

***Siyaram's***<sup>®</sup>  
PREMIUM SUITINGS & SHIRTINGS

*35<sup>th</sup> Annual Report 2012 -13*



वक्रतुंड महाकाय सूर्यकोटिसमप्रभ  
निर्विघ्नं कुरु मे देव सर्वकार्येषु सर्वदा

### NOTICE

Notice is hereby given that the 35<sup>th</sup> Annual General Meeting of the Members of Siyaram Silk Mills Limited will be held on Saturday, 10<sup>th</sup> August, 2013 at 11.00 a.m at Plot No. G-4/1(A), MIDC, Tarapur, Boisar, Dist. Thane – 401 506, Maharashtra, to transact the following business:

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2013 the Statement of Profit and Loss for the year ended on that date along with the Reports of the Directors and Auditors thereon.
2. To declare dividend on the Equity Shares of the Company for the financial year ended 31<sup>st</sup> March, 2013.
3. To appoint a Director in place of Shri. Ashok M. Jalan, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri. Ashok N. Garodia, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Shri. Arvind M. Poddar, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint Statutory Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** M/s. Jayantilal Thakkar & Co., Chartered Accountants (FRN 104133W), the retiring Auditors of the Company, be and are hereby re-appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be fixed by the Board of Directors.”

#### **SPECIAL BUSINESS:**

7. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:  
 “**RESOLVED THAT** pursuant to the provisions of sections 198, 269, 309, 310, 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment(s) thereof and subject to such other applicable approvals, permissions and sanctions, as may be required, if any, consent of the Company be and is hereby accorded to the re-appointment of Shri. Ramesh D. Poddar, as Chairman and Managing Director, for a further period of 5(five) years from

1<sup>st</sup> November, 2012 to 31<sup>st</sup> October, 2017 on the terms, conditions and remuneration as mentioned below with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to mean and include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) to alter, vary or revise the terms, conditions and remuneration within the limits specified in Schedule XIII to the Companies Act, 1956 or any amendments thereto, as may be agreed to between the Company and Shri. Ramesh D. Poddar :-

I. Basic Salary: : Rs.9,00,000/- per month.

II. Commission:

As may be fixed by the Board of Directors of the Company at the end of each financial year, subject to overall ceiling stipulated from time to time under sections 198, 309 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956 for the time being in force. The amount of commission shall be payable after the annual accounts are approved by the Board of Directors and adopted by the shareholders.

III. Perquisites:

In addition to the salary and commission, the following perquisites shall also be allowed :

a) Housing:

The Company shall provide fully furnished residential accommodation together with all amenities, facilities and utilities such as Gas, Water, Electricity, Fuel etc.

In case no accommodation is provided by the Company, he shall be entitled to House Rent Allowance, to the extent of 60% of the Basic Salary.

b) Medical Reimbursement:

Reimbursement of medical expenses incurred in India or abroad including hospitalization, nursing home and surgical charges and premium for medical insurance incurred for self and family. In case of any medical treatment abroad, the traveling, boarding and lodging expenses for the patient and the attendant will also be paid by the Company.

c) Leave Travel Concession:

Reimbursement of actual traveling expenses for proceeding on leave once in a year for self and family, whether in India or abroad.

d) Club Membership Fees:

Fees of Clubs including admission and life membership.

- e) Personal Accident Insurance:  
The actual premium paid.
- f) Provident Fund, Superannuation Fund and Annuity Fund:  
Contributions to Provident Fund, Superannuation and Annuity Fund will not be included in the computation of overall ceiling of remuneration to the extent these singly or put together are not taxable under the Income Tax Rules, 1962.
- g) Gratuity:  
Gratuity shall be payable at half month's salary for each completed year of service.
- h) Leave and encashment of Leave:  
The Managing Director shall be entitled to leave with full pay as per the rules of the Company and will be entitled to encash the accumulated leave at the end of the tenure / retirement.
- i) Use of Car with driver:  
The Company shall provide fully maintained car with driver.
- j) Telephone, facsimile and other communication facilities:  
The Company shall provide free telephone, facsimile and other communication facilities at the appointee's residence.

**Explanation:**

For the purpose of the perquisites, family shall mean spouse, dependent children and dependent parents of the appointee.

**IV. Minimum Remuneration:**

In the event of absence or inadequacy of profits in any financial year during the tenure of his appointment, the Managing Director shall be paid remuneration by way of salary, perquisites, allowance and other benefits as the Board of Directors may deem fit subject to the limits prescribed in Schedule XIII of the Companies Act, 1956 (including any Statutory modification or re-enactment thereof) as minimum remuneration.

**RESOLVED FURTHER THAT** the Board of Directors (which expression shall mean and include Committee thereof) be and are hereby authorised to do all acts, deeds and things as it may in its absolute discretion deem necessary, expedient and proper to give effect to the above resolution.”

8. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of sections 198, 269, 309, 310, 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment(s) thereof and subject to such other applicable approvals, permissions and sanctions, as may be required, if any, consent of the Company be and is hereby accorded to the re-appointment of Shri. Shrikishan D. Poddar, as Executive Director, for a further period of 5(five) years from 1<sup>st</sup> November, 2012 to 31<sup>st</sup> October, 2017 on the terms, conditions and remuneration as mentioned below with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to mean and include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) to alter, vary or revise the terms, conditions and remuneration within the limits specified in Schedule XIII to the Companies Act, 1956 or any amendments thereto, as may be agreed to between the Company and Shri. Shrikishan D. Poddar:-

I. Basic Salary: : Rs.8,00,000/- per month.

II. Commission:

As may be fixed by the Board of Directors of the Company at the end of each financial year, subject to overall ceiling stipulated from time to time under sections 198, 309 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956 for the time being in force. The amount of commission shall be payable after the annual accounts are approved by the Board of Directors and adopted by the shareholders.

III. Perquisites:

In addition to the salary and commission, the following perquisites shall also be allowed :

a) Housing:

The Company shall provide fully furnished residential accommodation together with all amenities, facilities and utilities such as Gas, Water, Electricity, Fuel etc.

In case no accommodation is provided by the Company, he shall be entitled to House Rent Allowance, to the extent of 60% of the Basic Salary.

b) Medical Reimbursement:

Reimbursement of medical expenses incurred in India or abroad including hospitalization, nursing home and surgical charges and premium for medical insurance incurred

for self and family. In case of any medical treatment abroad, the traveling, boarding and lodging expenses for the patient and the attendant will also be paid by the Company.

- c) Leave Travel Concession:  
 Reimbursement of actual traveling expenses for proceeding on leave once in a year for self and family, whether in India or abroad.
- d) Club Membership Fees:  
 Fees of Clubs including admission and life membership.
- e) Personal Accident Insurance:  
 The actual premium paid.
- f) Provident Fund, Superannuation Fund and Annuity Fund:  
 Contributions to Provident Fund, Superannuation and Annuity Fund will not be included in the computation of overall ceiling of remuneration to the extent these singly or put together are not taxable under the Income Tax Rules, 1962.
- g) Gratuity:  
 Gratuity shall be payable at half month's salary for each completed year of service.
- h) Leave and encashment of Leave:  
 The Executive Director shall be entitled to leave with full pay as per the rules of the Company and will be entitled to encash the accumulated leave at the end of the tenure / retirement.
- i) Use of Car with driver:  
 The Company shall provide fully maintained car with driver.
- j) Telephone, facsimile and other communication facilities:  
 The Company shall provide free telephone, facsimile and other communication facilities at the appointee's residence.

Explanation:

For the purpose of the perquisites, family shall mean spouse, dependent children and dependent parents of the appointee.

#### IV. Minimum Remuneration:

In the event of absence or inadequacy of profits in any financial year during the tenure of his appointment, the Executive Director shall be paid remuneration by way of salary, perquisites, allowance and other benefits as the Board of

Directors may deem fit subject to the limits prescribed in Schedule XIII of the Companies Act, 1956 (including any Statutory modification or re-enactment thereof) as minimum remuneration.

**“RESOLVED FURTHER THAT** the Board of Directors (which expression shall mean and include Committee thereof ) be and are hereby authorised to do all acts, deeds and things as it may in its absolute discretion deem necessary, expedient and proper to give effect to the above resolution.”

9. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

**“RESOLVED THAT** pursuant to section 314 and other applicable provisions, if any, of the Companies Act, 1956 and subject to such other permissions, sanctions and approvals as may be required, if any, the consent of the Company be and is hereby accorded to Shri. Avnish P. Poddar, who is a relative of a Director of the Company, to hold an office or place of profit as an Executive of the Company designated as Director - Marketing on the terms, conditions and remuneration as mentioned below :

- a. Basic Salary of Rs.1,25,000/- (Rupees One Lac Twenty Five Thousand only) per month, in the scale of Rs.30,000-20,000-25,000-2,50,000.
- b. House Rent Allowance at the rate of 50% on the Basic Salary i.e. Rs.62,500/-(Rupees Sixty Two Thousand Five Hundred Only) per month.
- c. Special Allowance of Rs.10,000/- (Rupees Ten Thousand Only) per month.
- d. Reimbursement of Medical Expenses to the extent of Rs.1,250/- (Rupees One Thousand Two Hundred Fifty only) per month.
- e. In addition, he shall also be entitled to Provident Fund, Bonus, Leave, Gratuity, Leave Travel Concession, other perquisites and subject to other terms and conditions as applicable to other Executives of the Company in the said cadre.

**“RESOLVED FURTHER THAT** the consent of the Company be and is hereby accorded to pay to Shri. Avnish P. Poddar such yearly increment in the said scale, with or without promotion to higher cadre and/ or accelerated increments as the Board of Directors deem fit in its absolute discretion within the ceiling prescribed under the provisions of the Companies Act, 1956 and rules framed there under or with such approvals as may be required from time to time.

**RESOLVED FURTHER THAT** the total monthly remuneration payable i.e. salary, allowances and benefits, to Shri. Avnish P. Poddar shall not exceed Rs.2,50,000/- per month.

**RESOLVED FURTHER THAT** the Board of Directors (which expression shall mean and include a Committee thereof) be and is hereby authorised to do all acts, deeds and things as it may in its absolute discretion deem necessary, expedient and proper to give effect to the above resolution.”

10. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of section 81(1A) and all other applicable provisions of the Companies Act, 1956, and in accordance with the enabling provisions of the Memorandum and Articles of Association of the Company, the Listing Agreement entered into with the Stock Exchanges, the Rules/ Regulations/ Guidelines prescribed by the Securities and Exchange Board of India (“SEBI”) and/ or other regulatory authority and subject to the approval(s), consent(s), permission(s) and/ or sanction(s), if any, of appropriate authorities, institutions or bodies as may be required and subject to such conditions and modifications as may be prescribed by any of them while granting such approval(s), consent(s), permission(s) and sanction(s) and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any Committee thereof) consent, permission and approval of the Company be and is hereby accorded to the Board to offer, issue and allot on a preferential basis, 1968 Equity Shares of the Company, which were previously forfeited, to the promoter(s) and/ or promoter group of the Company, whether or nor they are existing members of the Company, in such manner and on such terms and conditions and at such price as may be decided by the Board in accordance with the SEBI (ICDR) Regulations, 2009, being the higher of the following:

- a) The average of the weekly high and low of the closing prices of the Company’s shares quoted on the Stock Exchange(s) during the twenty six weeks preceding the relevant date or
- b) The average of the weekly high and low of the closing prices of the Company’s shares quoted on the Stock Exchange(s) during the two weeks preceding the relevant date.

**RESOLVED FURTHER THAT** the relevant date for the purpose of determining the price of the Equity

Shares as per the SEBI (ICDR) Regulations, 2009 is 11<sup>th</sup> July, 2013, being 30 days prior to 10<sup>th</sup> August, 2013 ( i.e., the date on which the meeting of the general body of shareholders is to be held to consider the proposed preferential issue under section 81(1A) of the Companies Act, 1956 is being held)”

**RESOLVED FURTHER THAT** the Equity Shares to be issued and allotted in terms of this resolution shall rank pari passu with the then existing equity shares of the Company in all respects including dividend

**RESOLVED FURTHER THAT** the Equity Shares so issued and allotted shall be subject to applicable lock-in period in accordance with SEBI (ICDR) Regulations.

**RESOLVED FURTHER THAT** the Board of the Company be and is hereby authorized to do and perform all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, desirable or appropriate, to resolve and settle any question, difficulty or doubt that may arise in regard to the issue as it may think fit and to accept on behalf of the Company such conditions and modifications, if any, relating to the issue of the Equity Shares which may be imposed, required or suggested by the concerned authority and which the Board of Directors in its discretion think fit and proper.”

By Order of the Board

**(William Fernandes)**  
Company Secretary

Place : Mumbai

Date : 25<sup>th</sup> May, 2013.

**NOTES:**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote at the meeting instead of himself/ herself. The proxy need not be a member of the Company.
2. Proxy Forms, in order to be effective, should be duly completed, stamped and signed and must be lodged with the Company at its Registered Office not less than forty-eight hours before the commencement of the meeting. A blank proxy form is enclosed herewith.
3. The Explanatory Statement, as required by section 173(2) of the Companies Act, 1956 in respect of special business is annexed hereto.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 30<sup>th</sup> July, 2013 to Wednesday, 31<sup>st</sup> July, 2013 (both

days inclusive) for the purpose of payment of Dividend for the year ended 31<sup>st</sup> March, 2013.

5. Members holding shares in dematerialized mode are requested to intimate all changes with respect to their bank details, NECS mandates, nomination, power of attorney, change of address, etc., to their Depository Participant (DP). These changes will be automatically reflected in Company's records, which will help the Company to provide efficient and better service to the members.

Members holding shares in physical form are requested to intimate all changes with respect to their bank details, change of address, etc. to the Company at its Corporate office/ Registered Office or its Share Transfer Agent.

6. Pursuant to the provisions of Section 205C of the Companies Act, 1956, the amount of dividend remaining unclaimed and unpaid for a period of seven years from the date of declaration, is required to be transferred to the Investor Education and Protection Fund (IEPF). Accordingly, the Company during the year has transferred the unclaimed and unpaid amount pertaining to the dividend for the financial year 2004-05 amounting to Rs.2,77,228/- and Interim Dividend for the financial year 2005-06 amounting to Rs.1,59,042/- to the IEPF. Members, who have not encashed their dividend warrants for the financial year 2005-06 and onwards are requested to make their claims to the Company immediately. Members may please note that no claim shall lie either against the Fund or the Company in respect of dividends, which remain unclaimed and unpaid for a period of seven years from the date of declaration and no payment shall be made in respect of such claims.

Information in respect of such unclaimed and unpaid dividends when due for transfer to the said Fund is given below:

Financial year ended	Date of Declaration of Dividend	Last date for claiming unpaid dividend	Due date for transfer to IEP Fund
31/03/2006	16/09/2006- final	19/09/2013	18/10/2013
31/03/2007	11/08/2007	16/08/2014	15/09/2014
31/03/2008	23/08/2008	28/08/2015	27/09/2015
31/03/2009	12/09/2009	17/09/2016	16/10/2016
31/03/2010	14/04/2010-interim	19/04/2017	18/05/2017
31/03/2011	06/08/2011	11/08/2018	10/09/2018
31/03/2012	25/08/2012	31/08/2019	30/09/2019

- 7 Corporate members intending to send their authorized representatives to attend the meeting are requested

to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the Annual General Meeting.

