



34<sup>th</sup>  
**ANNUAL  
REPORT**

2011-12





वक्रतुंड महाकाय सूर्यकोटिसमप्रभ  
निर्विघ्नं कुरु मे देव सर्वकार्येषु सर्वदा

**DHARAPRASAD R. PODDAR**

Chairman Emeritus

**BOARD OF DIRECTORS**(As of 18<sup>th</sup> May, 2012)**RAMESH D. PODDAR**

Chairman &amp; 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**

(w.e.f. 21/05/2011)

**ARVIND M. PODDAR****PAWAN D. PODDAR**

Joint Managing Director

**VIJAYLAXMI A. PODDAR**

Executive Director

**SHRIKISHAN D. PODDAR**

Executive Director

**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**

Tholiya &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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### NOTICE

Notice is hereby given that the 34<sup>th</sup> Annual General Meeting of the Members of Siyaram Silk Mills Limited will be held on Saturday, 25<sup>th</sup> August, 2012 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, 2012, 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, 2012.
3. To appoint a Director in place of Shri. Shailesh S. Vaidya, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Brijmohan L. Sarda, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Shri Pramod S. Jalan, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint a Director in place of Prof (Dr.) Mangesh D. Teli, who retires by rotation and being eligible, offers himself for re-appointment.
7. 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:**

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 and subject to such other applicable permissions, sanctions and approvals, as may be required, if any, consent of the Company be and is hereby accorded to the re-appointment of Shri. Ashok M. Jalan, as Senior President cum Director, for a further period of 5(five) years from 30<sup>th</sup> January, 2012 to 29<sup>th</sup> January, 2017 on the terms, conditions and remuneration as mentioned below with liberty to the Board of Directors (hereinafter 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. Ashok M. Jalan.”

1. **Salary:** : Rs.3,00,000/- p.m. to Rs.6,00,000/- p.m.

The same is bifurcated as under :-

- (i) Present Basic Salary : Rs.1,50,000/- p.m.
- (ii) House Rent Allowance : 50% of the Basic Salary  
i.e Rs.75,000/-p.m.
- (iii) Special Allowance : Rs.75,000/- p.m.

2. **Commission:**

Commission will be fixed by the Board of Directors of the Company, subject to overall ceiling stipulated under the provisions of the Companies Act, 1956.

3. **Perquisites:**

In addition to the salary and commission, he shall also be entitled to the following perquisites, as per the rules of the Company.

- a) **Medical Reimbursement:**

Reimbursement of medical expenses incurred for self and family as per the Rules of the Company.

- b) **Leave Travel Concession:**

Reimbursement of actual travelling expenses for proceeding on leave once in a year for self and family as per the Rules of the Company.

#### **Explanation**

For the purpose of the perquisites under (a) & (b) above, family shall mean the spouse, the dependent children and dependent parents.

- c) **Personal Accident Insurance:**

The actual premium paid.

- d) **Provident Fund:**

Contribution to Provident Fund is payable as per the rules of the Company.

- e) **Contribution to Superannuation Fund:**

Rs.9,000/- per month.

- f) **Gratuity:**

Gratuity shall be payable as per the Rules of the Company.

- g) **Leave and encashment of Leave:**

He will be entitled to leave with full pay and encashment of the accumulated leave as per the rules of the Company.

- h) **Use of Car with driver:**

The Company shall provide fully maintained car with driver.

- i) **Bonus & Ex gratia:**

Bonus & Ex-gratia will be paid, as per the Rules of the Company.

- j) **Telephone, facsimile and other communication facilities:**

The Company shall provide free telephone, facsimile and other communication facilities at his residence.

For the purpose of leave, provident fund, superannuation, gratuity and other retiring benefits to which he may be entitled, account shall be taken of his service with the Company's prior to his appointment as Whole time Director.

4. **Minimum Remuneration:**

In the event of absence or inadequacy of profits in any financial year during the tenure of his appointment, the

Senior President cum 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 the provisions of sections 198, 269, 309, 310, read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to such other applicable permissions, sanctions and approvals, as may be required, if any, consent of the Company be and is hereby accorded to the payment of increased remuneration to Shri Pawan D. Poddar, Joint Managing Director, w.e.f. 1<sup>st</sup> April, 2012 till the end of his tenure i.e. 31<sup>st</sup> July, 2016 as mentioned below.

1. Basic Salary : Increased from Rs.3,25,000/-p.m. to Rs. 8,00,000/- p.m.
2. All benefits linked to Basic Salary like House Rent Allowance, Provident Fund & Superannuation contribution, Gratuity, etc., shall stand enhanced proportionately.
3. All other terms and conditions of his appointment as approved by the members at the 33<sup>rd</sup> AGM held on 6<sup>th</sup> August, 2011 shall remain unchanged.

**RESOLVED FURTHER THAT** the Board of Directors (which expression shall mean and include Committee thereof) be and are hereby authorized 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 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 the appointment of Smt. Megha A. Poddar, who is a relative of a Director(s) of the Company, as an Executive of the Company w.e.f. 1<sup>st</sup> June, 2012 and to hold an office or place of profit as an Executive of the Company on the terms, conditions and remuneration as mentioned below:

- a) Basic Salary of Rs.30,000/- (Rupees Thirty 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.15,000/- (Rupees Fifteen Thousand Only) per month.
- c) Reimbursement of Medical Expenses to the extent of Rs.1,250/- (Rupees One Thousand Two Hundred Fifty Only) per month.

- d) In addition she will also be entitled to Provident Fund, Bonus, Leave, Gratuity, Leave Travel Concession, other perquisites and shall be subject to other terms and conditions as applicable to other Executives of the Company in the cadre.

**RESOLVED FURTHER THAT** the consent of the Company be and is hereby accorded to pay to Smt. Megha A. 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 appropriate authorities.

**RESOLVED FURTHER THAT** the total monthly remuneration payable i.e. salary, allowances and benefits, to Smt. Megha A. 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.”

11. 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 the appointment of Smt. Smriti G. Poddar, who is a relative of a Director(s) of the Company, as an Executive of the Company w.e.f. 1<sup>st</sup> June, 2012 and to hold an office or place of profit as an Executive of the Company 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. of Rs.62,500/- (Rupees Sixty Two Thousand Five Hundred Only).
- 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 she will 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 cadre.

**RESOLVED FURTHER THAT** the consent of the Company be and is hereby accorded to pay to Smt. Smriti G. 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 appropriate authorities.

**RESOLVED FURTHER THAT** the total monthly remuneration payable i.e. salary, allowances and benefits, to Smt. Smriti G. 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."

12. 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 the appointment of Smt. Sangeeta. P. Poddar, who is a relative of a Director(s) of the Company, as an Executive of the Company w.e.f. 1<sup>st</sup> June, 2012 and to hold an office or place of profit as an Executive of the Company 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. of Rs.62,500/- (Rupees Sixty Two Thousand Five Hundred Only).
- 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 she will 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 cadre.

**RESOLVED FURTHER THAT** the consent of the Company be and is hereby accorded to pay to Smt. Sangeeta 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 appropriate authorities.

**RESOLVED FURTHER THAT** the total monthly remuneration payable i.e. salary, allowances and benefits, to Smt. Sangeeta 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."

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

**"RESOLVED THAT** Shri. Gaurav P. Poddar, who was appointed as an Additional Director of the Company pursuant to section 260 of the Companies Act, 1956 and Article 121 of the Articles of Association of the Company with effect from 1<sup>st</sup> August, 2012 to hold office up to the date of the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing pursuant to section 257 of the Companies Act, 1956, proposing his candidature for the office of a Director be and is hereby appointed as Director of the Company liable to retire by rotation."

14. 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 all other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modifications or re-enactment thereof for the time being in force) and subject to such other approval from Central Government or any other authority, as may be required, if any, consent of the Company be and is hereby accorded to the appointment of Shri. Gaurav P. Poddar as a Whole Time Director, designated as an Executive Director of the Company for a period of 5 (Five) years commencing from 1<sup>st</sup> August, 2012 on the terms, conditions and remuneration as mentioned below, with liberty to the Board of Directors (hereinafter referred to as "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 and vary the remuneration, terms and conditions of the said appointment as may be agreed to between the Board and Shri. Gaurav P. Poddar

1. **Salary:** : Basic Salary Rs. 6,50,000/- p.m.

2. **Commission:**

Commission will be fixed by the Board of Directors of the Company, subject to overall ceiling stipulated under the provisions of the Companies Act, 1956.

3. **Perquisites:**

In addition to the salary and commission, he shall also be entitled to the following perquisites, as per the rules of the Company.

a) **Housing:**

The Company shall provide fully furnished residential accommodation along with all amenities, facilities and utilities. In case no accommodation is provided he shall be entitled for 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.

**Explanation**

For the purpose of the perquisites under (a) & (b) above, family shall mean spouse, dependent children and dependent parents.

**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 :**

Contribution to Provident Fund, Superannuation and Annuity Fund will not be included in the computation of remuneration to the extent these are 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 and will not be included in computation of remuneration.

**h) Leave and encashment of Leave:**

He will be entitled to leave with full pay and encashment of the accumulated leave as per the rules of the Company and will be entitled to encash the accumulated leave at the end of his tenure/retirement.

**i) Use of Car with driver:**

The Company shall provide fully maintained car with driver.

**i) Telephone, facsimile and other communication facilities:**

The Company shall provide free telephone, facsimile and other communication facilities at his residence.

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

**4. 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 express 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."

By Order of the Board  
(William Fernandes)  
Company Secretary

Place: Mumbai

Date : 27<sup>th</sup> July, 2012.

