed by the Institute of Chartered Accountants of India. Other inventories are stated at cost and waste at net realisable value.

26.5. SALES:

Sales are recognized when goods are supplied and are net of GST and other levies.

26.6. FOREIGN CURRENCY TRANSACTIONS:

Foreign currency transactions are recorded in the books by applying the exchange rates as on the date of transaction. Foreign currency assets are converted at the exchange rate prevailing on the last working day of the accounting year and the exchange is adjusted to the Profit & Loss Account.

26.7. INVESTMENTS:

Investments are stated at cost and are long term in nature and hence no provision has been made for the diminution in the value, if any, during the year. Income from investments is accounted on receipt basis.



26.8. TAXATION:

Income tax for the current year has been calculated based on the current year's working. Provision has been made in the accounts for Income tax and Deferred Tax for the current year.

26.9. SUBSIDIARIES AND ASSOCIATES:

The names of subsidiaries / associates / firms considered in the consolidated financial statements are:

Sl. No.	Name of the Subsidiary / Associate / firms	Country of Incorporation	% of ownership	Reporting date
1	RPJ Textiles Ltd.	India	100.00%	31.03.2020
2	Jayanthi Green Energy P Ltd.	India	27.00%	31.03.2020
3	Premchander Green Energy P Ltd.	India	27.00%	31.03.2020
4	AFCM Wind Farms P Ltd.	India	29.43%	31.03.2020
5	AJSM Green Energy P Ltd.	India	29.43%	31.03.2020
6	Kanagathara Wind Farms (Partnership firm)	India	27.01%	31.03.2020

27. OTHER NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS:

27.1.SECURED LOANS FROM BANKS:

Sl.No.	Name of the Bank	Limit Rs. In lakhs.	Nature of Facility	Security Offered
1	Karur Vysya Bank	1045.00	Working Capital Facility	First Charge on CurrentAssets and second charge on the other fixed assets.
2	Bank of Baroda	1005.00	Working Capital Facility	
3	Karur Vysya Bank	5000.00	Raw Material Key Loan	Exclusive charge on the Cotton purchased.
4	Karur Vysya bank	6200.00	Machinery Term Loan	EM charge on the Wind Mills along with land.

All the above loans are personally guaranteed by the Chairman, Managing Director and Joint Managing Director of the Company.

AMARJOTHI SPINNING MILLS LIMITED



	As at 31.03.2020	As at 31.03.2019
27.2. CONTINGENT LIABILITIES :		
a) Bills discounted	Nil	Nil
b) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of Advances)	Nil	Nil
27.3. Income Tax assessments have been completed up to the Assessment Year 2017–2018.		
27.4. The Company declared Dividend at Rs.2 per Equity share for the year ending March 2020. The Total Dividend payable for 6750000 Equity shares comes to Rs.13500000/- Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates.		
27.5. As at the end of the year, the Company does not have small-scale industries as defined by Section 3-J of the Industries (Development and Regulation) Act, 1951 and to whom more than Rs. 1.00 lakh is due and also for more than 30 days. Hence, the provision of interest does not arise. There were no overdue payments to Micro, Small and Medium scale enterprises during the year and there is no amount overdue as on the date of the Balance Sheet to such enterprises.		
27.6. Sundry debtors which are overdue for a period of 6 months and more include a sum Rs.32.40 lakhs (Rs.32.00 lakhs) for which the Company has taken legal action and is hopeful of recovery. Provision has been made for Rs.32.84 Lakhs for Doubtful Debtors.		
27.7. Depreciation has been calculated according to Schedule II of the Companies Act, 2013 as amended on straight-line method.		
27.8. The Company has received a demand towards additional Electricity tax amounting to Rs.51.52 lakhs from TNEB against which the Company has gone on appeal to the Honourable High Court of Madras. The Company has not paid this amount due to dispute. No provision has been made in the accounts, pending disposal of appeal by the Honourable High Court of Madras.		
	Rupees in Lakhs	
	As on	
	31.03.2020	31.03.2019
27.9. a) Counter Guarantee given by the Chairman, Managing Director and Joint Managing Director for Working Capital Loans including Non-fund based Limits taken by the Company from its bankers	7050.00	7050.00
b) Counter Guarantee given by Chairman, Managing Director and Joint-Managing Director for Term Loan from its bankers	6200.00	6200.00