8. The members are requested to:
- Quote Registered Folio/Client ID & DP ID in all their correspondence;
  - Bring their copy of the Annual Report and Attendance Slip duly signed;
  - Send queries related to accounts to the Company at least 15 days before the date of the meeting.
9. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that the service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members, who hold shares in physical form are requested to register their email address by sending their details to the Registrar and Share Transfer Agents, M/s. TSR Darashaw Ltd.
10. 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 their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Share Transfer Agents.
11. Appointment / Re-appointment of Directors:

At the ensuing Annual General Meeting, Shri. Ashok M. Jalan, Shri. Ashok N. Garodia and Shri. Arvind M. Poddar, Directors of the Company, retire by rotation and being eligible, offer themselves for re-appointment. The term of office of Shri Ramesh D. Poddar, Chairman and Managing Director and Shri. Shrikishan D. Poddar, Executive Director, expired on 31<sup>st</sup> October, 2012, special resolutions at item nos. 7 & 8 for their re-appointment for further 5(five) years w.e.f. 1<sup>st</sup> November, 2012, is proposed for the approval of the Members. The information pertaining to these Directors to be provided in terms of Clause 49 of the Listing Agreement with the Stock Exchanges is furnished as Annexure to the Notice.

**ANNEXURE TO THE NOTICE**

**Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956.**

**Item Nos. 7 & 8.**

The Board of Directors on 27<sup>th</sup> October, 2012 as considered and recommended by the Remuneration Committee, had approved the re-appointment of Shri. Ramesh D. Poddar, Chairman and Managing Director and Shri. Shrikishan D. Poddar, Executive Director, for a further period of 5(five) years w.e.f. 1<sup>st</sup> November, 2012 on the terms, conditions and remuneration as mentioned in the resolution, subject to approval of the members and other permissions and sanctions as may be applicable, if any.

A brief resume of Shri. Ramesh D. Poddar, Chairman and Managing Director and Shri. Shrikishan D. Poddar, Executive Director, as required under clause 49 of the Listing Agreement is given in annexure hereto.

An Abstract under section 302 of the Companies, 1956 setting out the terms, conditions and remuneration of re-appointment of Shri. Shri Ramesh D. Poddar as Chairman and Managing Director and Shri. Shrikishan D. Poddar as Executive Director was sent to the members on or before 14<sup>th</sup> November, 2012.

**Memorandum of Interest:**

Shri. Pawan D. Poddar, Joint Managing Director and Shri. Gaurav P. Poddar, Executive Director being related to Shri. Ramesh D. Poddar and Shri. Shrikishan D. Poddar and Shri. Ramesh D. Poddar, Chairman and Managing Director and Shri. Shrikishan D. Poddar, Executive Director, themselves are deemed to be interested or concerned in the resolutions at item nos. 7 & 8.

None of the Directors other than the above are in any way concerned or interested in the resolutions.

Your Directors recommend the resolutions for your approval.

**Item No. 9.**

The Board of Directors at their meeting held on 14<sup>th</sup> February, 2013 had appointed Shri. Avnish P. Poddar, relative of Shri. Pawan D. Poddar, Joint Managing Director, Shri Ramesh D. Poddar, Chairman and Managing Director, Shri Shrikishan Poddar, Executive Director and Shri. Gaurav P. Poddar, Executive Director, to hold office or place of profit as an Executive of the Company, designated as Director – Marketing, w.e.f. 15<sup>th</sup> Feb., 2013 subject to approval of the members on the remuneration, perquisites, terms and conditions as mentioned in the resolution no. 9.

Shri. Avnish P. Poddar, being a relative of a Director, his appointment requires approval of the members pursuant to the provisions of Section 314 of the Companies Act, 1956. Accordingly, special resolution at item no. 9 is placed for approval of the members.

**Memorandum of Interest:**

None of the Directors except Shri Ramesh D. Poddar, Chairman and Managing Director, Shri Pawan D. Poddar, Joint Managing Director, Shri Shrikishan D. Poddar, Executive Director and Shri. Gaurav P. Poddar, Executive Director are concerned or interested in this resolution.

Your Directors recommend the resolution for your approval.

**Item No.10.**

The Company after complying with required forfeiture procedures had forfeited 1968 Equity Shares in the year 2006, on account of non-payment of the call money due thereon.

The forfeited shares are lying idle since 2006, which is now creating administrative difficulties whilst filing Annual Accounts in XBRL format. As the number of shares is only 1968 shares, it is proposed to re-issue the forfeited shares to the promoters/ promoter group of the Company.

Accordingly, the consent of the shareholders is being sought pursuant to the provisions of section 81 and other applicable provisions of the Companies Act, 1956, SEBI guidelines and the provisions of the listing agreement with the Stock Exchange(s) for authorizing the Board to re-issue the forfeited shares to the promoters/ promoter group of the Company as stated in the resolution on a preferential basis, in such manner and upon such terms and conditions as the Board may in its deem fit in accordance with the SEBI (ICDR) Regulations, 2009 (as amended).

Information as required under regulation 73 of the SEBI (ICDR) Regulations is as under :-

**a. The Object of the preferential issue :**

To settle the long pending issue of 1968 forfeited Equity Shares.

**b. The proposal of the Promoters, Directors and Key Management persons of the Company to subscribe to the proposed preferential offer.**

The proposed issue is of only 1968 Equity Shares previously forfeited, which is being offered to persons from the promoter group of the Company enumerated at (e) hereunder, who are relatives of and/or hold

shares jointly with Key Management persons viz, Shri. Ramesh D. Poddar, Chairman and Managing Director, Shri. Pawan D. Poddar, Joint Managing Director, Shri. Shrikishan D. Poddar, Executive Director and Shri. Gaurav P. Poddar, Executive Director and who will subscribe to the proposed preferential issue.

**c. The Shareholding pattern of the Company before and after the preferential issue :**

The shareholding pattern of the Company before and after considering the proposed preferential issue is given below:-

		Pre- allotment As on 31 <sup>st</sup> March, 2013		Post – Allotment*	
Sr. No.	Category	No. of Equity Shares	% of holding	No. of Equity Shares	% of holding
A.	Promoters & Promoter Group	6284935	67.06	6286903	67.07
B.	Public Shareholding				
1	Institutions				
a.	Mutual Funds/UTI	687713	7.34	687713	7.34
b.	Financial Institutions/Banks	1140	0.01	1140	0.01
c.	Foreign Institutional Investors	5000	0.05	5000	0.05
	Sub Total	693853	7.40	693853	7.40
2	Non Institutions				
a.	Bodies Corporate	346687	3.70	346687	3.70
b.	Public	2046573	21.84	2046573	21.83
	Sub Total	2393260	25.54	2393260	25.53
	<b>Grand Total</b>	<b>9372048</b>	<b>100.00</b>	<b>9374016</b>	<b>100.00</b>

\* The Post issue capital has been provided considering only 1968 Equity Shares to be allotted under the proposed re-issue of forfeited shares on preferential basis to the promoters / promoter group.

**d. Proposed time within which the preferential issue shall be completed:**

The Company proposes to complete the allotment within 15 (fifteen) days from the date of passing of this resolution provided that where the allotment is pending on account of pendency of any approvals for such allotment by any regulatory authority then the allotment shall be completed within a period of 15

(fifteen) days from the date of such approval or such other extended period as may be permitted under SEBI (ICDR) Regulations.

**e. The identity of the proposed allottees, the percentage of post preferential issue capital that may be held by them and change in control, if any, in the Company consequent to the preferential issue.**

Sr. No.	Name of Proposed Allottees	Category	Pre-Issue Holding	% of Pre-Issue Holding	No. of Equity Shares (Proposed for Allotment)	Post Issue Holding	% of Post Issue Holding
1.	Smt. Ashadevi Rameshkumar Poddar Jointly with Shri. Rameshkumar Dharaprasad Poddar	Promoter Group	362169	3.86	492	362661	3.87
2.	Smt. Madhudevi Pawankumar Poddar Jointly with Shri. Pawankumar Dharaprasad Poddar	Promoter Group	162668	1.74	492	163160	1.74
3.	Smt. Sangeeta Pramodkumar Poddar	Promoter Group	101579	1.08	492	102071	1.09
4.	Smt. Vibhadevi Shrikishan Poddar jointly with Shri. Shrikishan Dharaprasad Poddar	Promoter Group	129669	1.38	492	130161	1.39

There will be no change in control of the Company consequent to this preferential issue.

**f. Issuer's undertaking:**

The undertaking(s) required under paragraphs (f) and (g) of sub-regulation (1) of Regulation 73 of Chapter VII of SEBI (ICDR) Regulations will not be applicable to the Company, as the Company's Shares are listed on the Stock Exchanges for more than the minimum period as specified under Regulation 76(3) of the said regulations.

**g. Auditors' Certificate:**

Requisite Certificate from M/s. Jayantilal Thakkar & Co., Chartered Accountants, Statutory Auditors of the Company that the preferential issue is being made in accordance with the provisions of Chapter VII of SEBI (ICDR) Regulations, will be placed before the shareholders at the meeting and will be available for inspection at the registered office of the Company on all working days except Saturdays between 11.00 am and 1.00 pm up to the date of the meeting.

The Board recommends the passing of this resolution as a Special Resolution as set out in item no. 10 of the Notice.

Shri. Ramesh D. Poddar, Chairman and Managing Director, Shri. Pawan D. Poddar, Joint Managing Director, Shri. Shrikishan D. Poddar, Executive Director and Shri. Gaurav P. Poddar, Executive Director, may be deemed to be interested in the resolution. Except them, none of the other Directors are concerned or interested in this resolution.

By Order of the Board

**(William Fernandes)**  
Company Secretary

Place: Mumbai

Date : 25<sup>th</sup> May, 2013.

**Annexure to Items 3, 4, 5, 7 and 8 of the Notice**

Details of Directors seeking appointment / re-appointment at the ensuing Annual General Meeting (In pursuance of Clause 49 of the Listing Agreement)

Name of the Director and number of shares held in the Company	Date of Birth	Date of Appointment on the Board	Qualifications	Expertise in specific functional area	List of others Companies (excluding Private Companies) in which directorships held as on 31 <sup>st</sup> March, 2013.
Shri Ashok M. Jalan 50 Equity Shares	02/10/1959	30/01/2007	B.Com	Administration, Commercial & operation	N.A.
Shri. Ashok N. Garodia Nil	01/10/1956	29/05/2008	B. E. (Mech)	Experience of 34 years in the field of manufacturing, operation management, supply chain management and purchase/ Import.	1..Dart Electronics Limited.
Shri. Arvind M. Poddar 100 Equity Shares	07/11/1957	29/05/1992	B.Com	Industrialist with vast experience in the Textile/ Rubber Industry.	1. S. P. Investrade (India) Ltd. 2. Vishal Furnishing Ltd. 3. Balkrishna Industries Ltd. 4. BKT (EXIM) Ltd. 5. BKT Tyres Ltd. 6. SPG Power Ltd. 7. SPG Infrastructure Ltd.
Shri. Ramesh D. Poddar 67499 Equity Shares	08/11/1952	24/01/1989	B.Sc.	Industrialist with vast experience in Textile / Rubber Industry	1. Balkrishna Industries Ltd.
Shri. Shrikishan D. Poddar 25500 Equity Shares	09/08/1963	27/10/1989	B.Com	Industrialist with vast experience in Textile Industry.	1. Balkrishna Synthetics Ltd. 2. Futuristic Concept Media Ltd.

**DHARAPRASAD R. PODDAR**Chairman Emeritus (w.e.f. 18<sup>th</sup> May, 2012)**BOARD OF DIRECTORS****RAMESH D. PODDAR**

Chairman and Managing Director

**BRIJMOHAN L. SARDA****Prof. (Dr.) MANGESH D. TELI****SHAILESH S. VAIDYA****ASHOK N. GARODIA****DILEEP H. SHINDE****PRAMOD S. JALAN****HARISH N. MOTIWALLA****ARVIND M. PODDAR****PAWAN D. PODDAR**

Joint Managing Director

**VIJAYLAXMI A. PODDAR**Executive Director (upto 30<sup>th</sup> May, 2012)**SHRIKISHAN D. PODDAR**

Executive Director

**GAURAV P. PODDAR**Executive Director (w.e.f. 1<sup>st</sup> August, 2012)**ASHOK M. JALAN**

Senior President cum Director

**SURENDRA S. SHETTY**

Chief Financial Officer

**WILLIAM V. FERNANDES**

Company Secretary

**BANKERS**

Bank of Baroda

Central Bank of India

Corporation Bank

**STATUTORY AUDITORS**

Jayantilal Thakkar &amp; Co.

Chartered Accountants

**COST AUDITORS**

Bhuta &amp; Associates

Cost Accountants

**INTERNAL AUDITORS**

K. M. Garg &amp; Co.

Chartered Accountants

**CORPORATE OFFICE**

B-5, Trade World,

Kamala City,

Senapati Bapat Marg,

Lower Parel, Mumbai - 400013.

Tel. : (91-22) 30400500

Fax : (91-22) 30400599

**REGISTERED OFFICE**

H-3/2, MIDC, A-Road, Tarapur,

Boisar,

Dist. Thane - 401 506.

Maharashtra.

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## DIRECTORS' REPORT:

To the Members,

Your Directors have pleasure in presenting the 35<sup>th</sup> Annual Report along with Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2013.

	₹ in Lacs	
	2012-13	2011-12
Net Turnover and other Income	<u>1,05,982</u>	<u>92,655</u>
Profit before Depreciation & Tax	<u>10,361</u>	<u>10,352</u>
Less: Depreciation	<u>2,182</u>	<u>2,231</u>
Profit before Tax	<u>8,179</u>	<u>8,121</u>
Less: Provision for Taxation		
Current Tax	<u>2,360</u>	<u>2,550</u>
Deferred Tax	<u>318</u>	<u>(102)</u>
	<u>2,678</u>	<u>2,448</u>
Profit after Tax	<u>5,501</u>	<u>5,673</u>
Add/(Less): Adjustments relating to earlier year	<u>15</u>	<u>(132)</u>
	<u>5,516</u>	<u>5,541</u>
Add: Surplus brought forward from previous year	<u>8,910</u>	<u>5,186</u>
Surplus available for appropriation	<u>14,426</u>	<u>10,727</u>
Less: Transfer to General Reserve	<u>1,000</u>	<u>1,000</u>
Proposed Dividend	<u>703</u>	<u>703</u>
Tax on Dividend	<u>119</u>	<u>114</u>
	<u>1,822</u>	<u>1,817</u>
Balance Carried Forward to Balance Sheet	<u>12,604</u>	<u>8,910</u>

### Operations:

During the year under review, the total Income of your Company rose to ₹1,05,982 Lacs from ₹92,655 Lacs in the previous year, registering a growth of 14.38%. The net profit after tax stood at ₹5,501 Lacs against ₹5,673 Lacs in the previous year.

Your Company has yet again demonstrated its resilience to perform even under adverse business conditions by recording its highest ever turnover and also posting good profits. All this reflects your Company's strong fundamentals and sustained business model.

### Expansion:

Your Company's expansion project is progressing as envisaged. During the year under review, the Company has installed 129 Looms and 101 Readymade Garment Machines with balancing equipments. The total capital expenditure for the said expansion was ₹8,785 Lacs, which has been financed by way of Term Loan under the TUF Scheme of Government of India and internal accruals of the Company.

### Dividend:

Your Directors are pleased to recommend a Dividend of ₹ 7.50 per Equity Share of Rs. 10/- each for the year 2012-13, with a total payout of ₹ 822.36 Lacs including Tax on Dividend.