**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, 14<sup>th</sup> August, 2012 to Thursday, 16<sup>th</sup> August, 2012 (both days inclusive) for the purpose of payment of Dividend for the year ended 31<sup>st</sup> March, 2012.
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 has transferred the unclaimed and unpaid amount pertaining to the dividend for the financial year 2003-04 amounting to Rs.3,26,088/- to the IEPF. Members who have not encashed their dividend warrants for the financial year 2004-05 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
31/03/2005	16/07/2005	20/07/2012	19/08/2012
31/03/2006	31/10/2005-interim	21/11/2012	20/12/2012
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	23/8/2008	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

- 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:
  - (i) Quote Registered Folio/Client ID & DP ID in all their correspondence;
  - (ii) Bring their copy of the Annual Report and Attendance Slip duly signed;
  - (iii) 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 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. Appointment / Re-appointment of Directors:  
At the ensuing Annual General Meeting, Shri. Shailesh S. Vaidya, Shri. Brijmohan L. Sarda, Shri Pramod S. Jalan and Prof.(Dr.) Mangesh D. Teli, Directors of the Company, retire by rotation and being eligible, offer themselves for re-appointment. The term of office of Shri. Ashok M. Jalan, Senior President cum Director, expired on 29<sup>th</sup> January, 2012, special resolution at item no. 8 for his re-appointment for further 5(five) years w.e.f. 30<sup>th</sup> January, 2012, is proposed for the approval of the Members. Shri. Gaurav P. Poddar, Additional Director seeks appointment as Director and as an Executive Director for a period of 5(five) years w.e.f. 1<sup>st</sup> August, 2012. Resolution at item no. 13 for his appointment as Director and at item no. 14 for his appointment as an Executive Director on the terms, conditions and remuneration mentioned therein, are 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 given as Annexure to this Notice.

#### ANNEXURE TO THE NOTICE

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

##### Item No. 8.

The Board of Directors on 28<sup>th</sup> January, 2012 as considered and recommended by the Remuneration Committee, approved the re-appointment of Shri. Ashok M. Jalan, as Senior President cum Director for a further period of 5(five) years w.e.f. 30<sup>th</sup> January, 2012 on the terms, conditions and remuneration as mentioned in the resolution, subject to approval of the members and other permissions, sanctions and approvals, as may be applicable, if any.

A brief resume of Shri Ashok M. Jalan as required under clause 49 of the Listing Agreement is given in annexure hereto.

An Abstract under Section 302 of the Companies Act, 1956 setting out the terms, conditions and remuneration of re-appointment of Shri. Ashok M. Jalan as Senior President cum Director was sent to the members on or before 14<sup>th</sup> Feb., 2012. A copy of the appointment letter containing the terms, conditions and remuneration of re-appointment of Shri Ashok M. Jalan, Senior President cum Director would be available for inspection by the members at the registered office of the Company during business hours on any working day excluding Saturday, up to and including the day of this meeting.

##### Memorandum of Interest:

None of the Directors except Shri Ashok M. Jalan are concerned or interested in this resolution.

Your Directors recommend the resolution for your approval.

##### Item No. 9.

The members at the 33<sup>rd</sup> AGM held on 6<sup>th</sup> Aug., 2011 had approved the remuneration, terms and conditions of re-appointment of Shri Pawan D. Poddar, Joint Managing Director for a further period of 5 years from 1<sup>st</sup> August, 2011 to 31<sup>st</sup> July, 2016.

Keeping in view the growth and profitability of the Company as well as profile of Shri Pawan D. Poddar, the Remuneration Committee and Board of Directors of the Company at their respective meeting held on 18<sup>th</sup> May, 2012, approved payment of increased remuneration to him w.e.f. 1<sup>st</sup> April, 2012 till the end of his tenure, as mentioned in the resolution at item no. 9, subject to approval of members of the Company and other approvals, permissions and sanctions as may be required:

An Abstract under Section 302 of the Companies Act, 1956 setting out the revised remuneration of Shri. Pawan D. Poddar, Joint Managing Director was sent to the members on or before 8<sup>th</sup> June, 2012.

##### Memorandum of Interest:

Shri Ramesh D. Poddar, Chairman and Managing Director and Shri. Shrikishan D. Poddar, Executive Director being related to Shri. Pawan D. Poddar and Shri. Pawan D. Poddar himself are concerned or interested in the resolution.

None of the Directors other than the above are concerned or interested in the Resolution at item nos. 9 of the Notice.

Your Directors recommend the resolution for your approval.

##### Item Nos. 10, 11 & 12.

The Board of Directors at their meeting held on 18<sup>th</sup> May, 2012 had appointed Smt. Megha A. Poddar, Smt Smriti G. Poddar and Smt. Sangeeta P. Poddar, relative of Shri Ramesh D. Poddar, Chairman and Managing Director, Shri Pawan D. Poddar, Joint Managing Director and Shri Shrikishan D. Poddar, Executive Director, to hold office or place of profit



as an Executive of the Company w.e.f. 1<sup>st</sup> June, 2012, subject to approval of the members on the remuneration, perquisites, terms and conditions as mentioned in the resolution no. 10, 11 & 12 respectively.

Smt. Megha A. Poddar, Smt. Smriti G. Poddar and Smt. Sangeeta P. Poddar, being a relative of a Director, their appointment requires approval of the members pursuant to the provisions of Section 314 of the Companies Act, 1956. Accordingly special resolutions at item no 10, 11 & 12 are placed for approval of the members.

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

Your Directors recommend these resolutions for your approval.

**Item No. 13 & 14.**

Shri. Gaurav P. Poddar was appointed by the Board of Directors at its meeting held on 27<sup>th</sup> July, 2012 as an Additional Director of the Company. with effect from 1<sup>st</sup> August, 2012. In terms of section 260 of the Companies Act, 1956 and Article 121 of the Articles of Association of the Company, Shri. Gaurav P. Poddar, holds office up to the date of ensuing Annual General Meeting. The Company has received Notice from a member along with deposit of Rs.500/- signifying his intention to propose Shri. Gaurav P. Poddar as a Director of the Company. Accordingly, the resolution at item no. 13 of the notice is being proposed for his appointment as Director of the Company.

Shri. Gaurav P. Poddar is not disqualified from being appointed as Director in terms with section 274(1) (g) of the Companies Act, 1956. The Company has received requisite Form DD-A from Shri. Gaurav P. Poddar, in terms of Companies

(Disqualification of Directors under section 274(1)(g) of the Companies Act, 1956) Rules, 2003, confirming his eligibility for appointment.

The Board of Directors, subject to the approval of the members at the ensuing Annual General Meeting and subject to other approvals, consents and permissions, has also appointed Shri. Gaurav P. Poddar as Executive Director of the Company for a period of 5(five) years commencing from 1<sup>st</sup> August, 2012 on the terms, conditions and remuneration as mentioned in the resolution at item no. 14.

Information about the appointee as required under clause 49 of the Listing Agreement is given in Annexure hereto.

The above may also be treated as an abstract of the terms and conditions of appointment pursuant to section 302 of the Companies Act, 1956.

Shri. Ramesh D. Poddar, Chairman and Managing Director, Shri. Pawan D. Poddar, Joint Managing Director and Shri. Shrikishan D. Poddar, Executive Director being related to Shri. Gaurav P. Poddar and Shri Gaurav P. Poddar himself are deemed to be interested or concerned in the resolutions at items nos 13 & 14.

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

Your Directors recommend the resolutions at item nos 13 & 14 for approval of the members.

By Order of the Board  
(William Fernandes)  
Company Secretary

Place: Mumbai  
Date : 27<sup>th</sup> July, 2012.

**Annexure to Items 3, 4, 5, 6, 8, 13 and 14 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, 2012.
Shri Shailesh S. Vaidya Nil	03/11/1957	31/10/2005	B.Com, LLB	Legal	1. Dwarkesh Sugar Industries Ltd. 2. Prabhukripa Overseas Ltd. 3. Suashish Diamonds Ltd. 4. C. Mahendra Exports Ltd. 5. Welspun Investments & Commercials Ltd 6. Welspun Steel Ltd. 7. Allied Digital Services Ltd. 8. Orbit Corporation Ltd. 9. Avighna India Ltd. 10. Gold Crest Finance (India) Ltd. 11. Welspun Projects Ltd. 12. Apcotex Industries Ltd.
Shri. Brijmohan L. Sarda Nil	09/04/1949	23/06/2001	B.Com, FCA	Accounts, Finance and Taxation	N.A.
Shri. Pramod S. Jalan Nil	15/02/1954	30/01/2009	B.Com, FCA	Accounts and Finance	M/s. Basant Securities Ltd.
Pro.(Dr.) Mangesh D. Teli Nil	10/07/1952	08/06/2004	B.Sc.(H), B.Sc.(Tech) Ph. D. (Tech), FTA	Textile Chemical Processing	N.A.
Shri. Ashok M. Jalan 50 Equity Shares	02/10/1959	30/01/2007	B.Com	Administration, Commercial & Operation	N.A.
Shri. Gaurav P. Poddar 178500 Equity Shares	04/02/1985	01/08/2012	B. Sc., MBA	Sales and Marketing.	Beetee Textile Industries Ltd.

## DIRECTORS' REPORT:

To the Members,

Your Directors have pleasure in presenting the 34<sup>th</sup> Annual Report along with Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2012.

Financial Results:	₹ in Lacs	
	2011-12	2010-11
Net Turnover and other Income	<b>92655</b>	86844
Profit before Depreciation & Tax	<b>10352</b>	10377
Less: Depreciation	<b>2231</b>	2093
Profit before Tax	<b>8121</b>	8284
Less: Provision for Taxation		
Current Tax	<b>2550</b>	2660
Deferred Tax	<b>(102)</b>	(129)
	<b>2448</b>	2531
Profit after Tax	<b>5673</b>	5753
Add/(Less): Adjustments relating to earlier year	<b>(132)</b>	11
	<b>5541</b>	5764
Add: Surplus brought forward from previous year	<b>5186</b>	1185
Surplus available for appropriation	<b>10727</b>	6949
Less: Transfer to General Reserve	<b>1000</b>	1000
Proposed Dividend	<b>703</b>	656
Tax on Dividend	<b>114</b>	107
	<b>1817</b>	1763
Balance Carried Forward to Balance Sheet	<b>8910</b>	5186

## Operations:

During the year under review, the total Income of your Company was ₹92655 Lacs against ₹86844 Lacs in the previous year, registering a growth of 6.69 %. The net profit after tax was ₹5541 Lacs against ₹5764 Lacs in the previous year.

Your Company has been able to register growth in its turnover against a back drop of falling demand and difficult market conditions. Rising cost of raw material and interest rates put pressure on the profitability.