AMARJOTHI SPINNING MILLS LIMITED



27.10. QUANTITATIVE PARTICULARS		As at	
		31.03.2020	31.03.2019
i. Licensed Capacity*	Spindles	75000	75000
	Rotor	4768	4768
ii) Installed Capacity*	Spindles	29280	29280
	Rotor	4768	4768
iii) Actual Production - Yarn	Kgs.	6086258	7004562
iv) Turnover - Yarn	Kgs.	6261470	6942616
	Rs.	1801456957	2117920352
Turnover - Waste	Kgs.	1568539	2699769
	Rs.	23837170	21993101
v) Opening Yarn Stock	Kgs.	1011432	950406
	Rs.	104241282	109244147
vi) Closing Yarn Stock	Kgs.	833229	1011432
	Rs.	74985961	104241282
* As certified by Management not verified by Auditor			
vii) Consumption of Raw Materials	Kgs.	7648678	8327238
	Rs.	916894324	1102229223
viii) Consumption of Stores & Spares			
	Indigenous (86.46%/76.58%)	Rs.	79295419
Imported (13.54%/23.42%)	Rs.	12418519	17195790
27.11. EARNINGS IN FOREIGN CURRENCY :			
FOB Value of Exports	Rs.	105566193	161639571
27.12. EXPENDITURE IN FOREIGN CURRENCY :			
a) Traveling	Rs.	421908	331474
b) CIF Value of Imports	Rs.	194840067	17195790
c) Certification charges	Rs.	585314	75190
27.13. REMUNERATION TO DIRECTORS :			
a) Managing Director (Salary)	Rs.	720000	720000
b) Joint Managing Director (Salary)	Rs.	720000	720000
c) Managing Director (Commission)	Rs.	6329745	7092743
d) Joint Managing Director (Commission)	Rs.	6329745	7092743
e) Chairman(Commission)	Rs.	1409949	1562549
Total		<u>15509439</u>	<u>17188035</u>

AMARJOTHI SPINNING MILLS LIMITED

	As at	
	31.03.2020	31.03.2019
Computation of Remuneration to Directors:		
Net Profit before tax as per Profit & Loss account	149983609	203651304
Add: Remuneration debited to Profit & Loss account	15509439	17188035
(Less) / Add: (Profit) / Loss on sale of Assets	<u>-8988713</u>	<u>-47396449</u>
Net Profit available	156504334	173442890
Managerial Remuneration eligible	<u>15509439</u>	<u>17188034</u>
27.14. PAYMENT TO AUDITOR : (Inclusive of GST)		
Audit Fees	Rs. 206500	206500
Reimbursement of Expenses	Rs. 20000	20000
Other Services	Rs. 42480	42480
Total	<u>268980</u>	<u>268980</u>
27.15. Previous year figures have been regrouped and reclassified wherever necessary to conform to current year's classification.		
<hr/>		
As per my report of even date	On behalf of the Board of Directors	
P.S.SITARAM, B.Sc., F.C.A. Chartered Accountant Membership No.023033	R. PREMCHANDER Managing Director	R.JAICHANDER Joint Managing Director
Place : Tirupur		
Date : 29/06/2020		


NOTES FORMING PART OF CONSOLIDATED ACCOUNTS – DISCLOSURE
I. Segment-wise Reporting:

The Company is engaged mainly in the manufacture of yarn. The Company owns ten wind mills mainly for captive consumption purpose only. During the year total value of power generated through these wind mills and the total value of power generated by wind mills owned by associates are fully utilised for captive consumption of the company and is adjusted with the power cost of the Company. The processing division is operating mainly for captive utilization and hence segment-wise reporting as defined in Accounting Standard 17 is not required

II. Deferred Tax Assets / Liability:

Deferred tax provision for the current year has been debited to the profit and loss account for the year. The Balance of deferred Tax liability is being disclosed as a liability. Deferred Taxation Liability on account of Timing Difference : (Rs.)

As on 01.04.2019	141576000
Less: Transfer from Profit & Loss a/c	16721000
Balance of Liability as on 31.03.2020	158297000

III. Employee Benefits: Ind AS -19 :

Provident Fund Contribution:

During the year the Company has contributed Rs.15,48,562/- to Government Provident fund after adjustment of PMR PF claim. The Company does not have a separate exempted provident fund.

Gratuity:

As per the records of the Company none of the employees come under the purview of Payment of Gratuity Act.