## Management Discussion and Analysis:

### Current Year Review

During the year under review, the Economic growth declined. This is attributed mainly to weak industrial growth in the context of tight monetary policy, inflation and continued uncertainty in the global economy. The crisis in the Euro-zone countries and slow growth in many advanced economies have also affected growth in India through dynamic linkages. This reflected on the performance of the Textile Industry in the form of sluggish demand, increase in input cost and reduced margins. However, your Company was able to record good growth in its topline along with better than expected profitability.

### Future Outlook

The World Economy is expected to perform better, however the recovery is expected to be slow and uncertain. In the Indian context the current data indicate that deceleration in industrial growth may have bottomed out. With improved business sentiments and investor perception and a partial rebound in industrial activity in other developed countries, industrial growth is expected to improve in the year 2013-14. This coupled with the reform measures initiated to improve the investor sentiments in the economy and those to improve the fiscal situation there is a possibility of better than moderate growth in 2013-14. Of course, these projections assuming that monsoon is normal, the rate of inflation declines further and that the anticipated mild recovery of global growth takes place.

As for the Indian Textile Industry, the Union Budget 2013-14, continued with the existing incentives and schemes providing the required support for technology up-gradation, tackling pollution and boosting competitiveness. It is therefore expected that the Textile Industry will perform better during the year 2013-14.

Your Company is fully geared up to take advantage of this situation. With the expected increase in production capacities from the completion of the on going expansion project, its well-known brands, wide distribution network, introduction of new products, innovative marketing and improved operational efficiency, your Company expects to continue on the path of good growth and profitability, in the year 2013-14.

### Forward Looking Statements

*Statement in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries in which the Company conducts business and other incidental factors.*

### Internal Control System:

Your Company has adequate system of internal controls to ensure that all the assets are safeguarded and are productive. Necessary checks and controls are in place to ensure that

transactions are properly verified, adequately authorized, correctly recorded and properly reported. The Internal Auditors of the Company conducts Audit of various departments to ensure that internal controls are in place and submits monthly and yearly Reports to the Audit Committee. The Audit Committee regularly reviews these Reports and the Company when needed takes corrective actions.

**Human Resources:**

Your Company treats its human resources as its important asset and believes in its contribution to the all round growth of your Company. Your Company takes steps, from time to time, to upgrade and enhance the quality of this assets and strives to maintain it in agile and responsive form. Your Company is an equal opportunity employer and practices fair employment policies. Your Company is confident that its Human Capital will effectively contribute to the long term value enhancement of the organization.

**Subsidiary Companies:**

The Company has no subsidiaries.

**Directors:**

Shri Ashok M. Jalan, Shri. Ashok N. Garodia and Shri. Arvind M. Poddar, Directors, retire by rotation and being eligible offer themselves for re-appointment. Necessary resolutions for their re-appointment are placed before the shareholders for approval. Your Directors commend the resolutions.

The Board has approved the re-appointment of Shri. Ramesh D. Poddar, as Chairman and Managing Director and Shri. Shrikishan D. Poddar, as Executive Director, for a further period of 5 years from 1<sup>st</sup> November, 2012 to 31<sup>st</sup> October, 2017, necessary resolution has been put up in the Notice of the ensuing Annual General Meeting for approval of the members. Your Directors commend the resolutions.

Brief resume of Directors being appointed/ re-appointed as required by Clause 49 of the listing agreement is provided in the notice convening the Annual General Meeting of the Company.

**Corporate Governance:**

A report on Corporate Governance as stipulated under clause 49 of the Listing Agreement with the Stock Exchange(s) forms part of the Annual Report.

Certificate from the Auditors of the Company confirming compliance of conditions of Corporate Governance as stipulated under the aforesaid clause 49 forms part of the Annual Report.

**Fixed Deposits:**

There were no unclaimed deposits as on 31<sup>st</sup> March, 2013.

**Directors' Responsibility Statement:**

As stipulated under Section 217 (2AA) of the Companies Act, 1956, your Directors confirm as under:-

- i) that in the preparation of the accounts for the financial year ended 31<sup>st</sup> March, 2013, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give

a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;

- iii) that the Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that the Directors have prepared the accounts for the financial year on going concern basis.

**Industrial Relations:**

Industrial relations with staff and workmen during the year under review continued to be cordial.

**Particulars of Employees:**

In accordance with the provisions of Section 217 (2A) of the Companies Act, 1956 and the rules framed thereunder, the names and other particulars of employees are set out in the Annexure to the Directors' Report. In terms of the provisions of Section 219(1) (b) (iv) of the Companies Act, 1956, the Directors' Report is being sent to all the shareholders of the Company excluding the aforesaid Annexure. The Annexure is available for inspection at the Corporate Office of the Company. Any shareholder interested in obtaining a copy of the said Annexure may write to the Company Secretary at the Corporate Office of the Company.

**Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:**

Information pursuant to Section 217 (1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is given in Annexure –I to this report.

**Auditors:**

The Auditors, M/s. Jayantilal Thakkar & Co., Chartered Accountants, Mumbai, retire at the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. Members are requested to re-appoint them as Auditors and to fix their remuneration.

**Cost Auditors:**

The Board of Directors at their Meeting held on 27<sup>th</sup> July, 2012 appointed M/s. Bhuta & Associates, for the financial year 2011-12, to fill vacancy caused by the sad demise of Shri. B. L. Tholiya, Proprietor of M/s. Tholiya & Associates. The Cost Audit Report for the financial year 2011-12 in XBRL format was submitted within due date on 9<sup>th</sup> January, 2013.

**Appreciation:**

Your Company is grateful for the continued co-operation and support extended to it by the Government and Semi-Government Authorities, Shareholders, Financial Institutions and Banks. Your Directors also express their warm appreciation for the dedicated and sincere services rendered by the Employees of the Company.

For and on behalf of the Board of Directors

**RAMESH D. PODDAR**  
Chairman and Managing Director

Place : Mumbai

Date: 25<sup>th</sup> May, 2013.

**ANNEXURE - I**

Additional Information as required under the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988.

**A) CONSERVATION OF ENERGY**

- a) Energy conservation measures taken by the Company
- (i) Electrical Energy:
- (a) Reducing the maximum demand by evenly distributing the loads throughout the day and increasing efficiency of plant and equipments.
- (b) Improving power factor by optimum choice of power factor improvements capacitors.
- (c) Monitoring the overall energy consumption, by reducing losses and improvement of efficiency of all Class A utilities.
- (ii) Fuel Oil Consumption:
- a) The Company is carrying out at all its plants, regular maintenance of steam lines/stem traps and user equipments to ensure high efficiency levels throughout the year. The new improvements are reviewed regularly and implemented wherever found suitable.
- b) Additional Investments and proposals, if any, being implemented for reduction of consumption of energy: The Company is reviewing various proposals for reduction in consumption of energy, mainly by way of replacement of existing equipments by modern and energy efficient equipments.
- c) Impact of the measures (a) and (b) above for reduction of energy consumption and consequent impact on cost of production of goods: As per Form "A".
- d) Total energy consumption per unit of production: As per Form "A".

<b>Form 'A'</b>		
Particulars	Current Year	Previous Year
<b>A. Power &amp; Fuel Consumption</b>		
1 Electricity		
a) Purchased (units)	<b>3,70,14,627</b>	2,87,23,062
Total Amount (₹)	<b>16,37,59,523</b>	12,99,53,274
Rate / unit	<b>4.42</b>	4.52
b) Own generation		
From Diesel Generators (units)	<b>5,72,667</b>	6,80,171
Diesel oil consumption (Ltrs )	<b>1,71,289</b>	2,04,468
Units per ltr of Diesel oil	<b>3.34</b>	3.33
Cost / unit (₹)	<b>14.91</b>	15.98
2 Coal / Pet Coke		
Quantity (Kgs)	<b>18,93,233</b>	15,47,135
Total Cost (₹)	<b>1,64,27,211</b>	1,38,77,191
Average rate per tonne	<b>8,677</b>	8,970
3 Furnace Oil / L.S.H.S.		
Quantity in Ltrs	<b>1,29,875</b>	1,14,666
Total Cost (₹)	<b>61,49,735</b>	55,95,249
Average rate ( in '000 ltrs)	<b>47,351</b>	48,796
Total Value	<b>19,48,76,119</b>	16,02,91,482
<b>B. Consumption per unit of Production</b>		
1 Electricity ( KWH)		
Cloth / Mtr	<b>0.87</b>	0.75
Yarn / kg	<b>1.82</b>	1.57
Garment / Nos.	<b>0.51</b>	0.40
2 Furnace oil / L.S.H.S		
Dyed Yarn / Kg	-	-
Garments / Nos.	<b>0.05</b>	0.04
3 Coal & Fuel Wood		
Dyed Yarn/Kg	<b>0.49</b>	0.44
Garment Nos	-	-

Note: - The Company manufactures a wide range of products and the consumption of Energy will vary significantly depending upon the actual product-mix

**B) TECHNOLOGY ABSORPTION:**

Efforts made in technology absorption as per Form "B"

**FORM 'B'****I. Research and Development (R& D):**

1. Specific Areas in which R & D carried out by the Company:  
Product and quality Improvement, development of new designs, products, cost control and energy conservation.
2. Benefits derived as a result of the above R & D:  
The R & D activities have resulted into development of new designs and Products.
3. Future plan of Action: Development of new varieties and Product mix.
4. Expenditure on R & D.
 

Capital	– ₹ Nil
Recurring	– ₹ 319.26 Lacs
<b>Total</b>	<b>– ₹ 319.26 Lacs</b>

**II. Technology absorption, adoption and innovation:-**

1. The Company has been developing in-house modifications/improvements in process technology in its various manufacturing sections which, when found suitable, are integrated into the regular manufacturing operation.
2. Benefits derived as a result of the above efforts:
  - (a) Quality improvement
  - (b) Energy Conservation
3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year) following information may be furnished: Not Applicable.

**C) FOREIGN EXCHANGE EARNINGS AND OUTGO:**

- a) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans:

The Company is continuously making efforts to export its products throughout the World. The Company's products have been well accepted in the international markets and the Company is confident that the sales turnover will gradually improve in the coming years.

- b) Total Foreign Exchange Used and Earned (₹ in lacs)

Used – ₹6,817.82	Earned – ₹ 5,119.44
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For and on behalf of Board of Directors

**Ramesh D. Poddar**

Chairman and Managing Director

Place: Mumbai

Date: 25<sup>th</sup> May, 2013.

**For The Kind Attention of the Members**

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that the service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register their e-mail address by sending their details to the Registrar and Share Transfer Agents, M/s. TSR Darashaw Ltd.

## CORPORATE GOVERNANCE REPORT

(As required under Clause 49 of the Listing Agreement entered into with Stock Exchanges)

### I. Company's Philosophy

Siyaram's philosophy on corporate governance is to attain the highest level of transparency, accountability and equity in all facets of its operations with the objective to enhance the long term shareholders value, while at the same time protect the interest of other stakeholders. The Company believes that proper Corporate Governance facilitates effective management and control of business. The Company endeavours to adopt best practices of Corporate Governance and adherence of the same in a spirit which goes beyond mere regulatory compliance.

The Company recognizes that good Corporate Governance is a continuing exercise and is committed to follow the best practices in the overall interest of the stakeholders. The Company has a strong legacy of fair, transparent and ethical governance practices.

### II. Board of Directors

#### Composition:

The Board of Directors of the Company has an optimum combination of Executive, Non-Executive and Independent Directors. As on date the Board comprises of 13 Directors, out of which 5(five) are Executive and Non-Independent Directors, 1(one) is Non-Executive and Non-Independent Director and 7(seven) are Non-Executive and Independent Directors. The Chairman is an Executive Director as well as a Promoter of the Company.

The names and categories of the Directors on the Board, their attendance at Board Meetings during the year and at the last Annual General Meeting, as also the number of Directorships and Committee Memberships held by them in other companies are given below:

Name of Directors	Category of Directors	Attendance		Directorships in other Public Companies	Committee Positions	
		Board	Last AGM		Chairman	Member
Shri Dharaprasad R. Poddar*	Chairman- Non-Executive and Non-Independent	Nil	N.A.	N.A.	N.A.	N.A.
Shri Ramesh D. Poddar **	Chairman and Managing Director	5	Yes	1	-	1
Shri Pawan D. Poddar	Joint Managing Director	4	Yes	-	-	-
Shri Shrikishan D. Poddar	Executive Director	4	Yes	2	-	-
Smt. Vijaylaxmi A. Poddar***	Executive Director	1	N.A.	N.A.	N.A.	N.A.
Shri Arvind M. Poddar	Non-Executive and Non-Independent Director	1	No	7	1	1
Shri. Brijmohan L. Sarda	Non-Executive and Independent Director	5	Yes	-	-	-
Prof. (Dr.) Mangesh D. Teli	Non-Executive and Independent Director	5	Yes	-	-	-
Shri. Shailesh S. Vaidya	Non-Executive and Independent Director	2	No	4	-	-
Shri Ashok M. Jalan	Senior President cum Director	5	Yes	-	-	-
Shri Ashok N. Garodia	Non-Executive and Independent Director	5	No	1	-	-
Shri Dileep H. Shinde	Non-Executive and Independent Director	5	Yes	1	-	-
Shri Pramod S. Jalan	Non-Executive and Independent Director	4	No	1	-	-
Shri Harish N. Motiwalla.	Non-Executive and Independent Director	5	Yes	6	4	4
Shri. Gaurav P. Poddar****	Executive Director	3	Yes	-	-	-

\* Resigned w.e.f. 16<sup>th</sup> May, 2012 and appointed as Chairman Emeritus w.e.f. 18<sup>th</sup> May, 2012.

\*\* Re-designated as Chairman and Managing Director w.e.f. 18<sup>th</sup> May, 2012.

\*\*\* Resigned w.e.f. 30<sup>th</sup> May, 2012.

\*\*\*\* Appointed as an Executive Director w.e.f. 1<sup>st</sup> August, 2012.

#### Board Meetings:

During the year, 5 (Five) Board Meetings were held on 18<sup>th</sup> May, 2012, 27<sup>th</sup> July, 2012, 27<sup>th</sup> September, 2012, 27<sup>th</sup> October, 2012 and 14<sup>th</sup> February, 2013. The Annual General Meeting was held on 25<sup>th</sup> August, 2012.

#### Board procedures:

The Agenda is circulated well in advance to the Board members. The items in the Agenda are backed by comprehensive background information to enable the Board to take appropriate decisions. In addition to the information required under Annexure IA to Clause 49 of the Listing Agreement, the Board is also kept informed of major events/items and approvals taken wherever necessary. The Managing Director(s)/Executive Director(s), at the Board Meetings, keep the Board apprised of the overall performance of the Company.

### III. Audit Committee

#### Terms of Reference:

The scope of activities of the Audit Committee is as set out in Clause 49 of the Listing Agreement with the Stock Exchanges read

with Section 292A of the Companies Act, 1956. These broadly include review reports of the Internal Auditors and to discuss the same with them periodically, to meet Statutory Auditors to discuss their findings/ suggestions, to review weaknesses in internal controls reported by Internal and Statutory Auditors, to review financial reporting systems and internal control systems, to review quarterly/half yearly/annual financial results and other matters.

**Audit Committee Composition:**

The Audit Committee consists wholly of Independent Directors having requisite knowledge of Finance, Accounts and Company Law. The composition of the Audit Committee meets with the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement. The Company Secretary, Shri. William V. Fernandes, acts as the Secretary of the Committee. The Chairman of the Committee was present at the last Annual General Meeting.