## Expansion:

Your Company's expansion project is progressing as envisaged. During the year your Company has installed 23 looms along with preparatory machines. The total expenditure incurred was ₹5208 Lacs which was financed by way of Term Loan under the TUF Scheme and internal accruals.

## Dividend:

Your Directors are pleased to recommend a Dividend of ₹7.50 per Equity Share (75%) for the year 2011-12, with a total payout of ₹816.93 Lacs including Tax on Dividend.

## Management Discussion and Analysis:

### Current Year Review

During the year under review, weak growth in several big emerging economies, volatility in raw material prices, continuing inflation and credit crisis within the domestic market collectively played havoc with the Indian Textile Industry. On one hand rising inflation and rising cost of living resulted in lowered demand while on the

other hand to check rising inflation regularly authorities tightened liquidity which increased interest cost this coupled with increase in other operating cost reduced margins. In spite of this your Company was able to achieve marginal growth, however there was a pressure on the profitability.

## Future Outlook

On the Global Economic front, the Factors that contributed to the gloom during the year under review does not seem to have withered away thus casting uncertainty for the year ahead. On the Domestic front, as inflation is unlikely to moderate substantially, expected upward revision of price of fuel items, electricity and coal is on the anvil and high interest rates are collectively expected to create a difficult business atmosphere. As for the Indian Textile Industry, with the expectation of good monsoon, stabilization of prices of raw material at acceptable levels, improvement in micro economic factors, growing middle class and young population and continued urbanization, gives us a glimpse of hope for a moderate growth in 2012-13.

Your Company being a major domestic player, with its well-established brands, resilient distribution network, dynamic marketing strategies and introduction of quality products, your Company expects to continue its good performance in the ensuing year.

## 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 follows fair employment practices and 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 Shailesh S. Vaidya, Shri. Brijmohan L. Sarda, Shri. Pramod S. Jalan and Prof.(Dr.) Mangesh D. Teli, 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. Ashok M. Jalan, as Senior President cum Director for a further period of 5 year from 30<sup>th</sup> January, 2012 to 29<sup>th</sup> January, 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 resolution.

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.

Shri. Ketan P. Gupte, resigned as Director from the Board of the Company and the same was accepted by the Board with effect from 23<sup>rd</sup> May, 2011. Your Directors place on record their appreciation of the services rendered by Shri. Ketan P. Gupte during his tenure as Director of the Company.

Shri. Dharaprasad R. Poddar, resigned as Director from the Board of the Company and the same was accepted by the Board with effect from 16<sup>th</sup> May, 2012. Your Directors place on record their appreciation of the guidance given and services rendered by Shri. Dharaprasad R. Poddar during his tenure as Director of the Company. The Board in recognition of his invaluable contribution to the Company's affairs over the last 2 decades has appointed Shri Dharaprasad R. Poddar as Chairman Emeritus with effect from 18<sup>th</sup> May, 2012.

**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, 2012.

**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 2012, 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 Annexure-I to this report.

**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 –II to this report.

**Auditors:**

The Auditors, M/s.Jayantilal Thakkar & Co., Chartered Accountants, Mumbai, retire at the conclusion of 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 Board Meeting held on 25<sup>th</sup> May, 2010 appointed M/s. Tholiya & Associates as the Cost Auditors for auditing the cost accounts of the Company for the financial year 2010-11. The due date for submission of the cost audit report was 27<sup>th</sup> September, 2011 and the actual date of submission of the report was 27<sup>th</sup> September, 2011.

**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

Dated : 18<sup>th</sup> May, 2012.



## ANNEXURE - I

Statement containing information as per Section 217 (2A) of the Companies Act 1956 and the Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors' Report for the year ended 31<sup>st</sup> March, 2012.

Sr. No	Name	Age	Designation	Remuneration Received (Gross) Rupees	Qualification & Experience	Date of Commencement of Employment	Last Employment held (Name of Employer, Post held & Period)
Employed throughout the year and were in receipt of remuneration in aggregate of not less than ₹ 5, 00,000/- p.a. or ₹60,00,000/- p. m.							
1.	Shri Ramesh. D. Poddar	60	Chairman & Managing Director	2,17,83,926	B.Sc. (39)	28.01.1985	----
2.	Shri Pawan D. Poddar	58	Joint Managing Director	1,98,51,132	B.Com (37)	01.08.2006	Balkrishna Industries Ltd. Jt. Mg. Director (6 yrs)
3.	Smt Vijaylaxmi A. Poddar	52	Executive Director	1,96,60,893	B.Com (25)	01.04.2000	Sagar Silk Industries Ltd. Executive Director (4 yrs)
4.	Shri Shrikishan D. Poddar	49	Executive Director	1,79,71,273	B.Com (30)	22.06.2001	Balkrishna Industries Ltd. Executive Director (11 yrs)

1. Shri Ramesh D. Poddar – Chairman and Managing Director, Shri Pawan D. Poddar, Jt Managing Director and Shri Shrikishan D. Poddar - Executive Director of the Company are related to each other.
2. Smt Vijaylaxmi A. Poddar – Executive Director and Shri Arvind M. Poddar – Director are related to each other.
3. Gross Remuneration includes Salary, Allowance, Perquisites, Company's contribution to Provident Fund, Superannuation Fund, Gratuity Fund, Commission, Provision for Gratuity and Leave Salary.

For and on behalf of the Board of Directors

Place : Mumbai  
Dated : 18<sup>th</sup> May, 2012

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

## ANNEXURE - II

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 by optimum utilization.
- (b) Improving power factor to near unity by automatic power factor control panel.
- (c) Reducing the overall energy consumption, by reducing losses by way of continuous measurement, control & sustain method and improvement of efficiency of all utilities.
- (d) By incorporating state of the art technologies like modern energy efficient equipments, switch gears and automation of control system.
- (e) Maintaining quality of power by stabilizers, spike suppressors, harmonic filters, load managers, productive and preventive maintenance systems and interal energy audits.

##### (ii) Fuel Oil Consumption:

- (a) By carrying out regular monitoring and maintenance of steam lines/steam traps/condensate recovery and user equipments to ensure low fuel consumption and high efficiency levels throughout the year. These actions are reviewed regularly and improved continually.
- (b) Additional investments and proposals for modern equipments/machineries are being considered and implemented for reduction in energy consumption, eco friendly emissions/discharges and improving the efficiency of the equipments.

(c) The Company is exploring various solutions and possibilities for energy conservation, mainly by way of replacement of existing equipments by modern energy efficient equipments and systems.

(d) Implementation of zero leakage concepts and recycling of waste water.

Particulars of energy consumption is given below in Form "A".

Form 'A'		
Particulars	Total For 11-12	Total for 10-11
<b>A. Power &amp; Fuel Consumption</b>		
1 Electricity		
a) Purchased (units)	28723062	26988739
Total Amount (₹)	129953274	105634274
Rate / unit	4.52	3.91
b) Own generation		
From Diesel Generators (units)	680171	894592
Diesel oil consumption (Ltrs )	204468	268108
Units per ltr of Diesel oil	3.33	3.34
Cost / unit (₹)	15.98	12.67
2 Coal / Pet Coke		
Quantity (Kgs)	1547135	1323955
Total Cost (₹)	13877191	11449989
Average rate per tonne	8970	6648
3 Furnace Oil / L.S.H.S.		
Quantity in Ltrs	114666	180697
Total Cost (₹)	5595249	7092589
Average rate ( in '000 ltrs)	48796	39251
Total Value	160291482	135507190
<b>B. Consumption per unit of Production</b>		
1 Electricity ( KWH)		
Cloth / Mtr	0.75	0.72
Yarn / kg	1.57	1.94
Garment / Nos.	0.40	0.50
2 Furnace oil / L.S.H.S		
Dyed Yarn / Kg	-	-
Garments / Nos.	0.04	0.07
3 Coal & Fuel Wood		
Dyed Yarn/Kg	0.44	0.39
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. 1. Research & Development (R & D):

- Develops new products, introduces new designs, setting new trends as per requirement of domestic and export market.
- Continuously working on improvement of quality, improvement in products and increasing value to the ultimate consumer. Research & Development department also brainstorm innovative ideas to make the product cost competitive and state of art.
- Expenditure on R & D.
 

Capital	–	Rs. Nil
Recurring	–	Rs. 249.35 Lacs
<b>Total</b>	–	<b>Rs. 249.35 Lacs</b>

2. Benefits derived from the results of the said R & D:

R & D activities resulted in introducing new designs, setting new trends, introducing fabrics in most competitive rates to remain fiercely competitive market.

II. Technology Absorption, adoption and innovation:

i) The Company has introduced various tools of management to improve various operations of manufacturing, warehousing, house-keeping, this is to reduce real time process, to reduce level of inventories, to optimize space requirement and to reduce manual handling of materials.

ii) Benefits derived from the results of the said efforts:

This has resulted in streamlining inventories and has helped in reducing handling and increasing efficiency..

**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 - ₹1667.80

Earned – ₹ 3638.88

For and on behalf of Board of Directors

**Ramesh D. Poddar**

Chairman and Managing Director

Place : Mumbai

Date : 18<sup>th</sup> May, 2012.

### 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 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.



## 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 the Company has an optimum combination of Executive, Non Executive and Independent Directors. The number of Non-Executive Directors (NEDs) is more than 50% of the total number of Directors. As the Company's Chairman is an Executive Director as well as a Promoter of the Company, the number of Independent Directors is one half of the total number of Directors.