With regard to other terminal benefits payable to employees the Company makes a payment of such benefits every year and hence no provision is required.

IV. Related Party Disclosure as per Ind AS - 24 :

1. Related Parties: Associates: 1) N.Rajan & Sons

- 2 Key Management Personnel : 1) Sri. R. Premchander, Managing Director
2) Sri. R. Jaichander, Joint Managing Director



Transactions:

Particulars	Related Parties/ Associates	Key Management Personnel & Relatives	Directors
Remuneration	-	Rs.1,55,09,439	-
Sitting fees	-	-	Rs.24,000
Payment of Interest	Rs.4,50,31,531	-	-
Credit Balance as at 31.03.2019	Rs.27,06,62,198	-	-

V. Earning Per share as per Ind AS 33 :

Particulars	31.03.2020	31.03.2019
a) Net Profit after tax (Rs.)	10,88,67,053	15,23,77,318
b) Number of Equity shares	67,50,000	67,50,000
c) Earnings Per Share (Rs.) (a/b)	16.13	22.57

AMARJOTHI SPINNING MILLS LIMITED



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2020

Rupees in Lakhs

	Year ended 31.03.2020	Year ended 31.03.2019
A. CASH FLOW FROM OPERATING ACTIVITIES:		
NET Profit before Taxation	1672.83	2113.60
Adjustments for:		
Depreciation and amortisation	1744.47	1676.15
Loss /(Profit) on Sale of Assets	-23.88	-473.97
Interest Income	-369.12	-264.50
Finance costs	<u>956.47</u>	<u>1402.45</u>
	2307.94	2340.13
Operating Profit before Working Capital Changes	3980.77	4453.73
Adjustments for:		
Trade & other Receivables	3050.14	-816.23
Inventories	-585.99	1786.22
Trade Payable & Other Liabilities	<u>-4330.03</u>	<u>5400.77</u>
	-1865.88	6370.76
Cash Generated from Operations	2114.89	10824.49
Direct Taxes provisions/ paid	-343.00	-406.78
Net Cash from Operating activities	A	
	<u>1771.89</u>	<u>10417.71</u>
B. CASH FLOW FROM INVESTMENT ACTIVITIES:		
Purchase of Fixed Assets	-1897.32	-7939.30
Sale of Fixed Assets	142.91	3672.10
Payment for Capital Projects in Progress	0.00	-2.82
Investments made	-369.30	-272.23
Adjustments for other non current assets	40.11	179.57
Interest Received	369.12	264.50
Net Cash from Investment activities	B	
	<u>-1714.48</u>	<u>-4098.18</u>

AMARJOTHI SPINNING MILLS LIMITED



		Rupees in Lakhs	
		Year ended 31.03.2020	Year ended 31.03.2019
C. CASH FLOW FROM FINANCING ACTIVITIES:			
Borrowings (net)		936.66	-5096.81
Dividend paid including tax		-162.48	-162.48
Finance costs		-956.47	-1402.45
Net Cash from Financing Activities	C	-182.29	-6661.74
Net Increase/ (Decrease) in cash and cash equivalents(A+B+C)	-124.88	-342.21
Cash and Cash Equivalents as at the beginning of the period		168.12	510.33
Cash and Cash Equivalents as at the end of the period		43.24	168.12
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As per my report of even date		On behalf of the Board of Directors	
P.S.SITARAM, B.Sc., F.C.A.		R. PREMCHANDER	R.JAICHANDER
Chartered Accountant		Managing Director	Joint Managing Director
Membership No.023033			
Place : Tirupur			
Date : 29/06/2020			
<hr/>			
AUDITOR'S CERTIFICATE			
To			
The Board of Directors, Amarjothi Spinning Mills Ltd.,			
I have examined the attached Consolidated Cash Flow Statement of Amarjothi Spinning Mills Ltd., for the year ended 31st March 2020 . The Statement has been prepared by the Company in accordance with the requirements of Regulation 34 of the SEBI (LODR) Regulations, 2015 with the Stock Exchanges and is based on and is in agreement with the corresponding Consolidated Profit and Loss Statement and Consolidated Balance Sheet of the Company covered by my report of 29th June, 2020 to the members of the Company.			
Place : Coimbatore		P.S.SITARAM. B.Sc., F.C.A.	
Date : 29.06.2020		Chartered Accountant Membership no.023033	