**Audit Committee Meetings:**

During the year under review, the Committee met 4 times on 18<sup>th</sup> May, 2012, 27<sup>th</sup> July, 2012, 27<sup>th</sup> October, 2012 and 14<sup>th</sup> February, 2013.

**Name of the Committee Members along with their attendance is given below:**

Name of the Member	Designation	No. of meetings attended
Shri. Brijmohan L. Sarda	Chairman	4
Prof. (Dr.) Mangesh D. Teli	Member	4
Shri. Harish N. Motiwalla	Member	4

**IV. Remuneration Committee:**

**Terms of Reference :**

Terms of reference of the Remuneration Committee, includes considering the matters relating to the Company's Policies on remuneration payable and determining the package to the Managing Directors, Executive Directors and Whole-time Directors, and commission to be paid to the Directors.

**Remuneration Committee Composition:**

The Remuneration Committee consists of three Independent Directors, namely Shri Brijmohan L. Sarda – Chairman, Prof.(Dr.) Mangesh. D. Teli and Shri Harish N. Motiwalla, members.

**Remuneration Committee Meetings:**

During the year the Remuneration Committee met thrice on 18<sup>th</sup> May, 2012, 27<sup>th</sup> July, 2012 and 27<sup>th</sup> October, 2012.

**Name of the Committee Members along with their attendance is given below:**

Name of the Member	Designation	No. of meetings attended
Shri Brijmohan L. Sarda	Chairman	3
Prof. (Dr.) Mangesh D. Teli	Member	3
Shri. Harish N. Motiwalla	Member	3

**Details of Directors' Remuneration\* for the year 2012-13 are given below:-**

(₹ in Lacs)

Name of Director	Salary & Other Perquisites	Sitting Fees	Total Remuneration
Shri Ramesh D. Poddar	314.02	Nil	314.02
Shri Pawan D. Poddar	198.10	Nil	198.10
Shri Shrikishan D. Poddar	221.27	Nil	221.27
Smt. Vijaylaxmi A. Poddar**	26.90	Nil	26.90
Shri Arvind M. Poddar	Nil	0.29	0.29
Shri Brijmohan L. Sarda	Nil	1.91	1.91
Prof.(Dr.) Mangesh D. Teli	Nil	1.91	1.91
Shri Shailesh S. Vaidya	Nil	0.32	0.32
Shri Ashok M. Jalan	41.80	Nil	41.80
Shri Ashok N. Garodia	Nil	0.80	0.80
Shri Dileep H. Shinde	Nil	0.80	0.80
Shri Pramod S. Jalan	Nil	0.64	0.64
Shri. Harish N. Motiwalla	Nil	1.91	1.91
Shri. Gaurav P. Poddar**	100.96	Nil	100.96
<b>Total</b>	<b>903.05</b>	<b>8.58</b>	<b>911.63</b>

\* Remuneration includes Salary, Allowance, Commission, Perquisites, Company's contribution to Provident Fund, Superannuation Fund, Gratuity Fund, Provision for Gratuity and Leave Salary.

\*\* Remuneration is for part of the year.

**V. Share Transfer and Shareholders'/ Investors' Grievance Committee:**

**Terms of Reference:**

The Shareholders'/Investors' Grievance Committee deals with all matters relating to transfer of Shares, issue of duplicate/ new shares sub-divided and consolidated share certificates, demat / remat, Shareholders'/Investors' Grievance and its redressal.

**Share Transfer and Shareholders'/ Investors' Grievance Committee Meetings :**

The above said Committee has met 19 times during the financial year ended 31<sup>st</sup> March, 2013.

**Name of the Committee Members along with their attendance is given below-**

Name of the Member	Designation	No. of Meetings attended
Shri. Brijmohan L. Sarda*	Chairman	N.A.
Shri Pawan D. Poddar **	Member	18
Shri Ramesh D. Poddar	Member	16
Shri Arvind M. Poddar	Member	5
Shri Shrikishan D. Poddar	Member	18

\* Appointed as Chairman and Member w.e.f. 25<sup>th</sup> May, 2013.

\*\* Chairman upto 25<sup>th</sup> May, 2013.

The Company Secretary, Shri William V. Fernandes, has been designated as Compliance Officer.

**Investor Grievance Redressal:**

During the year ended 31<sup>st</sup> March, 2013, 109 Shareholders' Complaints / Queries were received out of which 109 complaints were resolved. There were no outstanding complaints at the end of the year. For effective and efficient grievance management, the Company has dedicated E-mail ID, sharedept@siyaram.com.

**VI. Information on Annual General Meeting:**

Financial Year	Date	Time	Venue
2009-2010	23 <sup>rd</sup> Aug., 2010	11.00 a.m.	Plot No.G-4/1(A),MIDC, Tarapur, Boisar, Dist.Thane-401506.
2010-2011	6 <sup>th</sup> Aug., 2011	11.00 a.m.	Plot No.G-4/1(A),MIDC, Tarapur, Boisar, Dist.Thane-401506.
2011-2012	25 <sup>th</sup> Aug., 2012	11.00 a.m.	Plot No.G-4/1(A),MIDC, Tarapur, Boisar, Dist.Thane-401506.

No Extra-ordinary General Meeting was held in the last 3 financial years.

**Details of Special Resolutions passed at the last three A.G.M's/ by Postal Ballot:**

**2009-2010:** Increase in remuneration payable to Shri. Ramesh D. Poddar, Vice Chairman & Managing Director, Shri. Pawan D. Poddar, Joint Managing Director, Shri. Shrikishan D. Poddar, Executive Director, Smt. Vijaylaxmi A. Poddar, Executive Director and Shri. Ashok M. Jalan, Senior President cum Director during the remaining period of their tenure.

**2010-2011:** Re-appointment and remuneration of Shri. Pawan D. Poddar as Joint Managing Director for a further period of 5 years w.e.f. 1<sup>st</sup> August, 2011

Authority to Board to increase the remuneration payable to Smt. Ashadevi R. Poddar, Smt. Vibhadevi S. Poddar and Shri. Abhishek S. Poddar, Executives upto a limit of ₹2,50,000/-p.m. in terms with section 314 of the Companies Act, 1956.

**2011-2012:** Re-appointment and remuneration of Shri. Ashok M. Jalan as Senior President cum Director for a further period of 5 years w.e.f. 30<sup>th</sup> January, 2012.

Increase in remuneration payable to Shri. Pawan D. Poddar, Joint Managing Director, during the remaining period of his tenure.

Appointment and remuneration of Smt. Megha A. Poddar, Smt. Smriti G. Poddar and Smt. Sangeeta P. Poddar, relative of a Director to hold an office or place of profit in the Company.

Appointment and remuneration of Shri. Gaurav P. Poddar as an Executive Director for a period of 5 years w.e.f. 1<sup>st</sup> August, 2012.

**No Postal Ballot was conducted in the last 3 financial years.**

**VII. Code of Conduct**

The code of conduct for the Directors and the Employees of the Company has been laid down by the Board and it is internally circulated and necessary declaration has been obtained. Declaration regarding compliance by Board Members and Senior Management with the said code is given in Annexure-A to this Report. In addition the Company has framed a Code of Conduct for prevention of Insider Trading based on SEBI (Insider Trading) Regulations, 1992. The Code is applicable to all the Directors and Designated Employees. The Code also aims to prevent dealing in the shares by persons having access to unpublished price sensitive information.

**VIII. Subsidiary Companies:**

The Company has no subsidiary.

**IX. Disclosures:**

- (1) Disclosures on materially significant related party transactions, Necessary disclosures are made in Note No.32.  
None of the transactions with any of the related parties were in conflict with the interest of the Company.
- (2) No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.
- (3) All Accounting Standards mandatorily required have been followed in preparation of financial statements and no deviation has been made in following the same.
- (4) The Company has a well defined Risk Management Policy covering identifying business risks of the Company and laying procedures for minimising the risk.
- (5) No money was raised by the Company through public issue, rights issue, preferential issues etc., in the last financial year.

**X. Means of Communication:**

The Board of Directors of the Company approves and takes on record the quarterly, half yearly and annual results and announces forthwith results to all the Stock Exchanges, where the shares are listed. The same are published in one English daily newspaper and one Marathi newspaper (Mumbai edition)

The Management Discussions and Analysis Report forms part of the Annual Report.

**XI. General Shareholder Information:****1. Annual General Meeting :**

Date	: 10 <sup>th</sup> August, 2013
Time	: 11.00 a.m.
Venue	: Plot No.G-4/1(A), MIDC, Tarapur, Boisar, Dist. Thane – 401 506, Maharashtra

**2. Financial Calendar (Tentative)**

Financial Year of the Company	1 <sup>st</sup> April, 2013 to 31 <sup>st</sup> March, 2014.
Results for the Quarter ending:–	
June 30, 2013	On or before 14 <sup>th</sup> August, 2013.
September 30, 2013	On or before 14 <sup>th</sup> November, 2013
December 31, 2013	On or before 14 <sup>th</sup> February, 2014
March 31, 2014	On or before 15 <sup>th</sup> May, 2014 (Unaudited) Or on or before 30 <sup>th</sup> May, 2014(Audited).

**3. Date of Book Closure:** Tuesday, 30<sup>th</sup> July, 2013 to Wednesday, 31<sup>st</sup> July, 2013 (both days inclusive).**4. Listing of Equity Shares on the Stock Exchanges:**

1. Bombay Stock Exchange Ltd.  
P. J. Towers, Dalal Street, Fort, Mumbai 400 001
2. National Stock Exchange of India Ltd.  
Exchange Plaza, Bandra-Kurla Complex Bandra (East), Mumbai 400 051  
Listing Fees as applicable have been paid.

**5. Stock Code/Symbol:**

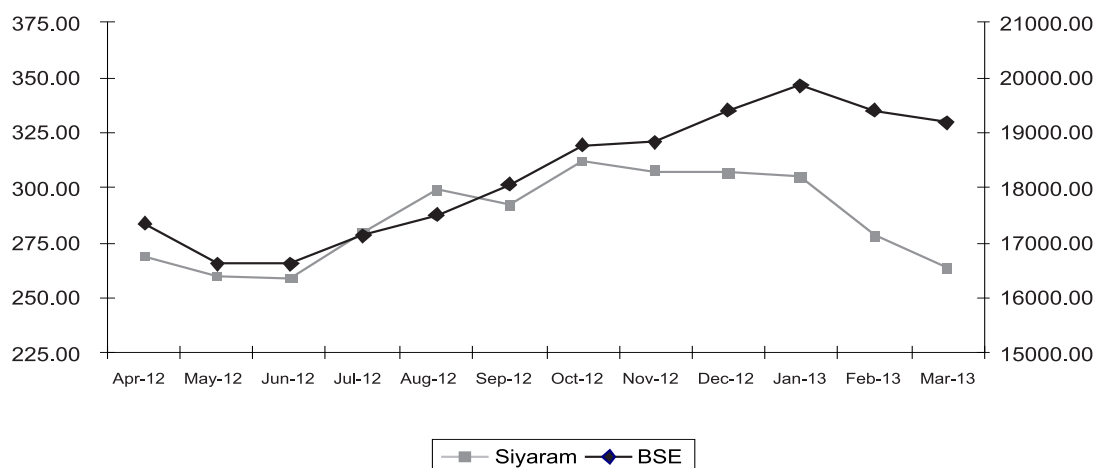
(a) Stock Exchange	Stock Code/ Symbol
1. Bombay Stock Exchange Ltd.	503811
2. National Stock Exchange of India Ltd.	SIYSIL
(b) Demat ISIN Number in NSDL & CDSL for Equity Shares	INE 076B01010

**6. Stock Market Price Data:**

Month	Bombay Stock Exchange (BSE)		National Stock Exchange (NSE)	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April-2012	287.90	250.00	289.00	231.10
May-2012	274.00	245.00	284.80	247.40
June-2012	272.60	246.10	274.90	245.00
July-2012	294.00	265.00	297.95	265.10

Month	Bombay Stock Exchange (BSE)		National Stock Exchange (NSE)	
	High (₹)	Low (₹)	High (₹)	Low (₹)
Aug-2012	312.00	285.00	314.90	281.00
Sep-2012	303.95	280.05	310.00	275.75
Oct-2012	339.00	285.00	353.65	285.05
Nov-2012	325.00	290.15	327.00	288.10
Dec-2012	317.95	295.15	319.00	286.50
Jan-2013	328.95	280.50	337.30	278.00
Feb-2013	297.95	258.05	295.95	258.70
Mar-2013	298.75	228.00	300.00	228.25

**7. Performance of Siyaram Silk Mills Limited share price in comparison to BSE Sensex.**



**8. Registrar and Transfer Agents:**

<p><b>Name &amp; Address:</b> TSR Darashaw Ltd., 6-10, 1<sup>st</sup> Floor, Haji Moosa Patrawala Industrial Estate, 20, Dr. E. Moses Road, Mahalaxmi, Mumbai 400 011</p>	<p><b>Telephone No.</b> : 91 (022) 66568484 <b>Fax No.</b> : 91 (022) 66568494 <b>E-mail</b> : <a href="mailto:csg-unit@tsrdarashaw.com">csg-unit@tsrdarashaw.com</a> <b>Website</b> : <a href="http://www.tsrdarashaw.com">www.tsrdarashaw.com</a></p>
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**9. Share Transfer System:**

The shares received for transfer duly completed in all respects in physical form are registered and dispatched normally within three weeks. Demat confirmations are normally sent within two weeks. All transfer requests received are processed and approved by the Shareholders'/ Investors' Grievance Committee.

**10. Distribution of Shareholding as on 31<sup>st</sup> March, 2013.**

Sr. No.	No of shares	Holding	Amount (₹)	% to Capital	No of Holders	% to Total Holders
1	1 to 500	953533	9535330	10.17	8708	91.78
2	501 to 1000	341799	3417990	3.65	486	5.13
3	1001 to 2000	200190	2001900	2.14	137	1.44
4	2001 to 3000	109119	1091190	1.16	44	0.46
5	3001 to 4000	79605	796050	0.85	23	0.24
6	4001 to 5000	45671	456710	0.49	10	0.11
7	5001 to 10000	165841	1658410	1.77	22	0.23
8	10001 and above	7476290	74762900	79.77	58	0.61
	<b>TOTAL</b>	<b>9372048</b>	<b>93720480</b>	<b>100.00</b>	<b>9488</b>	<b>100.00</b>

**11. Shareholding pattern as on 31<sup>st</sup> March, 2013.**

Sr. No.	Category	No of shares held	Percentage of Shareholding
1.	Promoters	6284935	67.06
2.	Banks	1140	0.01
3.	FIIs/OCBs/Foreign Companies	5000	0.05
4.	Private Corporate Bodies	346687	3.70
5.	Mutual Funds/UTI	687713	7.33
6.	Non Residents Individuals	28040	0.30
7.	Indian Public	2018533	21.55
	<b>Grand Total</b>	<b>9372048</b>	<b>100.00</b>

**12. Dematerialization of shares and liquidity:**

96.11% of the Company's paid up Equity Share Capital is held in dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd., (CDSL) as on 31<sup>st</sup> March, 2013.

**13. Outstanding GDRs / ADRs / Warrants or any Convertible instruments:**

As of date the Company has not issued these types of securities.