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	4	Yes	2	-	-
Shri Ramesh D Poddar	Chairman & Managing Director	4	Yes	2	-	1
Shri Pawan D. Poddar	Joint Managing Director	2	Yes	-	-	-
Shri Shrikishan D Poddar	Executive Director	4	Yes	2	-	-
Smt. Vijaylaxmi A. Poddar	Executive Director	4	No	3	-	-
Shri Arvind M Poddar	Non-Executive & Non Independent Director	4	Yes	9	-	1
Shri. Brijmohan L. Sarda	Non-Executive & Independent Director	4	Yes	-	-	-
Shri Ketan. P. Gupte **	Non-Executive, & Independent Director	1	No	-	-	-
Prof. (Dr.) Mangesh. D. Teli	Non-Executive & Independent Director	4	Yes	-	-	-
Shri. Shailesh S. Vaidya	Non-Executive & Independent Director	4	No	12	-	-
Shri Ashok M. Jalan	Senior President cum Director	4	Yes	-	-	-
Shri Ashok N.Garodia	Non-Executive & Independent Director	2	No	1	-	-
Shri Dileep H. Shinde	Non-Executive & Independent Director	4	Yes	1	-	-
Shri Pramod S. Jalan	Non-Executive & Independent Director	2	No	1	-	-
Shri Harish N. Motiwalla ***	Non-Executive & Independent Director	4	No	6	2	2

\*Resigned w.e.f. 16<sup>th</sup> May, 2012. \*\*Resigned w.e.f. 23<sup>rd</sup> May, 2011. \*\*\*Appointed Director w.e.f. 21<sup>st</sup> May, 2011.

#### Board Meetings:

During the year, 4 (Four) Board Meetings were held on 21<sup>st</sup> May, 2011, 11<sup>th</sup> August, 2011, 22<sup>nd</sup> October, 2011 and 6<sup>th</sup> February, 2012. The Annual General Meeting was held on 6<sup>th</sup> August, 2011.

#### 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), at the Board Meetings, keeps the Board apprised of the overall performance of the Company.

### III. Audit Committee

#### Terms of Reference:

The broad terms of reference of the Audit Committee are to review reports of the Internal Auditors and discuss the same with them periodically, to meet Statutory Auditors to discuss their findings, suggestions and other related matters and to review weaknesses in internal controls reported by Internal and Statutory Auditors. 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.

**Audit Committee Composition:**

The Audit Committee consists wholly of Independent Directors having requisite knowledge of Finance, Accounts and Company Law. 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 21<sup>st</sup> May, 2011, 11<sup>th</sup> August, 2011, 22<sup>nd</sup> October, 2011 and 6<sup>th</sup> February, 2012.

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

Name of the Member	Designation	No. of meeting attended
Shri Brijmohan L. Sarda	Chairman	4
Shri Ketan. P. Gupte*	Member	1
Prof. (Dr.) Mangesh. D. Teli	Member	4
Shri. Harish N. Motiwalla**	Member	3

\* Resigned w.e.f. 23<sup>rd</sup> May, 2011. \*\* Appointed Director w.e.f. 21<sup>st</sup> May, 2011.

**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, sitting fees payable 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 twice on 21<sup>st</sup> May, 2011 and 27<sup>th</sup> January, 2012.

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

Name of the Member	Designation	No. of meeting attended
Shri Brijmohan L. Sarda	Chairman	2
Shri Ketan. P. Gupte*	Member	1
Prof. (Dr.) Mangesh. D. Teli	Member	2
Shri. Harish N. Motiwalla**	Member	1

\* Resigned w.e.f. 23<sup>rd</sup> May, 2011. \*\* Appointed Director w.e.f. 21<sup>st</sup> May, 2011.

**Details of Directors Remuneration \* for the year 2011-12 are given below:-**

(₹ in Lacs)

Name of Director	Salary & Other perquisites	Sitting fees	Commission	Total remuneration
Shri Dharaprasad R. Poddar	Nil	0.60	Nil	0.60
Shri Ramesh D. Poddar	91.84	Nil	126.00	217.84
Shri Pawan D. Poddar	81.51	Nil	117.00	198.51
Shri Shrikishan D. Poddar	71.71	Nil	108.00	179.71
Smt. Vijaylaxmi A. Poddar	79.61	Nil	117.00	196.61
Shri Arvind M. Poddar	Nil	1.03	Nil	1.03
Shri Brijmohan L. Sarda	Nil	1.25	Nil	1.25
Shri Ketan. P. Gupte	Nil	0.32	Nil	0.32
Prof.(Dr.) Mangesh. D. Teli	Nil	1.25	Nil	1.25
Shri Shailesh S. Vaidya	Nil	0.60	Nil	0.60
Shri Ashok M. Jalan	35.87	Nil	Nil	35.87
Shri Ashok N. Garodia	Nil	0.30	Nil	0.30
Shri Dileep H. Shinde	Nil	0.60	Nil	0.60
Shri Pramod S. Jalan	Nil	0.30	Nil	0.30
Shri. Harish N. Motiwalla	Nil	1.08	Nil	1.08
<b>Total</b>	<b>360.54</b>	<b>7.33</b>	<b>468.00</b>	<b>835.87</b>

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

## 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 21 times during the financial year ended 31<sup>st</sup> March, 2012.

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

Name of the Member	Designation	No. of Meetings attended
Shri Pawan D. Poddar	Chairman	21
Shri Ramesh D. Poddar	Member	19
Shri Arvind M. Poddar	Member	17
Shri Shrikishan D. Poddar	Member	19

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, 2012, 134 Shareholders' Complaints / Queries were received out of which 134 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
2008-2009	12 <sup>th</sup> Sept., 2009	11.00 a.m	Plot No.G-4/1(A), MIDC, Tarapur, Boisar, Dist. Thane-401506.
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.

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:

**2008-2009 :** Payment of remuneration to Shri. Pawan D. Poddar, Joint Managing Director during the remaining period of his tenure.

Appointment of Shri. Abhishek S. Poddar, as Executive being relative of a Director to hold an office or place of profit in the Company.

**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 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.

## 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.

## 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. 31.  
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.



## 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:	25 <sup>th</sup> August, 2012
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, 2012 to 31 <sup>st</sup> March, 2013.
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Results for the Quarter ending:

June 30, 2012	On or before 14 <sup>th</sup> August, 2012.
September 30, 2012	On or before 14 <sup>th</sup> November, 2012
December 31, 2012	On or before 14 <sup>th</sup> February, 2013
March 31, 2013	On or before 15 <sup>th</sup> May, 2013 (Unaudited) Or on or before 30 <sup>th</sup> May, 2013(Audited).

### 3. Date of Book Closure: Tuesday, 14<sup>th</sup> August, 2012 to Thursday, 16<sup>th</sup> August, 2012 (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.

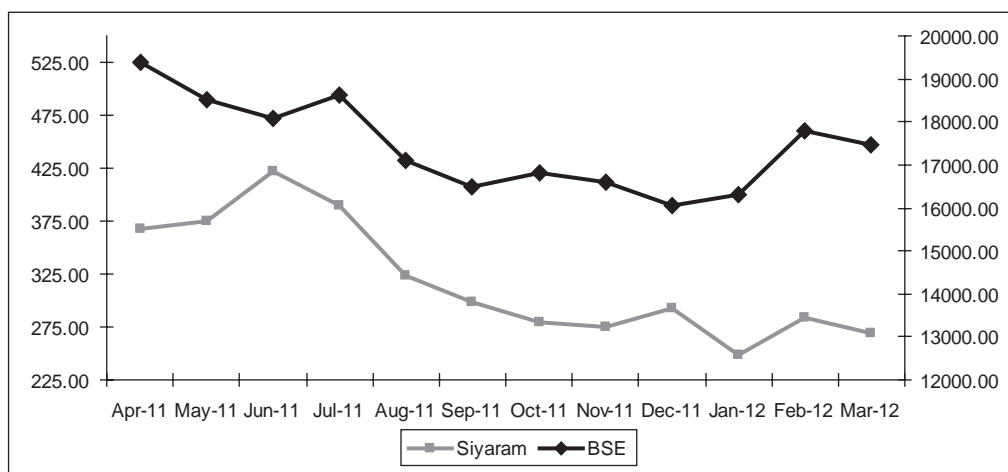
### 5. Stock Code/Symbol:

(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-2011	405.35	328.50	404.55	321.00
May-2011	395.00	355.00	394.50	355.00
June-2011	463.70	380.05	463.50	370.00
July-2011	422.90	356.00	424.00	357.55
Aug-2011	377.00	271.50	384.90	271.50
Sep-2011	331.70	265.00	331.00	263.00
Oct-2011	309.00	250.00	304.50	249.95
Nov-2011	317.75	233.35	318.80	232.15
Dec-2011	298.00	228.10	297.00	227.00
Jan-2012	273.40	223.70	274.00	234.15
Feb-2012	314.80	252.50	305.00	253.00
Mar-2012	285.00	252.50	295.00	252.60

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



### 8. Registrar and Transfer Agents:

**Name & Address :** TSR Darashaw Ltd.,  
 6-10, 1<sup>st</sup> Floor,  
 Haji Moosa Patrawala Industrial Estate,  
 20, Dr. E. Moses Road,  
 Mahalaxmi, Mumbai 400 011

**Telephone No. :** 91 (022) 66568484  
**Fax No. :** 91 (022) 66568494  
**E-mail :** [cs-g-unit@tsrdarashaw.com](mailto:cs-g-unit@tsrdarashaw.com)  
**Website :** [www.tsrdarashaw.com](http://www.tsrdarashaw.com)

### 9. Share Transfer System:

The shares received for transfers duly completed in all respect 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, 2012.

Sr. No.	No of shares	Holding	Amount (₹)	% to Capital	No of Holders	%to Total Holders
1	1 to 500	987795	9877950	10.54	8884	91.82
2	501 to 1000	334058	3340580	3.57	478	4.94
3	1001 to 2000	203711	2037110	2.17	140	1.45
4	2001 to 3000	123915	1239150	1.32	49	0.51
5	3001 to 4000	91194	911940	0.97	26	0.27
6	4001 to 5000	51220	512200	0.55	11	0.11
7	5001 to 10000	159445	1594450	1.70	22	0.23
8	10001 and above	7420710	74207100	79.18	65	0.67
<b>TOTAL</b>		<b>9372048</b>	<b>93720480</b>	<b>100.00</b>	<b>9675</b>	<b>100.00</b>

### 11. Shareholding pattern as on 31<sup>st</sup> March 2012.

Sr. No.	Category	No of shares held	Percentage of Shareholding
1.	Promoters	6284935	67.06
2.	Banks	1140	0.01
3.	FII/OCBs/Foreign Companies	7000	0.07
5.	Private Corporate Bodies	281231	3.00
6.	Mutual Funds/UTI	652103	6.96
7.	Non Residents Individuals	29625	0.32
8.	Indian Public	2116014	22.58
<b>Grand Total</b>		<b>9372048</b>	<b>100.00</b>

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

95.86% 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 31st March, 2012.

**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.		

**15. Address for Correspondence:**

**SIYARAM SILK MILLS LIMITED**

**Registered Office**

H-3/2, MIDC, A - Road, Tarapur, Boisar, Dist: Thane- 401 506, Maharashtra  
Tel: 02525 – 329910/11  
Fax : 02525 – 272475

**Corporate Office**

B-5, Trade World, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai- 400 013  
Tel: 022-3040 0500/501  
Fax : 022- 30400599  
Email : sharedept@siyaram.com

**REGISTRAR & SHARE TRANSFER AGENT**

**TSR Darashaw Ltd.**

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 : csg-unit@tsrdarashaw.com  
Website : www.tsrdarashaw.com

For and on behalf of the Board of Directors

**RAMESH D. PODDAR**

Chairman & Managing Director

Place : Mumbai,

Date : 18<sup>th</sup> May, 2012.

**Annexure – A**

**Declaration**

I, Ramesh D. Poddar, Chairman & 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, 2012.

For **SIYARAM SILK MILLS LIMITED**

**Ramesh D. Poddar**

Chairman & Managing Director

Place : Mumbai

Date : 18<sup>th</sup> May, 2012.



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

We, the undersigned certify that:

- (a) We have reviewed 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 appraised 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 & Managing Director

**Surendra S. Shetty**  
Chief Financial Officer

Place : Mumbai

Date : 18<sup>th</sup> May, 2012.

**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 2012, 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 abovementioned 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  
Membership No. 6205

Place : Mumbai,

Dated : 18<sup>th</sup> May, 2012.

## AUDITORS' REPORT

### TO THE SHAREHOLDERS OF SIYARAM SILK MILLS LIMITED

1. We have audited the attached Balance Sheet of **SIYARAM SILK MILLS LIMITED**, as at 31<sup>st</sup> March, 2012, the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (the Order) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, 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 purposes 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 & Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in Section 211 (3C) of the Companies Act, 1956.
  - e) On the basis of information and explanations given to us and written representations received from the Directors of the Company as at 31<sup>st</sup> March, 2012 and taken on record by the Board of Directors, we report that no Director is disqualified from being appointed as Director of the Company under clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
  - f) In our opinion, and to the best of our information and according to the explanations given to us, the said accounts, read together with the Accounting Policies and notes thereon, give the information required by the Companies Act, 1956, 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, 2012;
    - 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.

**For Jayantilal Thakkar & Co.**

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

**C. V. Thakker**  
*Partner*

Mumbai, 18<sup>th</sup> May, 2012.

*Membership No.006205*

### ANNEXURE TO THE AUDITORS' REPORT

(Referred to in Paragraph 3 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 five companies covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹ 945 Lakhs and the year-end balance of the said loans was ₹ 360 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) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 58A and 58AA or any other applicable provisions of the Companies Act, 1956 and the rules framed thereunder in respect of deposits accepted from the public. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any Tribunal.
- 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, 2012 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, 2012 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
Central Excise Act, 1944	Levy of Duty and Penalty	Commissioner Appeal	2003-04	2.72

Name of the Statute	Nature of Dues	Forum where dispute is pending	Period to which the amount relates	Amount ₹ in lacs
Sales Tax	Sales Tax (BST & CST)	Joint Commissioner of Sales Tax Appeals	2003-04	41.64
Sales Tax	Sales Tax (BST & CST)	Joint Commissioner of Sales Tax Appeals	2004-05	69.34
Income Tax	Income Tax	Commissioner Appeal	2008-09	69.93

- 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, prima facie, 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 have been noticed or reported during course of our audit.

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

**C. V. Thakker**  
Partner

Mumbai, 18<sup>th</sup> May, 2012

Membership No.006205

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2012**

	Note No.	As At 31.03.2012	₹ in Lacs As At 31.03.2011
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
a) Share capital	1	937.38	937.38
b) Reserves & Surplus	2	25,774.88	21,050.91
		<b>26,712.26</b>	<b>21,988.29</b>
<b>Non-current liabilities</b>			
a) Long-term borrowings	3	8,015.84	7,217.62
b) Deferred tax liabilities (Net)	4	1,598.94	1,700.47
c) Other Long term liabilities	5	2,332.03	1,895.88
d) Long-term provisions	6	336.64	275.92
		<b>12,283.45</b>	<b>11,089.89</b>
<b>Current liabilities</b>			
a) Short-term borrowings	7	13,468.85	17,230.43
b) Trade payables	8	10,112.88	9,225.17
c) Other current liabilities	9	3,815.52	3,422.42
d) Short-term provisions	10	6,168.95	3,891.02
		<b>33,566.20</b>	<b>33,769.04</b>
<b>TOTAL</b>		<b>72,561.91</b>	<b>66,847.22</b>
<b>II. ASSETS</b>			
<b>Non-current assets</b>			
a) Fixed assets			
(i) Tangible assets	11	22,953.43	23,023.46
(ii) Intangible assets	11	72.76	47.56
(iii) Capital work-in-progress	11	1,490.83	113.79
b) Non-current investments	12	21.27	11.69
c) Long-term loans and advances	13	1,961.43	2,107.68
		<b>26,499.72</b>	<b>25,304.18</b>
<b>Current assets</b>			
a) Current investments	12	275.71	1,800.24
b) Inventories	14	18,776.48	14,918.79
c) Trade receivables	15	18,983.26	19,535.53
d) Cash and bank balances	16	198.87	287.05
e) Short-term loans and advances	17	7,827.87	5,001.43
		<b>46,062.19</b>	<b>41,543.04</b>
<b>TOTAL</b>		<b>72,561.91</b>	<b>66,847.22</b>

**Significant Accounting Policies**

**Notes on Accounts**

1 to 36

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 & Managing Director  
Joint Managing Director

Mumbai, 18<sup>th</sup> May, 2012



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2012

	Note No.	Current Year	₹ in Lacs Previous Year
<b>I Income</b>			
Revenue from Operations	18	92,508.78	86,043.85
Less : Excise Duty		<u>954.72</u>	<u>89.33</u>
		91,554.06	85,954.52
<b>II Other Income</b>	19	<u>1,100.97</u>	<u>889.81</u>
Total Revenue		92,655.03	86,844.33
<b>III Expenses:</b>			
(a) Cost of materials consumed (Refer Note No.34 b)		37,000.57	37,765.57
(b) Purchases of Stock-in-Trade (Refer Note No. 34 a)		11,647.01	10,050.06
(c) Changes in inventories of finished goods, work in progress and stock in trade	20	(2,645.95)	(4,299.80)
(d) Employee benefits expense	21	6,281.85	4,671.83
(e) Finance costs	22	2,401.86	1,505.73
(f) Depreciation and Amortization expense	11	2,230.59	2,093.19
(g) Other expenses	23	<u>27,617.97</u>	<u>26,773.85</u>
Total expenses		84,533.90	78,560.43
<b>IV Profit before tax</b>		8,121.13	8,283.90
<b>V Tax expense:</b>			
(a) Current tax		2,550.00	2,660.00
(b) Deferred tax		<u>(101.53)</u>	<u>(128.67)</u>
		2,448.47	2,531.33
<b>VI Profit for the year</b>		<u>5,672.66</u>	<u>5,752.57</u>
<b>VII Basic &amp; diluted earning per share in (₹)</b>	24	59.12	61.51

## Significant Accounting Policies

## Notes on Accounts

1 to 36

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)  
PartnerW. V. Fernandes  
Company Secretary

For and on behalf of the Board

R. D. Poddar  
P. D. PoddarChairman & Managing Director  
Joint Managing DirectorMumbai, 18<sup>th</sup> May, 2012

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2012**

	2011-12	₹ in Lacs 2010-11
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax	8,121.13	8,283.90
Adjustments for :		
Depreciation & Amortisation of Expenses	2,230.59	2,093.19
Foreign Exchange (Gain)/Loss	(1.86)	13.06
(Profit)/Loss on Sale of Fixed Assets.	(0.31)	41.40
(Profit)/Loss on sale/redemption of investment	(180.12)	(0.57)
Finance cost	2,401.86	1,474.39
Bad Debt Written off	—	8.11
Interest Income	(723.32)	(644.89)
Dividend Income	(3.09)	(19.80)
Adjustments relating to earlier years	20.64	11.72
	<b>3,744.39</b>	<b>2,976.61</b>
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>11,865.52</b>	<b>11,260.51</b>
Adjustments for :		
Trade and Other Receivables	(39.11)	(7,091.78)
Inventories	(3,857.69)	(5,985.24)
Trade Payables	1,215.34	2,343.13
Income Tax paid (Net)	(3,096.67)	(2,847.13)
	<b>(5,778.13)</b>	<b>(13,581.02)</b>
<b>CASH GENERATED FROM OPERATIONS</b>	<b>6,087.39</b>	<b>(2,320.51)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payment towards capital expenditure	(3,303.66)	(6,959.98)
Sale of Fixed Assets	78.35	39.57
Sale of Investments	1,982.81	3,429.10
Purchase of Investments	(287.74)	(2,423.98)
Dividend Income	3.09	19.80
Interest Income	723.32	747.10
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(803.83)</b>	<b>(5,148.39)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Borrowings	3,608.80	11,790.22
Repayment of Borrowings	(6,015.95)	(2,286.57)
Exchange rate difference	1.86	(13.06)
Interest Paid	(2,212.45)	(1,382.37)
Dividend Paid	(652.01)	(557.16)
Tax on Dividend paid	(106.43)	(95.57)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(5,376.18)</b>	<b>7,455.49</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(92.62)</b>	<b>(13.41)</b>
<b>CASH AND CASH EQUIVALENTS - AT THE BEGINNING OF THE YEAR</b>	<b>253.12</b>	<b>266.53</b>
<b>CASH AND CASH EQUIVALENTS - AT THE END OF THE YEAR (Refer Note 16)</b>	<b>160.50</b>	<b>253.12</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, 18<sup>th</sup> May, 2012

W. V. Fernandes  
Company Secretary

For and on behalf of the Board

R. D. Poddar  
P. D. Poddar

Chairman & 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 :

- Fixed Assets are stated at cost net of Modvat/Cenvat, Government subsidy and Vat wherever applicable and less depreciation. Cost comprises of purchase price and attributable cost (including financing cost).
- 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 :

- Depreciation on fixed assets (other than leasehold land and except as stated in (iv) below) is provided for in accordance with Schedule XIV to the Companies Act, 1956 on the straight-line method.
- Depreciation at the rate of hundred percent has been provided on the assets costing not more than ₹ 5000/- in the year of addition.
- Premium on leasehold land is amortized over the residual period of the lease and proportionate amount of premium written off is being charged to Profit & Loss account.
- 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 DEPB Scheme/ Duty Drawback schemes has been recognised on the basis of entitlement and included in Sales.