**14. Plant Locations:**

Weaving	Yarn	Readymade Garments
H-3/2, MIDC, A- Road, Tarapur, Boisar, Dist. Thane – 401 506. Maharashtra	G-1/1, MIDC, Tarapur, Boisar, Dist.Thane-401506. Maharashtra	481/1-2, Dabhel, Daman, Daman & Diu (U.T.)-396210
D- 23/1, MIDC, Tarapur, Boisar, Dist. Thane – 401 506. Maharashtra		Plot No.722, Dabhel, Daman, Daman & Diu (U.T.)- 396210.
E/125, MIDC, Tarapur, Boisar, Dist. Thane – 401 506. Maharashtra		
Survey No.367, P.O. Saily, Silvassa (U.T.) -396 230.		
J-177, 178, 193, G-81 & 82, MIDC, Tarapur, Boisar, Dist Thane – 401506. Maharashtra		

**15. Address for Correspondence:****SIYARAM SILK MILLS LIMITED**

Registered Office	Corporate Office	Registrar & Share Transfer Agent
H-3/2, MIDC, A - Road, Tarapur, Boisar, Dist: Thane- 401 506, Maharashtra	B-5, Trade World, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai- 400 013 Tel: 022-3040 0500/501 Fax : 022- 30400599 Email : <a href="mailto:sharedept@siyaram.com">sharedept@siyaram.com</a>	<b>TSR Darashaw Ltd.</b> 6-10, 1st Floor, Haji Moosa Patrawala Industrial Estate, 20, Dr. E. Moses Road, Mahalaxmi, Mumbai – 400 011 Tel : 22-66568484, Fax : 022-66568494 E-mail : <a href="mailto:csg-unit@tsrdarashaw.com">csg-unit@tsrdarashaw.com</a> Website : <a href="http://www.tsrdarashaw.com">www.tsrdarashaw.com</a>

For and on behalf of the Board of Directors

**RAMESH D. PODDAR**  
Chairman & Managing Director

Place: Mumbai,  
Date: 25<sup>th</sup> May, 2013.

**Annexure – A**

**Declaration**

I, Ramesh D. Poddar, Chairman and Managing Director hereby declare that all the Members of the Board and the Senior Management have affirmed compliance with the Code of Conduct for the year ended March 31, 2013.

For **SIYARAM SILK MILLS LIMITED**

Place: Mumbai  
Date: 25<sup>th</sup> May, 2013.

**Ramesh D. Poddar**  
Chairman and Managing Director

**CERTIFICATION BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER TO THE BOARD**

We, the undersigned certify that:

- (a) We have reviewed the financial statements for the year and that to the best of our knowledge and belief :
- i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) these statements give a true and fair view of the state of affairs of Company and of the results of operations and cash flows. The financial statements have been prepared in conformity, in all material respects, with the existing generally accepted accounting principles including Accounting Standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept overall responsibility for the Company's internal control system for financial reporting. This is monitored by the internal audit function, which encompasses the examination and evaluation of the adequacy and effectiveness. Internal audit works with all levels of management and statutory auditors, and report significant issues to the Audit Committee of the Board. The auditors and audit committee are apprised of any corrective action taken with regard to significant deficiencies and material weaknesses.
- (d) We indicate to the Auditors and to the Audit Committee :
- i) significant changes in internal control over financial reporting during the year;
  - ii) significant changes in accounting policies during the year;
  - iii) instances of significant fraud of which we have become aware of and which involve management or other employees who have a significant role in the Company's internal control system over the financial reporting. However, during the year there were no such changes or instances.

For **SIYARAM SILK MILLS LIMITED**

**Ramesh D. Poddar**  
Chairman and Managing Director

Place: Mumbai  
Date: 25<sup>th</sup> May, 2013.

**Surendra S. Shetty**  
Chief Financial Officer

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To the Members of  
**Siyaram Silk Mills Limited**

We have examined the compliance of conditions of Corporate Governance by Siyaram Silk Mills Limited, for the year ended on 31<sup>st</sup> March 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We state that such compliance 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.

For **Jayantilal Thakkar & Co.**  
Chartered Accountants  
(Firm Reg. No. 104133W)

**(C. V. Thakker)**  
Partner

Place : Mumbai,  
Dated : 25<sup>th</sup> May, 2013.

Membership No. 006205

**INDEPENDENT AUDITORS' REPORT  
TO THE SHAREHOLDERS OF SIYARAM SILK MILLS  
LIMITED**

**Report on the Financial Statements**

We have audited the accompanying financial statements of Siyaram Silk Mills Limited ("the Company") which comprise the Balance Sheet as at 31<sup>st</sup> March 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2013;
- (ii) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and

- (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act, 1956; and
  - e. on the basis of written representations received from the directors as on 31<sup>st</sup> March 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

**For and on behalf of**

**JAYANTILAL THAKKAR & CO**

*Chartered Accountants  
(Firm Reg. No. 104133W)*

**(C. V. THAKKER)**

*Partner*

Place : Mumbai

Date : 25<sup>th</sup> May, 2013

*Membership No: 006205*

**ANNEXURE TO INDEPENDENT AUDITORS' REPORT**

Annexure referred to in paragraph 1 under the heading of 'Report on Other Legal and Regulatory Requirements' of our report of even date.

- i) a] The Company has maintained proper records showing full particulars, including quantitative details and the situation of its fixed assets.
- b] Fixed Assets have been physically verified by the management during the year. In our opinion, the frequency of verification of the fixed assets by the management is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies have been noticed on such physical verification.

- c] The fixed assets disposed off during the year, in our opinion, do not constitute substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- ii) a] The inventories have been physically verified by the management at reasonable intervals. In case of inventories lying with third parties, certificate confirming the stocks held by them have been received.
- b] In our opinion and according to the information and explanations given to us, the procedures for physical verification of inventory followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business.
- c] In our opinion, the Company has maintained proper records of its inventory and no material discrepancies were noticed on physical verification.
- iii) a] The Company has granted unsecured loan to six companies covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹2,990 Lakhs and the year-end balance of the said loans was ₹670 Lakhs.
- b] In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions of unsecured loan given by the Company are not prima facie, prejudicial to the interest of the Company.
- c] The Borrowing Companies are regular in repaying the principal amount as stipulated and have been regular in payment of interest.
- d] There is no overdue amount of loans given.
- e] The Company has not taken any loan during the year.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control systems.
- v) a] According to the information and explanations given to us, the particulars of contracts or arrangements that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
- b] According to the information and explanations given to us, transactions made in pursuance of contracts or arrangements entered into the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of each party have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vi) According to the information and explanation given to us the Company has not accepted any deposit from the public. Therefore, the provision of clause (vi) of paragraph 4 of the order are not applicable to the Company.
- vii) In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.
- viii) We have broadly reviewed, without carrying out a detailed examination, the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed accounts and records have been maintained. We have not however, made detailed examination of the records with a view to determining whether they are accurate or complete.
- ix) a] According to the records of the Company, the Company is regular in depositing with appropriate authorities undisputed amount of Provident Fund, Investor Education Protection Fund, Employees State Insurance, Income-tax, Sales-tax, Service-tax, Custom Duty, Excise Duty, Cess and other statutory dues applicable to it and according to the information and explanations given to us, no undisputed amounts payable were outstanding as at 31<sup>st</sup> March, 2013 for a period of more than six months from the date they became payable.
- b] According to the information and explanations given to us, the particulars of statutory dues as at 31<sup>st</sup> March, 2013 which have not been deposited on account of and dispute are as follows :

Name of the Statute	Nature of Dues	Forum where dispute is pending	Period to which the amount relates	Amount ₹ in lacs
Central Excise Act, 1944	Cenvat	Appellate Tribunal	1997-98	0.23
Central Excise Act, 1944	Penalty	Commissioner Appeal	1997-98	0.25
Central Excise Act, 1944	Levy of Duty	Additional Commissioner	1990-92	14.68
Sales Tax	Sales Tax (BST & CST)	Joint Commissioner of Sales Tax Appeals	2004-05	69.34

Name of the Statute	Nature of Dues	Forum where dispute is pending	Period to which the amount relates	Amount ₹ in lacs
Income Tax	Penalty	Commissioner Appeal Income Tax	2003-04	115.43
Income Tax	Penalty	Commissioner Appeal Income Tax	2004-05	171.86
Income Tax	Income Tax	Commissioner Appeal Income Tax	2010-11	111.76

- x) The Company has no accumulated losses and has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions or banks.
- xii) In our opinion and according to the information and explanations given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) The Company is not a chit/nidhi/mutual benefit fund/society and clause 4 (xiii) of the Order is not applicable.
- xiv) The Company is not dealing or trading in shares, securities, debentures and other investments and clause 4 (xiv) of the Order is not applicable.
- xv) On the basis of the information and explanations given

to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.

- xvi) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purpose for which they were raised.
- xvii) According to the information and explanations given to us and on an overall examination of the balance sheet and other records of the Company, we are of the opinion that, funds raised on short-term basis have not been used for long-term investment.
- xviii) During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
- xix) The Company did not have any outstanding debentures during the year.
- xx) The Company has not raised any money by public issues during the year.
- xxi) Based on the audit procedures performed and according to the information and explanations given to us by the management, we report that no fraud on or by the Company has been noticed or reported during course of our audit.

**For and on behalf of**  
**JAYANTILAL THAKKAR & CO**  
*Chartered Accountants*  
*(Firm Reg. No. 104133W)*

**( C. V. THAKKER )**

Place : Mumbai  
Date : 25<sup>th</sup> May, 2013

*Partner*  
*Membership No: 006205*

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2013**

	Note	As at 31.03.2013	(₹ In Lacs) As at 31.03.2012
<b>I EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
a) Share Capital	1	937.38	937.38
b) Reserves & Surplus	2	<u>30,468.37</u>	25,774.88
		<b>31,405.75</b>	<u>26,712.26</u>
<b>Non-Current Liabilities</b>			
a) Long-Term Borrowings	3	10,019.59	8,015.84
b) Deferred Tax Liabilities (Net)	4	1,916.62	1,598.94
c) Other Long Term Liabilities	5	2,287.36	2,332.03
d) Long-Term Provisions	6	<u>478.29</u>	336.64
		<b>14,701.86</b>	<u>12,283.45</u>
<b>Current Liabilities</b>			
a) Short-Term Borrowings	7	14,100.13	13,468.85
b) Trade Payables	8	11,776.13	8,843.78
c) Other Current Liabilities	9	5,825.93	3,815.52
d) Short-Term Provisions	10	<u>5,923.36</u>	6,168.95
		<b>37,625.55</b>	<u>32,297.10</u>
<b>TOTAL</b>		<b><u>83,733.16</u></b>	<b><u>71,292.81</u></b>
<b>II. ASSETS</b>			
<b>Non-Current Assets</b>			
a) Fixed Assets			
(i) Tangible Assets	11	29,986.36	22,953.43
(ii) Intangible Assets	11	507.68	72.76
(iii) Capital Work-in-Progress	11	1,627.99	1,490.83
b) Non-Current Investments	12	21.27	21.27
c) Long-Term Loans and Advances	13	<u>784.44</u>	1,961.43
		<b>32,927.74</b>	<u>26,499.72</u>
<b>Current Assets</b>			
a) Current Investments	12	-	275.71
b) Inventories	14	22,198.34	18,776.48
c) Trade Receivables	15	20,041.70	17,714.16
d) Cash and Bank Balances	16	329.66	198.87
e) Short-Term Loans and Advances	17	8,215.61	7,827.87
f) Other Current Assets	18	<u>20.11</u>	-
		<b>50,805.42</b>	<u>44,793.09</u>
<b>TOTAL</b>		<b><u>83,733.16</u></b>	<b><u>71,292.81</u></b>

**Significant Accounting Policies**

**Notes on Accounts**

1 to 37

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For **Jayantilal Thakkar & Co.**

Chartered Accountants

(C. V. Thakker)  
Partner

W. V. Fernandes  
Company Secretary

For and on behalf of the Board

R. D. Poddar      Chairman and Managing Director  
P. D. Poddar      Joint Managing Director

Mumbai, 25<sup>th</sup> May, 2013

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2013.

				(₹ In Lacs)
	Note	Current Year	Previous Year	
<b>I Income</b>				
Revenue from Operations	19	1,04,796.00		92,508.78
Less : Excise Duty		<u>664.61</u>		<u>954.72</u>
		<b>1,04,131.39</b>		91,554.06
<b>II Other Income</b>	20	<u>1,850.69</u>		<u>1,100.97</u>
<b>Total Revenue</b>		<b><u>1,05,982.08</u></b>		<u>92,655.03</u>
<b>III Expenses:</b>				
a) Cost of Materials consumed (Refer note no. 35 (b))		41,612.53		37,000.57
b) Purchases of Stock-in-Trade (Refer note no. 35 (a))		13,411.07		11,647.01
c) Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade	21	(1,798.90)		(2,645.95)
d) Employee Benefits Expense	22	8,908.51		6,281.85
e) Finance Costs	23	2,515.01		2,401.86
f) Depreciation and Amortization Expense	11	2,182.04		2,230.59
g) Other Expenses	24	<u>30,973.24</u>		<u>27,617.97</u>
<b>Total Expenses</b>		<b>97,803.50</b>		84,533.90
<b>IV Profit Before Tax</b>		<b>8,178.58</b>		8,121.13
<b>V Tax Expense:</b>				
a) Current Tax		2,360.00		2,550.00
b) Deferred Tax		<u>317.68</u>		<u>(101.53)</u>
		<b>2,677.68</b>		<u>2,448.47</u>
<b>VI Profit For the Year</b>		<b><u>5,500.90</u></b>		<u>5,672.66</u>
<b>VII Basic &amp; Diluted Earning Per Share in (₹)</b>	25	<b>58.85</b>		59.12

**Significant Accounting Policies****Notes on Accounts****1 to 37**

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For **Jayantilal Thakkar & Co.**

Chartered Accountants

(C. V. Thakker)

Partner

W. V. Fernandes

Company Secretary

For and on behalf of the Board

R. D. Poddar

P. D. Poddar

Chairman and Managing Director

Joint Managing Director

Mumbai, 25<sup>th</sup> May, 2013

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2013.**

	Current Year	(₹ in Lacs) Previous Year
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax	8,178.58	8,121.13
Adjustments for :		
Depreciation & Amortisation of Expenses	2,182.04	2,230.59
Foreign Exchange (Gain)/Loss	3.07	(1.86)
(Profit)/Loss on Sale of Fixed Assets.	(31.42)	(0.31)
(Profit)/Loss on Sale/Redemption of Investment	(2.45)	(180.12)
Interest Income	(844.27)	(723.32)
Finance Cost	2,515.01	2,401.86
Bad Debt Written off	33.20	-
Provision of Doubtful Debts	54.95	-
Dividend Income	(1.45)	(3.09)
Adjustments relating to earlier years	14.95	20.64
	<u>3,923.63</u>	<u>3,744.39</u>
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>12,102.21</b>	<b>11,865.52</b>
Adjustment for:		
Trade and Other Receivables	(2,972.23)	(39.11)
Inventories	(3,421.86)	(3,857.69)
Trade Payables	3,583.17	1,215.34
Income Tax paid (Net)	(2,485.67)	(3,096.67)
	<u>(5,296.59)</u>	<u>(5,778.13)</u>
<b>CASH GENERATED FROM OPERATIONS</b>	<b>6,805.62</b>	<b>6087.39</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets (Net off Capital Incentive)	(8,622.54)	(3,303.66)
Sale of Fixed Assets	201.93	78.35
Sale of Investments	278.16	1,982.81
Purchase of Investments	-	(287.74)
Dividend Income	1.45	3.09
Interest Income	844.27	723.32
<b>NET CASH USED IN INVESTING ACTIVITIES.</b>	<b>(7,296.73)</b>	<b>(803.83)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Long Term Borrowings	6,673.29	3,608.80
Repayment of Long Term Borrowings	(2,636.57)	(6,015.95)
Exchange Rate Difference	(3.07)	1.86
Finance Cost	(2,600.61)	(2,212.45)
Dividend Paid	(700.01)	(652.01)
Tax on Dividend paid	(114.03)	(106.43)
<b>NET CASH USED IN FINANCING ACTIVITIES.</b>	<b>619.00</b>	<b>(5,376.18)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>127.89</b>	<b>(92.62)</b>
<b>CASH AND CASH EQUIVALENTS - OPENING BALANCE</b>	<b>160.50</b>	<b>253.12</b>
<b>CASH AND CASH EQUIVALENTS - CLOSING BALANCE</b>	<b>288.39</b>	<b>160.50</b>

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For **Jayantilal Thakkar & Co.**  
Chartered Accountants

(C. V. Thakker)  
Partner

Mumbai, 25<sup>th</sup> May, 2013

W. V. Fernandes  
Company Secretary

For and on behalf of the Board

R. D. Poddar  
P. D. Poddar

Chairman and Managing Director  
Joint Managing Director

## SIGNIFICANT ACCOUNTING POLICIES

### A Basis of Accounting :

Financial statements are prepared under the historical cost convention on accrual basis and in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 1956.

### B Use of Estimates:

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

### C Fixed Assets:

#### i) Tangible Assets :

- a) Fixed Assets are stated at cost net of Cenvat, Government subsidy and VAT wherever applicable and less depreciation. Cost comprises of purchase price and attributable cost (including financing cost).
- b) Expenditure (including financing costs) incurred for fixed assets, the construction/installation/acquisition of which is not completed upto the year end is included under the capital work-in-progress and on such completion the same is related/classified to the respective fixed assets.

#### ii) Intangible Assets

Intangible Assets (representing Computer Software and Trade Mark) are amortised over a period of three years.

#### iii) Asset Impairment :

The Company reviews the carrying values of tangible and intangible assets for any possible impairment at each balance sheet date. Impairment loss, if any, is recognised in the year in which impairment takes place.

### D Depreciation :

- a) Depreciation on fixed assets (other than leasehold land and except as stated in d) below) is provided for in accordance with Schedule XIV to the Companies Act, 1956 on the straight-line method.
- b) Depreciation at the rate of hundred percent has been provided on the assets costing not more than ₹5000/- in the year of addition.
- c) Premium on leasehold land is amortized over the residual period of the lease and proportionate amount of premium written off is being charged to Statement of Profit & Loss.
- d) Cost of Furniture and Fixtures and Office Equipments of retails shops operated on lease basis is written off over the period of lease or within Three years whichever is earlier.

### E Investments :

Investments are classified into Current and Long term Investments. Current Investments are stated at lower of cost and fair value Long term Investments are stated at cost. A provision for diminution is made to recognise a decline, other than temporary, in the value of Long term Investments.

### F Valuation of Inventories :

Inventories are valued at lower of the cost and net realisable value. The cost is arrived at moving weighted average method except for garment division where FIFO method is followed and includes related overhead and excise duty payable on Finished Goods lying in factory premises/bonded warehouses.

### G Sales :

Sales are inclusive of excise duty wherever paid. Export Incentive under the Duty Drawback schemes has been recognised on the basis of entitlement and included in Sales.

### H Cenvat :

Cenvat benefit is accounted for by reducing the purchase cost of the materials / fixed assets wherever applicable.

### I Excise Duty :

Excise Duty wherever recovered is included in Sales. Excise Duty paid on goods cleared and provision made in respect of finished goods lying at factory premises/bonded warehouses is shown separately as an item of manufacturing and other expenses and included in the valuation of finished goods.

### J Government grants and subsidies :

- i. Grants and subsidies from the Government are recognised when there is reasonable certainty that the grant/ subsidy will be received and attaching conditions will be complied with.

- ii When the grant or subsidy relates to an expense item, it is recognised as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate.
- iii Where the grant or subsidy relates to an asset, its value is deducted from the gross value of the asset concerned in arriving at the carrying amount of the related assets.
- iv Government grants is the nature of Project capital subsidy / Promoters' contribution are credited to capital reserve and treated as a part of Shareholders' Funds.

**K Foreign Exchange Transaction :**

- i) Transactions in foreign currencies are accounted for at prevailing exchange rates, Gains and losses arising out of subsequent fluctuations are accounted for on actual payment / realizations in the statement of profit and loss. The Current Assets and Current Liabilities related to foreign currency transactions, other than those covered by forward contracts, remaining unsettled at the end of the year are adjusted at the rates prevailing at the year end, except for Pre-Shipment Credits in Foreign Currencies (PCFCs) which have been stated at the amounts received on the date of disbursement, since the PCFCs are liquidated against future export proceeds, at the rate of exchange at which the loans were disbursed.
- ii) Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract. Any income or expense on account of exchange difference either on settlement or on translation is recognised in the statement of profit and loss.

**L Employee Benefits**

- (i) Short -term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.
- (ii) Post employment and other long term employee benefits are recognized as an expense in the statement of profit and loss for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the statement of profit and loss.

**M Research and Development :**

Revenue expenditure on research and development is charged to statement of Profit and Loss as incurred, Capital expenditure on assets acquired for research and development is added to fixed assets and depreciated at applicable rates.

**N Borrowing Costs :**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

**O Deferred Tax :**

Deferred tax resulting from timing differences between book and tax profits is accounted for at the current rate of tax, to the extent that the timing difference are expected to crystallize.

**P Leases :**

Lease rentals in respect of assets acquired under operating lease are charged off to the Statement of Profit & Loss as incurred. Lease rentals of assets given under operating lease are credited to the statement of profit and loss as accrued.

**Q Provision, Contingent Liabilities and Contingent Assets :**

A Provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

**R Derivatives :**

The Company uses foreign exchange forward contracts to hedge its exposure to movements in foreign exchange rates. The use of these foreign exchange forward contracts reduces the risk or cost to the company and the company does not use the foreign exchange forward contracts for trading or speculation purposes. The company records the gain or loss on effective hedges in the statement of profit and loss of that period.

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2013.**

		(₹. In Lacs)	
		AS AT	AS AT
		31-03-2013	31-03-2012
<b>1) SHARE CAPITAL :</b>			
<b>Authorised</b>			
i)	97,50,000 Equity Shares of ₹ 10/- each	975.00	975.00
ii)	25,000 11% Redeemable Cumulative Preference Shares of ₹ 100/- each	25.00	25.00
		<u>1,000.00</u>	<u>1,000.00</u>
<b>Issued</b>			
93,74,016 (Previous year 93,74,016) Equity share of ₹ 10/- each.		937.40	937.40
<b>Subscribed and Fully Paid Up</b>			
93,72,048 (Previous year 93,72,048) Equity share of ₹ 10/- each fully paid up.		937.20	937.20
Add : Forfeited Equity shares (amount paid up)		0.18	0.18
		<u>937.38</u>	<u>937.38</u>

**Shareholder's holding more than 5 % shares in the Company:**

	<u>As at 31<sup>st</sup> March, 2013</u>		<u>As at 31<sup>st</sup> March, 2012</u>	
	No. of Share	% of Holding	No. of Share	% of Holding
ICICI Prudential	5,96,959	6.38%	5,95,884	6.36%
Vijaylaxmi A. Poddar	-	-	6,11,539	6.53%
Rajeev A Poddar	-	-	6,15,789	6.57%
GPP Enterprises LLP	11,13,193	11.88%	11,13,193	11.88%
RAP Enterprises LLP	11,31,193	12.07%	11,31,193	12.07%
Tribenidevi Poddar	12,74,977	13.60%	-	-

a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period :

	<u>As at 31<sup>st</sup> March, 2013</u>		<u>As at 31<sup>st</sup> March, 2012</u>	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the year	93,72,048	937.20	93,72,048	937.20
Issued during the year	-	-	-	-
Outstanding at the end of the year	<u>93,72,048</u>	<u>937.20</u>	<u>93,72,048</u>	<u>937.20</u>

b) Terms/rights attached to equity/preference shares :

The company has issued only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

**2) RESERVES AND SURPLUS :**

<b>a) Capital Reserve</b>			
Special Capital Incentive			
As per last Balance Sheet		70.00	70.00
<b>b) Share Premium Account</b>			
As per last Balance Sheet		794.69	794.69
<b>c) General Reserve</b>			
As per last Balance Sheet		16,000.00	15,000.00
Add : Transferred from Statement of Profit and Loss		<u>1,000.00</u>	<u>1,000.00</u>
		<u>17,000.00</u>	<u>16,000.00</u>
<b>Carried over</b>		<u>17,864.69</u>	<u>16,864.69</u>

	(₹ In Lacs)	
	AS AT	AS AT
	31-03-2013	31-03-2012
<b>Brought over</b>	<b>17,864.69</b>	16,864.69
<b>d) Profit &amp; Loss Account</b>		
i) Profit & Loss a/c Opening balance	<b>8,910.19</b>	5,186.22
Add :a) Net Profit after tax transferred from Statement of Profit & Loss	<b>5,500.90</b>	5,672.66
b) Excess Provision of Expenses Written Back	<b>14.95</b>	20.86
Less :a) Short Provision of Income Tax	-	(115.11)
b) Depreciation of Earlier years (Refer Note no. 11 (ii))	-	(37.51)
Amount available for appropriation:	<b>14,426.04</b>	10,727.12
Less: Appropriation:		
a) Proposed dividend on Equity Shares	<b>702.90</b>	702.90
[Dividend per share ₹7.50 (Previous year ₹7.50)]		
b) Tax on Dividend	<b>119.46</b>	114.03
c) Transferred to General Reserve	<b>1,000.00</b>	1,000.00
	<b>1,822.36</b>	1,816.93
Surplus - Closing Balance	<b>12,603.68</b>	8,910.19
	<b>30,468.37</b>	25,774.88
<b>3) LONG TERM BORROWINGS :</b>		
<b>Secured</b>		
a) Term Loans from Banks	<b>9,868.56</b>	7,851.60
<b>Unsecured</b>		
a) From Govt. of Maharashtra (Interest free Sales Tax Loan)	<b>151.03</b>	164.24
	<b>10,019.59</b>	8,015.84
Note :		
i) Term loan of ₹1,426.56 Lacs (Previous Year ₹ 5,138.01 lacs) is secured by way of mortgage and hypothecation on paripasu basis created on the entire fixed assets of the company and second charge over stock and book debts of the company.		
ii) Term loan of ₹ 8,442 Lacs (Previous Year ₹ 2,713.59 lacs) is secured by way of exclusive charge created by way of mortgage and hypothecation on the fixed assets procured from the said term loan.		
iii) Maturity profile of Secured Term Loan		
1-2 years      2-3 years      3-4 years      Beyond 4 Years		
3,810.56      3,028.00      2,770.00      260.00		
iv) Interest on above said term loan ranging between 11.95% to 13.25%.		
<b>4) DEFERRED TAX LIABILITIES (NET) :</b>		
a) Deferred Tax Liabilities		
Difference between accounting and tax depreciation (Cumulative)	<b>2,180.58</b>	1,813.49
	<b>2,180.58</b>	1,813.49
b) Deferred Tax Assets		
Provision for doubtful debts (to date)	<b>(53.97)</b>	(33.05)
Disallowances under section 43B for non-payment of expenses	<b>(209.99)</b>	(181.50)
	<b>(263.96)</b>	(214.55)
Net Deferred Tax Liabilities (a-b)	<b>1,916.62</b>	1,598.94
<b>5) OTHER LONG TERM LIABILITIES (Unsecured) :</b>		
a) Security Deposit from Dealers / others	<b>2,287.36</b>	2,332.03
	<b>2,287.36</b>	2,332.03
<b>6) LONG TERM PROVISIONS :</b>		
a) Provision for Employee benefits	<b>478.29</b>	336.64
	<b>478.29</b>	336.64

		(₹ In Lacs)	
		AS AT	AS AT
		31-03-2013	31-03-2012
<b>7) SHORT-TERM BORROWINGS :</b>			
a) Working Capital Loans from Banks :- *			
	<b>Secured</b>		
i) Cash Credit/ Demand Loans/ Short Term Loan		6,664.35	6,667.66
ii) Packing Credit		535.78	769.93
iii) Bills Discounting		-	31.26
		7,200.13	7,468.85
* Working Capital loans from Banks are secured by hypothecation of stocks, Book debts and second charge created over fixed assets of the Company except on Fixed Assets offered as exclusive charge to Term Lender.			
	<b>Unsecured</b>		
i) Short Term Loans from Banks **		6,900.00	6,000.00
		14,100.13	13,468.85
** Personally guaranteed by two directors.			
<b>8) TRADE PAYABLES :</b>			
a) Micro, Small and Medium Enterprises @		10.29	13.57
b) Others		11,765.84	8,830.21
		11,776.13	8,843.78
@ i) There is no principal amount due and remaining unpaid. No interest paid / payable during the year by the company to the suppliers covered under Micro, Small and Medium Enterprises Development Act, 2006.			
ii) The above disclosure is based on the information available with the Company			
<b>9) OTHER CURRENT LIABILITIES :</b>			
a) Current Maturity of Long Term Debt		3,700.73	2,254.37
b) Interest accrued and due on borrowings		131.37	110.52
c) Advance Received from Customer		223.54	235.59
d) Unclaimed Dividend *		39.28	36.39
e) Trade Payable for Capital Goods		242.08	161.98
f) Other Payables			
i) Statutory Dues		466.92	372.69
ii) Employees Dues		765.72	639.22
iii) Others		256.29	4.76
		1,488.93	1,016.67
		5,825.93	3,815.52
* There are no amount due and outstanding to be credited to Investor Education and Protection Fund.			
<b>10) SHORT-TERM PROVISIONS :</b>			
a) Provision for employee benefits :			
i) Unavailed Leave		139.52	90.54
b) Others :			
i) Provision for Taxation		4,961.48	5,261.48
ii) Proposed Dividend		702.90	702.90
iii) Tax on dividend		119.46	114.03
		5,923.36	6,168.95

**11) FIXED ASSETS :**

(₹ in Lacs)

Description	Gross Block				Depreciation				Net Block	
	AS AT 01.04.12	Additions	Sale/ Transfer	AS AT 31.03.13	UP TO 31.03.12	Deduction	For the Year	UP TO 31.03.13	AS AT 31.03.13	AS AT 31.03.12
<b>Tangible Assets :</b>										
<b>Own Assets :</b>										
Freehold Land	100.39	-	-	100.39	-	-	-	-	100.39	100.39
Leasehold Land	870.23	-	22.13	848.10	47.60	-	8.69	56.29	791.81	822.63
Building	13999.65	3051.51	137.92	16913.24	2053.95	17.95	352.93	2388.93	14524.31	11945.70
Factory Road	55.76	-	-	55.76	13.71	-	0.83	14.54	41.22	42.05
Plant & Machinery	20719.63	5289.48	20.52	25988.59	12957.45	18.30	1437.63	14376.78	11611.81	7762.18
Electrical Installation	806.59	443.71	1.71	1248.59	269.54	0.44	43.17	312.27	936.32	537.05
Furniture & Equipments	2566.47	351.43	11.45	2906.45	1237.47	3.92	184.12	1417.67	1488.78	1329.00
Vehicles	582.33	150.23	38.23	694.33	167.90	20.84	55.55	202.61	491.72	414.43
<b>Total</b>	39701.05	9286.36	231.96	48755.45	16747.62	61.45	2082.92	18769.09	29986.36	22953.43
<b>Intangible Assets :</b>										
Computer Software	594.48	532.29	-	1126.77	524.14	-	98.58	622.72	504.05	70.34
Trade Mark	3.50	1.75	-	5.25	1.08	-	0.54	1.62	3.63	2.42
<b>Total</b>	597.98	534.04	-	1132.02	525.22	-	99.12	624.34	507.68	72.76
<b>Current Year Total</b>	<b>40299.03</b>	<b>9820.40</b>	<b>231.96</b>	<b>49887.47</b>	<b>17272.84</b>	<b>61.45</b>	<b>2182.04</b>	<b>19393.43</b>	<b>30494.04</b>	23026.19
Previous Year Total	38725.42	2301.31	727.70	40299.03	15654.40	649.66	2268.10	17272.84	23026.19	-
<b>Capital Work in Progress</b>									<b>1627.99</b>	1490.83

Note: i) Building includes cost of Ownership Flats/Office premises/Industrial units in respect of which :

- Co-operative societies are formed ₹123.87 Lacs (Previous year ₹123.87 lacs) (including Shares of the face value of ₹ 0.06 Lacs)
- Co-operative societies are yet to be formed ₹7441.26 Lacs (Previous year ₹7679.03 lacs).

ii) Addition in previous year includes ₹ 55.45 Lacs on account of reversal of Cenvat credit and Depreciation includes ₹ 37.51 Lacs provided for earlier years on these assets.

iii) Furnitures & Equipment Includes Office Equipments.

iv) Addition to Plant & Machinery during the year is net off of ₹395.59 Lacs capital incentive received.