### H Modvat / Cenvat :

Modvat / 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 Capital Reserve :

Special Capital Incentive in the nature of project capital subsidy is credited to Capital Reserve.

**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 profit and loss account. 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 profit and loss account.

**L Employee Benefits**

- i) Short-term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account 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 profit and loss account 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 profit and loss account.

**M Research and Development :**

Revenue expenditure on research and development is charged to Profit & Loss Account 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 Profit & Loss Account as incurred. Lease rentals of assets given under operating lease are credited to the Profit & Loss Account 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 profit and loss account of that period.



**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2012.**

	AS AT 31-03-2012	₹ in Lacs AS AT 31-03-2011
<b>1) SHARE CAPITAL :</b>		
<b>Authorised</b>		
i) 97,50,000 Equity Shares of ₹ 10/- each	<b>975.00</b>	975.00
ii) 25,000 11% Redeemable Cumulative preference Shares of ₹ 100/- each	<b>25.00</b>	25.00
	<b><u>1,000.00</u></b>	<b><u>1,000.00</u></b>
<b>Issued</b>		
93,74,016 (Previous year 93,74,016) Equity share of ₹ 10/- each.	<b>937.40</b>	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.	<b>937.20</b>	937.20
Add : Forfeited Equity shares (amount paid up)	<b>0.18</b>	0.18
	<b><u>937.38</u></b>	<b><u>937.38</u></b>

**Shareholders holding more than 5% shares in the Company:**

	<b>As at 31<sup>st</sup> March, 2012</b>		<b>As at 31<sup>st</sup> March, 2011</b>	
	<b>No. of Share</b>	<b>% of Holding</b>	<b>No. of Share</b>	<b>% of Holding</b>
ICICI Prudential	<b>5,95,884</b>	<b>6.36</b>	—	—
Vijaylaxmi A. Poddar	<b>6,11,539</b>	<b>6.53</b>	—	—
Rajeev A Poddar	<b>6,15,789</b>	<b>6.57</b>	—	—
GPP Enterprises LLP	<b>11,13,193</b>	<b>11.88</b>	11,13,193	11.88
RAP Enterprises LLP	<b>11,31,193</b>	<b>12.07</b>	11,31,193	12.07

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

	<b>As at 31<sup>st</sup> March, 2012</b>		<b>As at 31<sup>st</sup> March, 2011</b>	
	<b>No. of Shares</b>	<b>Amount</b>	<b>No. of Shares</b>	<b>Amount</b>
At the beginning of the period	<b>93,72,048</b>	<b>937.20</b>	93,72,048	937.20
Issued during the period	—	—	—	—
Outstanding at the end of the period	<b><u>93,72,048</u></b>	<b><u>937.20</u></b>	<b><u>93,72,048</u></b>	<b><u>937.20</u></b>

**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 :****a) Capital Reserve**

Special Capital Incentive

As per last Balance Sheet

**70.00**      70.00**b) Share Premium Account**

As per last Balance Sheet

**794.69**      794.69**c) General Reserve**

As per last Balance Sheet

**15,000.00**      14,000.00

Add : Transferred from Statement of Profit and Loss

**1,000.00**      1,000.00**16,000.00**      15,000.00**Carried over****16,864.69**      15,864.69

	AS AT 31-03-2012	₹ In Lacs AS AT 31-03-2011
<b>Brought over</b>	<b>16,864.69</b>	15,864.69
<b>d) Profit &amp; Loss Account</b>		
i) Profit & loss a/c Opening balance	5,186.22	1,184.40
Add: a) Net Profit after tax transferred from Statement of Profit & Loss	5,672.66	5,752.57
b) Excess Provision of Expenses Written Back	20.86	11.72
Less: a) Short Provision of Income Tax	(115.11)	—
b) Depreciation of Earlier years (Refer Note no. 11 ( c ))	(37.51)	—
Amount available for appropriation:	<u>10,727.12</u>	<u>6,948.69</u>
ii) Appropriation:		
a) Proposed dividend on Equity Shares	702.90	656.04
[(Dividend per share ₹ 7.5/- (Previous year ₹ 7/-)]		
b) Tax on Dividend	114.03	106.43
c) Transferred to General Reserve	<u>1,000.00</u>	<u>1,000.00</u>
	<u>1,816.93</u>	<u>1,762.47</u>
Surplus - Closing Balance	<u>8,910.19</u>	<u>5,186.22</u>
	<u><b>25,774.88</b></u>	<u><b>21,050.91</b></u>
<b>3) LONG TERM BORROWINGS</b>		
<b>Secured</b>		
a) Term Loans from Banks	7,851.60	7,040.60
b) From Govt. of Maharashtra (Interest free Sales Tax Loan)	<u>164.24</u>	<u>177.02</u>
	<u><b>8,015.84</b></u>	<u><b>7,217.62</b></u>
Note :i) Term loan of ₹ 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 ₹ 2,713.59 Lacs is secured by way of exclusive charge created/ to be created on the fixed assets procured from the said term loan and second charge over stock and book debts of the company.		
iii) Maturity profile of Secured Term Loan		
1-2 years      2-3 years      3-4 years      Beyond 4 Years		
4,189.52      2,423.03      280.00      959.05		
iv) Interest on above said term loan ranging between 12% to 13.25%.		
<b>4) DEFERRED TAX LIABILITIES (NET)</b>		
a) Deferred Tax Liabilities		
Difference between accounting and tax depreciation (Cumulative)	<u>1,813.49</u>	<u>1,873.36</u>
b) Deferred Tax Assets		
Provision for doubtful debts (to date)	<u>(33.05)</u>	<u>(33.76)</u>
Disallowances under section 43B for non payment of expenses	<u>(181.50)</u>	<u>(139.13)</u>
	<u>(214.55)</u>	<u>(172.89)</u>
Net Deferred Tax Liabilities (a-b)	<u><b>1,598.94</b></u>	<u><b>1,700.47</b></u>
<b>5) OTHER LONG TERM LIABILITIES (Unsecured)</b>		
a) Security Deposit from Dealers / others	<u><b>2,332.03</b></u>	<u><b>1,895.88</b></u>
<b>6) LONG TERM PROVISIONS</b>		
a) Provision for Employee benefits	<u><b>336.64</b></u>	<u><b>275.92</b></u>

	AS AT 31-03-2012	₹ In Lacs AS AT 31-03-2011
<b>7) SHORT-TERM BORROWINGS :</b>		
a) Working Capital Loans from Banks :- *		
<b>Secured</b>		
i) Cash Credit/ Demand Loans/ Short Term Loan	6,667.66	6,872.97
ii) Packing Credit	769.93	527.21
iii) Bills Discounting	31.26	126.25
	<u>7,468.85</u>	<u>7,526.43</u>
* Working Capital loans from Banks are secured by hypothecation of stocks, Book debts and second charge created or to be created over entire fixed assets of the Company.		
<b>Unsecured</b>		
i) Short Term Loans from Banks**	6,000.00	9,500.00
b) Others : Unsecured		
i) Fixed deposit	-	204.00
	<u>6,000.00</u>	<u>9,704.00</u>
	<u>13,468.85</u>	<u>17,230.43</u>
** Personally guaranteed by two directors.		
<b>8) TRADE PAYABLES :</b>		
a) Sundry Creditors - Micro, Small and Medium Enterprises @	13.57	97.60
b) - Others	10,099.31	9,127.57
	<u>10,112.88</u>	<u>9,225.17</u>
@ 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 is based on the information with the Company		
<b>9) OTHER CURRENT LIABILITIES :</b>		
a) Current Maturity of long term debt	2,254.37	2,134.31
b) Interest accrued and due on borrowings	110.52	75.52
c) Advance Received from Customer	235.59	47.59
d) Unpaid Dividend *	36.39	32.36
e) Unpaid matured deposits and interest accrued thereon	-	13.34
f) Trade payable for capital goods	161.98	111.52
g) Other payables		
i) Statutory Dues	372.69	320.49
ii) Employees Dues	639.22	644.18
iii) Others	4.76	43.11
	<u>1,016.67</u>	<u>1,007.78</u>
	<u>3,815.52</u>	<u>3,422.42</u>
* 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	90.54	57.67
b) Others		
i) Provision for Taxation	5,261.48	3,070.88
ii) Proposed Dividend	702.90	656.04
iii) Tax on dividend	114.03	106.43
	<u>6,168.95</u>	<u>3,891.02</u>

**11) FIXED ASSETS**

(₹ in Lacs)

Description	Gross Block (At cost)				Depreciation/ Amortisation				Net Block	
	AS AT	Additions	Sale/	AS AT	UP TO	Deduction	For the	UP TO	AS AT	AS AT
	01.04.11		Transfer	31.03.12	31.03.11		Year	31.03.12	31.03.12	31.03.11
<b>Tangible Assets :</b>										
<b>Own Assets :</b>										
Freehold Land	100.39	-	-	100.39	-	-	-	-	100.39	100.39
Leasehold Land	843.32	26.91	-	870.23	38.82	-	8.78	47.60	822.63	804.50
Building	13383.70	616.84	0.89	13999.65	1737.08	0.11	316.98	2053.95	11945.70	11646.62
Factory Road	55.76	-	-	55.76	12.22	-	1.49	13.71	42.05	43.54
Plant & Machinery	20187.81	1053.69	521.87	20719.63	11959.28	504.23	1502.40	12957.45	7762.18	8228.53
Electrical Installation	809.03	14.92	17.36	806.59	242.75	11.99	38.78	269.54	537.05	566.28
Furniture & Equipments \$	2247.23	419.96	100.72	2566.47	996.28	82.85	324.04	1237.47	1329.00	1250.95
Vehicles	553.03	116.16	86.86	582.33	170.38	50.48	48.00	167.90	414.43	382.65
<b>Total</b>	38180.27	2248.48	727.70	39701.05	15156.81	649.66	2240.47	16747.62	22953.43	23023.46
<b>Intangible Assets :</b>										
Computer Software	543.40	51.08	-	594.48	497.05	-	27.09	524.14	70.34	46.35
Trade Mark	1.75	1.75	-	3.50	0.54	-	0.54	1.08	2.42	1.21
<b>Total</b>	545.15	52.83	-	597.98	497.59	-	27.63	525.22	72.76	47.56
<b>Current Year Total</b>	<b>38725.42</b>	<b>2301.31</b>	<b>727.70</b>	<b>40299.03</b>	<b>15654.40</b>	<b>649.66</b>	<b>2268.10</b>	<b>17272.84</b>	<b>23026.19</b>	23071.02
Previous Year Total	33715.44	5232.72	222.74	38725.42	13702.98	141.77	2093.19	15654.40	23071.02	-
Capital Work in Progress									1490.83	113.79

Note: 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 ₹ 7,679.03 Lacs(Previous year ₹ 3,540.53 lacs).
- Addition to Plant & Machinery includes ₹ 55.45 Lacs on account of reversal of Cenvat credit and Depreciation includes ₹ 37.51 Lacs provided for earlier years in respect thereof.

\$ Includes Office Equipments

₹ In Lacs  
AS AT  
**31-03-2012** AS AT  
31-03-2011

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

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

a) Trade Investments : (unquoted)

i) 48 Shares of Art Silk Co-operative Ltd. of ₹ 100/- each fully paid	<b>0.05</b>	0.05
ii) 21,215 (Previous Year 11,642) Shares of Tarapur Environment Protection Society of ₹ 100/- each fully paid.	<b>21.22</b>	11.64
	<b>21.27</b>	11.69

**CURRENT INVESTMENTS :**

b) Other Investments (Quoted)

Redeemable Non Convertible Secured Debenture Series-435 issued by Citifinancial Consumer Finance (India) Ltd.	-	1,500.00
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c) In Units - Unquoted

i) Nil (Previous Year 25,00,867), Birla Sunlife Fixed Term plan Series CU - Growth	-	250.09
ii) Nil (Previous Year 5,01,145.132), Birla Sunlife Saving Fund - INSTL - Daily Dividend	-	50.15
iii) 2,55,230.149, Birla Sunlife Cash Plus-INST-Daily Dividend	<b>275.71</b>	-
	<b>275.71</b>	1,800.24
Aggregate cost of Quoted Investments	-	1,500.00
Aggregate cost of Unquoted Investments	<b>296.98</b>	311.93
Market value of Quoted Investments	-	1,500.00



	AS AT 31-03-2012	₹ In Lacs AS AT 31-03-2011
<b>13) Long - Term Loans and Advances (Unsecured, Considered Good) :</b>		
a) Capital Advances	1,329.29	1,662.18
b) Security Deposit	215.82	182.49
c) Loans & Advances given to Related Parties (Refer Note No. 31(d))*	100.00	100.00
d) Other Loans & Advances:		
i) Loans & advances to Employees	205.96	79.50
ii) Others	110.36	83.51
	<u>1,961.43</u>	<u>2,107.68</u>
 * Security Deposit given to M/s. Seeom Fabrics Ltd.	 100.00	 100.00
<b>14) INVENTORIES :</b>		
(At lower of cost and net realisable value)		
(As taken, valued and certified by the Management)		
a) Stores and Spares	1,218.33	946.26
b) Raw Materials	5,481.08	4,541.41
c) Finished Goods	7,270.60	4,394.51
(Includes in Transit ₹ 36.84 lacs (Previous year ₹ Nil))		
d) Stock - in - trade	2,215.72	1,950.42
e) Goods in Process	2,590.75	3,086.19
	<u>18,776.48</u>	<u>14,918.79</u>
<b>15) TRADE RECEIVABLES</b>		
a) Unsecured :		
Debts outstanding for a period exceeding six months:		
i) Considered goods	568.12	643.55
ii) Considered Doubtful	103.83	104.05
	<u>671.95</u>	<u>747.60</u>
b) Other Debts :		
Considered Goods	18,415.14	18,891.98
	<u>19,087.09</u>	<u>19,639.58</u>
Less : Provision for doubtful debts	<u>(103.83)</u>	<u>(104.05)</u>
	<u>18,983.26</u>	<u>19,535.53</u>
<b>16) CASH &amp; BANK BALANCES :</b>		
a) Cash and Cash equivalents		
Balances with Banks : -		
i) On Current accounts	143.96	239.24
ii) Cash Balance on hand	16.54	13.88
	<u>160.50</u>	<u>253.12</u>
b) Other bank balances :		
i) On Unpaid dividend account	36.39	32.36
ii) Fixed Deposit with Original maturity for more than 12 months (Pledged with Sales Tax Department)	1.98	1.57
	<u>38.37</u>	<u>33.93</u>
	<u>198.87</u>	<u>287.05</u>

	AS AT 31-03-2012	₹ In Lacs AS AT 31-03-2011
<b>17) SHORT TERM LOANS AND ADVANCES :</b>		
a) Unsecured, considered good :		
i) Loans & advances to Related Parties (Refer Note No. 31 (d)) \$	<b>360.00</b>	385.00
b) Others :		
i) Advances for supply of goods & services	<b>86.86</b>	46.86
ii) Withholding and other Taxes receivable	<b>6,403.48</b>	3,781.32
iii) Loans and advances to employees	<b>157.64</b>	199.17
iv) Balances with Customs, Port Trust & Excise	<b>74.86</b>	6.82
v) Others *	<b>745.03</b>	582.26
	<b>7,827.87</b>	5,001.43
* Includes primarily Deposits, Interest Receivable, prepaid expenses.		
\$ Inter Corporate Deposit given to related parties:		
Balkrishna Synthetics Ltd.	<b>155.00</b>	—
Beetee Textile Industries Ltd.	<b>50.00</b>	245.00
Oxemberg Fashions Ltd.	<b>75.00</b>	110.00
Secom Fabrics Ltd.	<b>80.00</b>	30.00
	<b>360.00</b>	385.00

	Current Year	₹ In Lacs Previous Year
<b>18) REVENUE FROM OPERATIONS</b>		
a) Sale of products (Refer note no. 34(c))	<b>1,10,670.04</b>	1,00,602.92
Less : Trade discount, Returns, Rebate etc.,	<b><u>19,660.54</u></b>	<u>15,782.05</u>
	<b>91,009.50</b>	84,820.87
b) Sale of Services (Job Charges Received)	<b>893.07</b>	748.14
c) Other operating revenues*	<b><u>606.21</u></b>	<u>474.84</u>
	<b>92,508.78</b>	86,043.85
Less : Excise Duty	<b><u>954.72</u></b>	<u>89.33</u>
	<b>91,554.06</b>	85,954.52

<b>19) OTHER INCOME :</b>		
a) Miscellaneous Income	<b>7.92</b>	39.11
b) Interest received	<b>703.32</b>	584.89
c) Interest received on Debentures (Current Investment)	<b>20.00</b>	60.00
d) Rent received	<b>133.68</b>	118.28
e) Profit on sale of Assets (Net)	<b>0.31</b>	—
f) Sundry credit balance written back (Net)	<b>50.67</b>	67.16
g) Exchange Rate Difference (Net)	<b>1.86</b>	—
h) Dividend from mutual fund investments (Current Investment)	<b>3.09</b>	19.80
i) Profit on sale/Redemption of Investments (Net) (Current Investment)	<b>180.12</b>	0.57
	<b>1,100.97</b>	889.81

	Current Year	₹ In Lacs Previous Year
<b>20) CHANGES IN INVENTORIES:</b>		
Opening Stock		
Goods - in - process	3,086.19	2,107.83
Finished Goods	4,394.51	2,317.29
Stock in Trade	1,950.42	706.20
	9,431.12	5,131.32
Less : Closing Stock		
Goods - in - process	2,590.75	3,086.19
Finished Goods	7,270.60	4,394.51
Stock in Trade	2,215.72	1,950.42
	12,077.07	9,431.12
	(2,645.95)	(4,299.80)
<b>21) EMPLOYEE BENEFITS EXPENSE</b>		
a) Salaries, Wages, Allowances and Bonus	5,535.36	4,141.02
b) Contribution to Provident, Gratuity and other funds	420.53	291.14
c) Staff Welfare Expenses	325.96	239.67
	6,281.85	4,671.83
<b>22) FINANCE COST :</b>		
a) Interest Expenses	2,395.89	1,474.39
Less: Interest Capitalized	41.80	—
	2,354.09	1,474.39
b) Other borrowing costs	47.77	31.34
	2,401.86	1,505.73
<b>23) OTHER EXPENSES</b>		
a) Consumption of Stores & Spare parts	1,173.29	923.74
b) Consumption of Packing Material	3,142.38	2,907.61
c) Processing & Labour Charges	10,458.69	10,648.45
d) Power & fuel	1,604.40	1,355.11
e) Water Charges	74.77	62.87
f) Excise Duty	54.33	51.84
g) Brokerage and commission	2,059.85	1,980.34
h) Discount	861.47	685.83
i) Rent	224.57	188.55
j) Rates & Taxes	102.57	55.52
k) Freight & forwarding Charges	661.96	629.02
l) Legal & professional Charges	199.42	205.32
m) Director Sitting Fees	7.33	7.85
n) Insurance	156.29	125.75
o) Sales promotion Expenses	1,333.34	918.06
p) Payment to Auditor (Refer Note no.29 (a))	31.84	28.43
q) Advertisement Expenses	2,261.84	2,428.19
r) Travelling & conveyance	915.67	713.24
s) Loss on sale of Assets (net)	—	41.40
t) Exchange rate Difference (Net)	—	13.06
u) Bad debt Written off	—	8.11
v) Miscellaneous Expenses	1,328.83	1,250.23
w) Repairs to		
i) Building	235.40	795.13
ii) Machineries	234.11	297.94
iii) Others	495.62	452.26
	965.13	1,545.33
	27,617.97	26,773.85