(₹ In Lacs)

AS AT  
31-03-2013 AS AT  
31-03-2012

**12) INVESTMENTS (At Cost) :**

**NON-CURRENT INVESTMENTS : (LONG TERM INVESTMENT)**

a) Trade Investments : (unquoted)

- 48 Shares of Art Silk Co-operative Ltd. of ₹100/- each fully paid 0.05 0.05
- 21,215 (Previous Year 21,215) Shares of Tarapur Environment Protection Society of ₹100/- each fully paid. 21.22 21.22

21.27 21.27

**CURRENT INVESTMENTS :**

a) In Units - Unquoted

- 2,55,230.149, Birla Sunlife Cash Plus-INST-Daily Dividend (Redeemed during the year) - 275.71

- 275.71

Aggregate cost of Unquoted Investments

**21.27** 296.98

	AS AT 31-03-2013	(₹ In Lacs) AS AT 31-03-2012
<b>13) Long - Term Loans and Advances (Unsecured, Considered Good) :</b>		
a) Capital Advances	262.54	1,329.29
b) Security Deposit	197.30	215.82
c) Loans & Advances given to Related Parties (Refer Note No. 32( d ) ) *	-	100.00
d) Other Loans & Advances:		
i) Loans & advances to Employees	186.20	205.96
ii) Others	138.40	110.36
	<u>784.44</u>	<u>1,961.43</u>
* Security Deposit Given to M/s Seem Fabrics Ltd.	-	100.00
	<u>-</u>	<u>100.00</u>
<b>14) INVENTORIES :</b>		
(At lower of cost and net realisable value)		
(As taken, valued and certified by the Management)		
a) Stores and Spares	1,435.21	1,218.33
b) Raw Materials	6,887.16	5,481.08
c) Finished Goods	9,098.67	7,270.60
(Includes in Transit Nil - Previous year ₹36.84 Lacs)		
d) Stock-in-trade	1,680.24	2,215.72
e) Goods in Process	3,097.06	2,590.75
	<u>22,198.34</u>	<u>18,776.48</u>
<b>15) TRADE RECEIVABLES :</b>		
(Unsecured )		
a) Debts outstanding for a period exceeding six months:		
i) Considered Good	981.24	568.12
ii) Considered Doubtful	158.78	103.83
	<u>1,140.02</u>	<u>671.95</u>
b) Other Debts :		
Considered Good	19,060.46	17,146.04
	<u>20,200.48</u>	<u>17,817.99</u>
Less : Provision for doubtful debts	<u>(158.78)</u>	<u>(103.83)</u>
	<u>20,041.70</u>	<u>17,714.16</u>
<b>16) CASH &amp; BANK BALANCES :</b>		
a) Cash and Cash equivalents		
Balances with Banks :-		
i) On Current accounts	260.58	143.96
ii) Cash Balance on hand	27.81	16.54
	<u>288.39</u>	<u>160.50</u>
b) Other bank balances :		
i) On Unclaimed dividend account	39.28	36.39
ii) Fixed Deposit with Original maturity for more than 12 months (Pledged with Sales Tax Department)	1.99	1.98
	<u>41.27</u>	<u>38.37</u>
	<u>329.66</u>	<u>198.87</u>

	AS AT 31-03-2013	(₹ In Lacs) AS AT 31-03-2012
<b>17) SHORT TERM LOANS AND ADVANCES :</b>		
(Unsecured, considered good)		
a) Loans & advances to Related Parties (Refer Note No. 32 (d)) \$	<b>670.00</b>	360.00
b) Others :		
i) Advances for supply of goods & services	<b>57.84</b>	86.86
ii) Withholding and other Taxes receivable	<b>6,229.15</b>	6,403.48
iii) Loans and advances to employees	<b>180.80</b>	157.64
iv) Balances with Customs, Port Trust & Excise	<b>201.38</b>	74.86
v) Others *	<b>876.44</b>	745.03
	<b>8,215.61</b>	7,827.87
* Includes primarily Deposits, Interest Receivable, prepaid expenses.		
\$ Inter Corporate Deposit given to related parties:		
Balkrishna Synthetics Ltd.	<b>80.00</b>	155.00
Balkrishna Paper Mills Ltd.	<b>425.00</b>	-
Santigo Textile Mills Ltd.	<b>75.00</b>	-
Beetee Textile Industries Ltd.	-	50.00
Oxemberg Fashions Ltd.	<b>30.00</b>	75.00
Seeom Fabrics Ltd.	<b>60.00</b>	80.00
	<b>670.00</b>	360.00
<b>18) OTHER CURRENT ASSETS :</b>		
a) Unbilled Revenue	<b>20.11</b>	-
	<b>20.11</b>	-
		(₹ In Lacs)
	Current	Previous
	Year	Year
<b>19) REVENUE FROM OPERATIONS :</b>		
a) Sale of Products (Refer note no. 35(c))	<b>1,28,330.75</b>	1,10,670.04
Less : Trade discount, Returns, Rebate etc.,	<b>25,104.84</b>	19,660.54
	<b>1,03,225.91</b>	91,009.50
b) Sale of Services (Job Charges Received)	<b>1,353.93</b>	893.07
c) Other operating revenues*	<b>216.16</b>	606.21
	<b>1,04,796.00</b>	92,508.78
Less : Excise Duty	<b>664.61</b>	954.72
	<b>1,04,131.39</b>	91,554.06
* Includes Scrap Sales & others.		
<b>20) OTHER INCOME :</b>		
a) Miscellaneous Income	<b>8.96</b>	7.92
b) Interest received	<b>844.27</b>	703.32
c) Interest received on Debentures (Current Investment)	-	20.00
d) Rent received	<b>264.99</b>	133.68
e) Profit on sale of Assets (Net)	<b>31.42</b>	0.31
f) Sundry credit balance written back (Net)	<b>8.25</b>	50.67
g) Exchange Rate Difference (Net)	-	1.86
h) Dividend from mutual fund Investments (Current Investment)	<b>1.45</b>	3.09
i) Profit on sale/Redemption of Investments (Net) (Current Investment)	<b>2.45</b>	180.12
j) Keyman Insurance Policy Surrender Value received	<b>688.90</b>	-
	<b>1,850.69</b>	1,100.97

	Current Year	(₹ In Lacs) Previous Year
<b>21) CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE :</b>		
a) Opening Stock		
Goods-in-Process (Refer note no. 35 (f))	2,590.75	3,086.19
Finished Goods (Refer note no. 35 (d))	7,270.60	4,394.51
Stock-in-Trade (Refer note no. 35 (d))	<u>2,215.72</u>	<u>1,950.42</u>
	<b>12,077.07</b>	<b>9,431.12</b>
b) Less : Closing Stock		
Goods-in-Process (Refer note no. 35 (f))	3,097.06	2,590.75
Finished Goods (Refer note no. 35 (e))	9,098.67	7,270.60
Stock-in-Trade (Refer note no. 35 (e))	<u>1,680.24</u>	<u>2,215.72</u>
	<b>13,875.97</b>	<b>12,077.07</b>
	<u><b>(1,798.90)</b></u>	<u><b>(2,645.95)</b></u>
<b>22) EMPLOYEE BENEFITS EXPENSE :</b>		
a) Salaries, Wages, Allowances and Bonus	7,774.33	5,535.36
b) Contribution to Provident, Gratuity and Other Funds	677.58	420.53
c) Staff Welfare Expenses	<u>456.60</u>	<u>325.96</u>
	<b>8,908.51</b>	<b>6,281.85</b>
<b>23) FINANCE COST :</b>		
a) Interest Expenses	2,694.18	2,395.89
Less: Interest Capitalized	<u>188.17</u>	<u>41.80</u>
	<b>2,506.01</b>	<b>2,354.09</b>
b) Other Borrowing Costs	<u>9.00</u>	<u>47.77</u>
	<b>2,515.01</b>	<b>2,401.86</b>
<b>24) OTHER EXPENSES :</b>		
a) Consumption of Stores & Spare Parts	1,189.51	1,173.29
b) Consumption of Packing Materials	3,438.19	3,142.38
c) Processing & Labour Charges	11,044.38	10,458.69
d) Power & Fuel	1,948.76	1,604.40
e) Water Charges	88.26	74.77
f) Excise Duty	2.72	54.33
g) Brokerage and Commission	2,390.87	2,059.85
h) Discounts	912.26	861.47
i) Rent	264.57	224.57
j) Rates & Taxes	126.69	102.57
k) Freight & Forwarding Charges	867.38	661.96
l) Legal & Professional Charges	362.94	199.42
m) Directors Sitting Fees	8.58	7.33
n) Insurance	515.83	156.29
o) Sales Promotion Expenses	1,305.87	1,333.34
p) Payment to Auditors (Refer note no. 30 (a))	33.56	31.84
q) Advertisement Expenses	2,302.74	2,261.84
r) Travelling & Conveyance	1,209.37	915.67
s) Provision for Doubtful Debts	54.95	-
t) Bad Debts Written off	33.20	-
u) Exchange Rate Difference (Net)	3.07	-
v) Miscellaneous Expenses	1,680.71	1,328.83
w) Repairs to:		
i) Building	411.74	235.40
ii) Machineries	205.44	234.11
iii) Others	<u>571.65</u>	<u>495.62</u>
	<b>1,188.83</b>	<b>965.13</b>
	<u><b>30,973.24</b></u>	<u><b>27,617.97</b></u>

	Current Year	(₹ In Lacs) Previous Year
<b>25) Earning Per Share : [“EPS”] computed in accordance with Accounting Standard 20:</b>		
a) Net Profit after tax as per statement of profit & loss	<b>5,500.90</b>	5,672.66
Add/(Less) :		
i) Excess provision of expenses written back	<b>14.95</b>	20.86
ii) Short Provision of taxation	–	(115.11)
iii) Depreciation of earlier years	–	(37.51)
Net profit attributable to equity shareholders	<b>5,515.85</b>	5,540.90
b) The weighted average number of Equity Shares	<b>93,72,048</b>	93,72,048
c) Face value per equity share	<b>10.00</b>	10.00
d) Earnings per share Basic / Diluted	<b>58.85</b>	59.12

**26) Contingent Liabilities & Commitments :**

a) Contingent Liabilities :		
i) Guarantees given by the Company’s bankers on behalf of the Company	<b>590.05</b>	728.47
ii) Disputed claims for excise and sales tax	<b>84.50</b>	128.86
iii) Custom Duty which may arise if obligation for export is not fulfilled.	<b>556.03</b>	63.00
iv) Income tax Demand, interest & penalty under dispute	<b>399.05</b>	69.93
b) Commitments :		
i) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advance)	<b>1,419.78</b>	5,148.41

27) The Excise Department has valued texturised and twisted yarn manufactured at Silvassa Unit on the higher side and raised additional demand of ₹201 Lacs. On appeal, the excise Tribunal, Delhi has passed the order in favour of Company. However, the Department has filed an appeal in the Supreme Court, which is pending. The Company does not expect any liability on this account.

28) The Company has calculated the various benefits provided to employees as under.

**Defined Contribution Plan**

Contribution to Defined Contribution plan, recognised as expense for the year are as under:

Employer’s contribution to Provident Fund	<b>433.35</b>	268.94
Employer’s contribution to Superannuation Fund	<b>79.95</b>	46.63

**Defined Benefit Plan**

An actuarial valuation was carried out in respect of Gratuity and long term Leave encashment benefit plans based on the following assumptions.

(₹ In Lacs)

**I) Reconciliation of opening and closing balances of Defined Benefit obligation**

	Current Year		Previous Year	
	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Defined Benefit obligation at beginning of the year	467.04	164.25	368.30	147.17
Current Service Cost	62.02	1.59	38.78	3.78
Interest Cost	40.87	14.37	30.38	12.14
Actuarial (gain)/loss	54.96	43.68	48.88	1.16
Benefits paid	(64.85)	–	(19.30)	–
Defined Benefit obligation at the year end.	560.04	223.89	467.04	164.25

**II) Reconciliation of opening and closing balances of fair value of plan assets**

Fair value of plan assets at beginning of the year	294.66	–	239.56	–
Expected return of plan assets	25.34	–	19.16	–
Actuarial gain/(loss)	0.57	–	5.35	–
Employer contribution	49.91	–	49.89	–
Benefits paid	(64.85)	–	(19.30)	–
Fair value of plan assets at the end of the year	305.63	–	294.66	–
Actual return on plan assets	25.91	–	24.51	–

**III) Reconciliation of fair value of assets and obligation**

Fair value of plan assets as at 31 <sup>st</sup> March, 2013	305.63	NIL	294.66	NIL
Present value of obligation as at 31 <sup>st</sup> March, 2013	560.04	223.89	467.04	164.25
Amount recognized in Balance Sheet	254.41	223.89	172.38	164.25

**IV) Expense recognized during the year (Under the head “Payments to and Provision for Employees - Refer note no. ‘21’)**

Current Service Cost	62.02	1.59	38.78	3.78
Interest Cost	40.87	14.37	30.39	12.14
Expected return on plan assets	(25.34)	–	(19.16)	–
Actuarial (gain) / loss	54.38	43.68	43.53	1.16
Net cost	131.93	59.64	93.54	17.08

**V) Investment details**

	% invested	
	As at 31 <sup>st</sup> March, 2013	As at 31 <sup>st</sup> March, 2012
Insurance Policies (LIC)	100%	100%

**VI) Actuarial assumptions**

Mortality Table (LIC)				
Discount rate (per annum)	8.75%	8.75%	8.25%	8.75%
Expected rate of return on plan assets (per annum)	8.60%	–	8.00%	–
Rate of escalation in salary (per annum)	3.00%	3.00%	4.00%	4.00%

The estimates of rate of escalation in salary considered in actuarial valuation, taking into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The expected rate of return on plan assets is determined considering several applicable factors mainly, the composition of plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.

29) Prior period items included under respective accounts in the Statement of Profit and Loss ₹29.73 Lacs debit (₹1.80 Lacs debit).

	Current Year	(₹ In Lacs) Previous Year
<b>30) Payment to Auditors :</b>		
<b>a) Statutory Auditors</b>		
i) Statutory Audit Fees	16.00	14.00
ii) Taxation Matter	1.00	1.20
iii) Certification	6.83	6.58
iv) Tax Audit Fees	3.60	3.65
v) Fees for other Services	1.80	2.65
vi) Reimbursement of Expenses*	4.33	3.76
*(Including Service Tax)	<u>33.56</u>	<u>31.84</u>
<b>b) Cost Auditors</b>		
i) Cost Audit Fees	<u>1.50</u>	<u>0.75</u>
<b>31) Managerial Remuneration :</b>		
a) Remuneration to Managing Directors and Executive Directors under Section 198 of the Companies Act, 1956:		
i) Remuneration	718.24	297.39
ii) Contribution to Provident and Other Funds	99.04	45.36
iii) Perquisites	11.21	10.18
iv) Retirement benefits	74.56	7.61
v) Commission	-	468.00
	<u>903.05</u>	<u>828.54</u>
b) To Other Directors		
i) Meeting Fees	<u>8.58</u>	<u>7.33</u>
	<u>911.63</u>	<u>835.87</u>
<b>32) Related Party disclosures :</b>		

As per Accounting Standard 18, the disclosures of transactions with the related parties as defined in the Accounting standard are given below.

List of related parties where control exists and related parties with whom transactions have taken place and relationships:

**(a) Key Management Personnel (KMP) :**

Shri Dharaprasad R. Poddar - Chairman (upto 16<sup>th</sup> May, 2012), Shri Ramesh D. Poddar - Chairman and Managing Director, Shri Pawan D. Poddar - Jt. Managing Director, Shri Shrikishan D. Poddar - Executive Director, Smt. Vijaylaxmi A Poddar - Executive Director (upto 30<sup>th</sup> May, 2012), Shri Ashok Jalan - Sr.President cum Director, Shri Arvind Poddar - Director, Shri Gaurav Poddar - Executive Director (w.e.f. 1<sup>st</sup> August, 2012).

**(b) Relatives of Key Management Personnel (KMP) :**

Smt. Ashadevi R. Poddar, Smt. Vibha S. Poddar, Smt. Sangeeta Poddar, Shri Abhishek Poddar, Shri Avnish Poddar, Smt. Megha Poddar, Smt.Smriti Poddar.

**(c) Other Related Parties (Enterprises - KMP having significant influence / Owned by Major Shareholders)**

Balkrishna Synthetics Ltd., Govind Rubber Ltd., S.P.Investrade (I) Ltd., Sanchana Trading & Finance Ltd., S.P. Finance & Trading Ltd. Santiago Textile Mills Ltd., Balgopal Holdings and Traders Ltd, Oxemberg Fashions Ltd, Beete Textile Industries Ltd., Futuristic Concepts Media Ltd., Vishal Furnishing Ltd., Fabwear Garments, Poddar Bio Diesel Pvt Ltd., Poddar Brothers Investment Pvt. Ltd., Balkrishna Paper Mill Ltd, GRL International Ltd., Balkrishna Industries Ltd., Seom Fabrics Ltd., Image Commercial Pvt. Ltd., SPG Realty Pvt. Ltd.

**(d) Related Party Transactions**

(₹ In Lacs)

Nature of Transaction	Current Year			Previous Year		
	Other Related Parties	Key Management Personnel & Relatives	Total	Other Related Parties	Key Management Personnel & Relatives	Total
Managerial Remuneration	–	903.05	903.05	–	828.54	828.54
Sitting fees	–	0.29	0.29	–	1.63	1.63
Purchase of Goods/Services	6,477.34	–	6,477.34	5,777.90	–	5,777.90
Purchase of Fixed Assets	362.82	–	362.82	463.71	–	463.71
Sale of Fixed Assets	7.87	–	7.87	51.38	–	51.38
Sales of Goods/materials	790.99	–	790.99	946.76	–	946.76
Rent / Property Tax Received	36.35	–	36.35	32.41	–	32.41
Rent Paid	104.83	–	104.83	51.55	–	51.55
Interest Paid.	28.77	–	28.77	16.00	–	16.00
Keyman Insurance Policy Surrender Value received	688.90	–	688.90	–	–	–
Interest Received	188.73	–	188.73	76.25	–	76.25
Intercorporate Deposits Given	2,710.00	–	2,710.00	760.00	–	760.00
Commission Paid	114.55	–	114.55	106.29	–	106.29
Salary paid	–	152.19	152.19	–	14.63	14.63
Collateral Personal Guarantee	–	6,900.00	6,900.00	–	7,500.00	7,500.00
Reimbursement	6.48	–	6.48	1.94	–	1.94
Balance as at :						
Trade Receivable	802.49	–	802.49	187.58	–	187.58
Trade Payable	106.87	–	106.87	298.35	–	298.35
Intercorporate Deposit Given	670.00	–	670.00	360.00	–	360.00
Trade Payable Capital Goods	362.82	–	362.82	–	–	–
Security Deposit Given	–	–	–	100.00	–	100.00
Security Deposit Received	–	–	–	350.00	–	350.00
Loans & advances	–	–	–	1.33	–	1.33

Notes :

- i) Parties identified by the Management and relied upon by the Auditors.
- ii) No amount in respect of the related parties have been written off/back or are provided for during the year

**(e) Disclosure in respect of material transactions with related parties during the year (included in 'd' above)**

	Current Year	Previous Year		Current Year	Previous Year
<b>Purchase of Goods / Materials.</b>			<b>Payment to Key Managerial Personnel</b>		
Balkrishna Synthetics Ltd.	5,066.91	3,944.15	Abhishek Poddar	30.05	4.62
Beetee Textile Industries Ltd.	523.29	867.02	Ashadevi Poddar	33.82	4.96
			Avnish Poddar	3.46	–
<b>Purchase of Fixed Assets.</b>			Ramesh Poddar	314.02	217.84
Balkrishna Industries Ltd.	61.97	–	Shrikishan Poddar	221.27	179.71
Beetee Textile Industries Ltd.	6.31	284.19	Vijaylaxmi Poddar	26.90	196.61
Santigo Textile Mills Ltd.	2.05	48.96	Vibha Poddar	31.99	5.05
Seeom Fabrics Ltd.	292.50	130.56	Pawan Poddar	198.10	198.51
			Gaurav Poddar	100.96	–
			Megha Poddar	5.82	–



**35) Other Information:-**

		(Figures in Lacs)	
	Unit	Current Year	Previous Year
<b>a) Finished Goods Purchased :</b>			
i) Cloth	Mtrs	<b>100.94</b>	86.13
	Rupees	<b>13,037.06</b>	11,418.80
ii) Readymade Garments	Nos	<b>0.10</b>	-
	Rupees	<b>61.47</b>	-
ii) Others	Rupees	<b>312.54</b>	228.21
<b>b) Raw Materials consumed :</b>			
i) Yarn */ Fibre	Kgs	<b>135.84</b>	121.97
	Rupees	<b>26,820.60</b>	22,980.13
ii) Cloth *	Mtrs	<b>36.85</b>	33.20
	Rupees	<b>4,427.19</b>	3,730.84
iii) Grey Cloth	Mtrs	<b>204.40</b>	229.00
	Rupees	<b>8,950.72</b>	9,126.58
iv) Dyes & Chemical	Rupees	<b>576.59</b>	365.18
v) Accessories (Trims)	Rupees	<b>837.43</b>	797.84
* After adjusting cost of 1.57 Lac Kgs (1.38 Lac Kgs) of yarn, and Nil Mtrs (Nil Mtrs) of cloth sold during the year, Valuing ₹237.58 Lacs (₹137.81 Lacs) respectively.			
<b>c) Sales (Net) :</b>			
i) Finish Cloth	Mtrs	<b>699.17</b>	656.26
	Rupees	<b>84,792.01</b>	74,874.31
ii) Readymade Garments	Nos	<b>25.44</b>	24.84
	Rupees	<b>13,749.85</b>	11,663.72
iii) Yarn *	Kgs	<b>16.76</b>	17.12
	Rupees	<b>3,139.51</b>	2,867.93
iv) Others	Rupees	<b>879.93</b>	648.82
* Includes 1.57 Lac kgs. Of yarn (1.38 Lac kgs) purchased and sold during the year.			
<b>d) Opening Stock of Finished Goods / Stock-in-Trade :</b>			
i) Cloth	Mtrs	<b>102.16</b>	85.83
	Rupees	<b>8,516.86</b>	5,870.53
ii) Readymade Garments	Nos	<b>3.55</b>	2.60
	Rupees	<b>816.70</b>	302.64
iii) Yarn	Kgs	<b>0.85</b>	0.59
	Rupees	<b>120.13</b>	85.90
iv) Others	Rupees	<b>32.63</b>	85.86
<b>e) Closing Stock of Finished Goods / Stock-in-Trade :</b>			
i) Cloth	Mtrs	<b>99.91</b>	102.16
	Rupees	<b>9,901.50</b>	8,516.86
ii) Readymade Garments	Nos	<b>2.39</b>	3.55
	Rupees	<b>674.03</b>	816.70
iii) Yarn	Kgs	<b>0.91</b>	0.85
	Rupees	<b>133.04</b>	120.13
iv) Others	Rupees	<b>70.34</b>	32.63
<b>f) Closing Stock of Work-in-Process :</b>			
i) Cloth	Rupees	<b>2,814.25</b>	2,487.07
ii) Readymade Garments	Rupees	<b>127.12</b>	66.11
iii) Yarn	Rupees	<b>155.69</b>	37.57

	Current Year		(₹ In Lacs) Previous Year	
		%		%
<b>g) Consumption of Raw Materials :</b>				
i) Imported	819.17	1.97	303.48	0.35
ii) Indigenous	40,793.36	98.03	36,697.09	99.65
	<u>41,612.53</u>	<u>100.00</u>	<u>37,000.57</u>	<u>100.00</u>
<b>h) Consumption of Stores &amp; Spares :</b>				
i) Imported	420.77	35.96	416.40	16.31
ii) Indigenous	768.74	64.04	756.89	83.69
	<u>1,189.51</u>	<u>100.00</u>	<u>1,173.29</u>	<u>100.00</u>
<b>i) C.I.F. Value of Imports :</b>				
i) Raw Materials	584.81		380.87	
ii) Finished Goods	0.62		–	
iii) Stores & Spares	362.35		573.34	
iv) Capital Goods	5,211.90		459.32	
v) Packing Materials	21.63		–	
<b>j) Expenditure in Foreign Currency :</b>				
i) Advertisement	32.37		7.15	
ii) Sales promotion	226.17		22.22	
iii) Travelling	146.31		63.24	
iv) Interest	36.25		31.65	
v) Commission	153.10		97.11	
vi) Others	42.31		32.90	
<b>k) Earnings in Foreign Currency :</b>				
i) FOB value of exports	5,093.77		3,613.33	
ii) Recovery towards freight and Insurance	25.67		25.55	
<b>l) Amounts remitted during the year in Foreign Currency on account of Dividend :</b>				
i) The Company has not made remittances in foreign currencies on account of dividends during the year and does not have information as to the extent to which remittance in foreign currencies on account of dividends have been made by or on behalf of Non-resident shareholders. The particulars of dividend paid to Non-resident shareholders are as under.				
Dividend in respect of Year 2011-12 (121 Shareholder holding 34,280 Equity Shares)	2.57		–	
Dividend in respect of Year 2010-11 (103 Shareholder holding 45,363 Equity Shares)	–		3.18	

36) Figures in brackets in these notes are in respect of Previous Year.

37) Previous years figures have been regrouped and rearranged wherever necessary to make them comparable with the Current Year figures.

As per our report of even date attached

For **Jayantilal Thakkar & Co.**  
Chartered Accountants

(C. V. Thakker)  
Partner

Mumbai, 25<sup>th</sup> May, 2013

W. V. Fernandes  
Company Secretary

For and on behalf of the Board

R. D. Poddar  
P. D. Poddar  
Chairman and Managing Director  
Joint Managing Director

**SIYARAM SILK MILLS LIMITED**

**Regd. Office:** H-3/2 MIDC, 'A' Road, Tarapur, Boisar, Dist. Thane – 401 506

**ATTENDANCE SLIP**

Name of Shareholder	
Folio No	
DP ID	
Client ID	
No. of Shares	

I hereby record my presence at the 35<sup>th</sup> Annual General Meeting of the Company held on Saturday, the 10<sup>th</sup> day of August, 2013, at 11.00 a.m., at Plot No. G-4/1(A), MIDC, Tarapur, Boisar, Dist. Thane 401 506.

Name of the Shareholder/ Proxy	Signature of the Shareholder/ Proxy

- Note :
1. A Member / Proxy holder attending the meeting must bring the attendance slip to the meeting and hand it over at the entrance duly signed.
  2. A Member/Proxy holder attending the meeting should bring copy of the Annual Report for reference at the meeting.



**SIYARAM SILK MILLS LIMITED**

**Regd. Office:** H-3/2 MIDC, 'A' Road, Tarapur, Boisar, Dist. Thane – 401 506

**FORM OF PROXY**

Folio No	
DP ID	
Client ID	
No. of Shares	

I/We.....of..... in the district of ..... , being a Member/Members of the above named Company hereby appoint ..... of ..... in the district of ..... or failing him ..... of ..... in the district of ..... my/our proxy attend and vote for me /us on my/our behalf at the 35<sup>th</sup> Annual General Meeting of the Company to be held on Saturday, the 10<sup>th</sup> day of August, 2013, at 11.00 a.m., at Plot No. G-4/1(A), MIDC, Tarapur, Boisar, Dist. Thane 401 506.

Signed this ..... Day of.....2013.

Signature-

Affix Re. 1.00 Revenue Stamp
---------------------------------------

- Note :
1. This instrument of Proxy shall be deposited at the Regd. Office of the Company not less than 48 (Forty Eight) hours before the time of holding the aforesaid meeting.
  2. A Proxy need not be a member of the Company.



# FINANCIAL HIGHLIGHTS

(Figures in Lacs)

YEAR	2012-13	2011-12	2010-11	2009-10	2008-09
<b>PRODUCTION</b>					
Cloth ( Mtrs)	622	598	663	543	423
Yarn (Kgs.)	38	33	34	30	20
Garments (Nos.)	25	26	20	17	15
<b>GROSS SALES (Rs.)</b>					
Local	1,24,009	1,07,572	98,095	75,693	60,028
Export	5,227	3,643	3,642	3,930	4,759
Gross Profit	10,361	10,352	10,377	6,919	3,382
Depreciation	2,182	2,231	2,093	2,019	1,918
Profit Before Tax	8,179	8,121	8,284	4,900	1,464
Provision for Tax	2,678	2,448	2,531	1,534	320
Net Profit	5,501	5,673	5,753	3,366	1,144
Dividend (%)	75	75	70	60	50
Net Worth per Share of Rs. 10/- each*	335	285	235	181	152
Earning Per Share	59	59	62	36	12
Net Cash Accrual	7,193	6,985	6,966	4,761	2,564
Gross Block of Fixed Assets	51,515	41,790	38,725	33,761	32,688

\* The Company had allotted Bonus Shares in the ratio of 3:5 in 1984, 1:2 in 1988 and 1:2 in 2006.



**Siyaram's**  
PREMIUM SUITINGS & SHIRTINGS

Siyaram Silk Mills Ltd.,  
B/5, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (W), Mumbai - 400 013. [www.siyaram.com](http://www.siyaram.com)