		₹ In Lacs	
		Current Year	Previous Year
<b>24) Earnings Per Share : ["EPS"] computed in accordance with Accounting Standard 20:</b>			
a) Net Profit after tax as per statement of profit & loss		5,672.66	5,752.57
Add/(Less) :			
i) Excess provision of expenses		20.86	11.72
ii) Short Provision of taxation		(115.11)	—
iii) Depreciation of earlier years		(37.51)	—
Net profit attributable to equity shareholders		5,540.90	5,764.29
b) The weighted average number of Equity Shares	Nos.	93,72,048	93,72,048
c) Face value per equity share	Rupees	10.00	10.00
d) Earnings per share Basic / Diluted	Rupees	59.12	61.51

**25) Contingent Liabilities & Commitments**

a) Contingent Liabilities :			
i) Guarantees given by the Company's bankers on behalf of the Company		728.47	696.13
ii) Disputed claims for excise and sales tax		128.86	128.86
iii) Custom Duty which may arise if obligation for export is not fulfilled.		63.00	75.00
iv) Income tax Demand, interest & penalty under dispute		69.93	415.19
b) Commitments :			
i) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advance)		5,148.41	553.72

**26)** The Excise Department has valued texturised and twisted yarn manufactured at Silvassa Unit on the higher side and raised additional demand of ₹ 203 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.

**27)** 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:

	₹ In Lacs	
Employer's contribution to Provident Fund	268.94	141.36
Employer's contribution to Superannuation Fund	46.63	40.19

**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.

**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	368.30	147.17	316.63	74.80
Current Service Cost	38.78	3.78	47.73	2.18
Interest Cost	30.38	12.14	25.34	5.98
Actuarial (gain)/loss	48.88	1.16	(6.83)	64.21
Benefits paid	(19.30)	-	(14.57)	—
Defined Benefit obligation at the year end.	467.04	164.25	368.30	147.17

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

Fair value of plan assets at beginning of the year	239.56	-	213.30	-
Expected return of plan assets	19.16	-	17.06	-
Actuarial gain/(loss)	5.35	-	3.78	-
Employer contribution	49.89	-	20.00	-
Benefits paid	(19.30)	-	(14.58)	-
Fair value of plan assets at the end of the year	294.66	-	239.56	-
Actual return on plan assets	24.51	-	20.83	-



	Current Year		₹ In Lacs Previous Year	
	Gratuity (Funded)	Leave encashment (unfunded)	Gratuity (Funded)	Leave encashment (unfunded)
<b>III) Reconciliation of fair value of assets and obligation</b>				
Fair value of plan assets as at 31st March, 2012.	294.66	NIL	239.56	NIL
Present value of obligation as at 31st March, 2012.	467.04	164.25	368.30	147.17
Amount recognized in Balance Sheet	172.38	164.25	128.74	147.17
<b>IV) Expense recognized during the year (Under the head "Payments to and Provision for Employees - Refer Schedule 'N')</b>				
Current Service Cost	38.78	3.78	47.73	2.18
Interest Cost	30.39	12.14	25.33	5.98
Expected return on plan assets	(19.16)	—	(17.06)	—
Actuarial (gain) / loss	43.53	1.16	(10.60)	64.21
Net cost	93.54	17.08	45.40	72.37
<b>V) Investment details</b>	% invested As at 31 <sup>st</sup> March, 2012		% invested As at 31 <sup>st</sup> March, 2011	
Insurance Policies (LIC)	100%		100%	
<b>VI) Actuarial assumptions</b>				
Mortality Table (LIC)				
Discount rate (per annum)	8.25%	8.75%	8.25%	8.25%
Expected rate of return on plan assets (per annum)	8.00%	—	8.00%	—
Rate of escalation in salary (per annum)	4.00%	4.00%	4.00%	4.00%
The estimates of rate of escalation in salary considered in actuarial valuation, taking into consideration the general trend in salary rise and inflation rates. 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 asset management.				

28) Prior period items included under respective accounts in the Profit and Loss Account ₹ 1.80 Lacs debit (12.47 Lacs debit).

	Current Year	₹ In Lacs Previous Year
<b>29) Payment to Auditors :</b>		
<b>a) Statutory Auditors</b>		
i) Statutory Audit Fees	14.00	13.00
ii) Taxation Matter	1.20	0.70
iii) Certification	6.58	3.46
iv) Tax Audit Fees	3.65	3.00
v) Fees for other Services	2.65	5.10
vi) Reimbursement of Expenses	3.76	3.17
	<u>31.84</u>	<u>28.43</u>
<b>b) Cost Auditors</b>		
i) Cost Audit Fees (Including Service Tax)	0.75	0.75
<b>30) Managerial Remuneration</b>		
a) Remuneration to Managing Directors, and Executive Directors under Section 198 of the Companies Act, 1956:		
i) Remuneration	643.64	642.09
ii) Contribution to Provident and Other Funds	45.36	45.36
iii) Perquisites	131.93	182.54
iv) Retirement benefits	7.61	41.88
	<u>828.54</u>	<u>911.87</u>
b) To Other Directors		
Meeting Fees	7.33	7.85
	<u>835.87</u>	<u>919.72</u>

**31) Related Party Disclosures :**

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) :

Mr. Dharaprasad R. Poddar- Chairman, Mr. Ramesh D. Poddar - Vice Chairman & Managing Director, Mr. Pawan D. Poddar - Jt. Managing Director, Mr. Shrikishan D. Poddar - Executive Director, Smt. Vijayalaxmi A Poddar -Executive Director, Shri Ashok Jalan - Sr.President cum Director, Shri Arvind Poddar- Director

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

Smt. Ashadevi R. Poddar, Smt. Vibha S. Poddar, Shri Gaurav Poddar, Shri Abhishek 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 (P) Ltd., Balgopal Holdings and Traders Ltd, Oxemberg Fashion 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 Inds. Ltd., Seem Fabrics Ltd., Image Commercial Pvt. Ltd., SPG Reality Pvt. Ltd.

**(d) Related Party Transactions**

(₹ in Lacs)

Nature of Transactions	YEAR 2011-12			YEAR 2010-11		
	Other related Parties	Key Management Personnel & Relatives	Total	Other related Parties	Key Management Personnel & Relatives	Total
Managerial Remuneration	-	828.54	828.54	-	911.87	911.87
Sitting fees	-	1.63	1.63	-	1.83	1.83
Purchase of Goods/Services	5,777.90	-	5,777.90	5,873.52	-	5,873.52
Purchase of Fixed Assets	463.71	-	463.71	-	-	-
Sale of Fixed Assets	51.38	-	51.38	-	-	-
Sales of Goods/materials	946.76	-	946.76	687.77	-	687.77
Recovery of Expenses	4.87	-	4.87	-	-	-
Rent / Property Tax Received	32.41	-	32.41	40.21	-	40.21
Rent Paid	51.55	-	51.55	47.25	-	47.25
Interest Paid.	16.00	-	16.00	-	-	-
Interest Received	76.25	-	76.25	53.80	-	53.80
Intercompany Deposits Given	760.00	-	760.00	100.00	-	100.00
Commission Paid	106.29	-	106.29	-	-	-
Security Deposit	-	-	-	100.00	-	100.00
Salary paid	-	14.63	14.63	-	20.15	20.15
Collateral Personal Guarantee	-	7,500.00	7,500.00	-	9,500.00	9,500.00
Reimbursement	1.94	-	1.94	-	-	-
<b>Balance as at :</b>						
Trade Receivable	187.58	-	187.58	88.06	-	88.06
Trade Payable	298.35	-	298.35	375.55	-	375.55
Intercompany Deposit Given	360.00	-	360.00	385	-	385.00
Security Deposit Given	100.00	-	100.00	100	-	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						

**32)** The activities of the Company relate to only one Segment i.e. Textiles.

**33)** Leases - Operating Leases.

- i) The Company has taken various residential / commercial premises under cancellable operating leases. These lease agreements are normally renewed on expiry.

- ii) During the year the Company has given on non-cancellable operating leases commercial premises, the cost of which ₹ 923.63 Lacs( Previous year ₹ 861.22 Lacs) and the accumulated depreciation of ₹ 348.80 Lacs (Previous year ₹ 255.46 lacs) are included under Fixed Assets Schedule.

The depreciation provided on the above Assets in the Profit and Loss Account for the year is ₹ 28.21 Lacs (Previous year ₹ 24.55 lacs).

The future minimum lease payments receivable in respect of aforesaid leases as at 31.03.2012 are as follows.

		(₹ In Lacs)
	Current Year	Previous Year
a) Not later than one year :	150.27	114.17
b) Later than one year and not later than Five years :	237.28	159.99
Total	<u>387.55</u>	<u>274.16</u>

- iii) The rental expenses recognised in Profit and Loss account for operating lease taken after 1st April,2001.

a) Minimum Rent	224.57	188.55
b) Contingent Rent	Nil	Nil

### 34) Other Information:-

		(Figures in Lacs)
<b>a) Finished Goods Purchased :</b>	Unit	
i) Cloth	Mtrs	86.13
	Rupees	11,418.80
ii) Others	Rupees	228.21
<b>b) Raw Materials consumed :</b>		
i) Yarn */ Fibre	Kgs	121.97
	Rupees	22,980.13
ii) Cloth *	Mtrs	33.20
	Rupees	3,730.84
iii) Grey Cloth	Mtrs	229.00
	Rupees	9,126.58
iv) Dyes & Chemical	Rupees	365.18
v) Accessories (Trims)	Rupees	797.84
* After adjusting cost of 1.38 Lac Kgs (2.47 Lac Kgs) of yarn, and nil Lacs Mtrs (0.51 Lac Mtrs) of cloth sold during the year, ₹ 137.81 Lacs (₹ 255.88 Lacs) and ₹ NIL Lacs (₹ 40.82 Lacs) respectively.		
<b>c) Sales (Net) :</b>		
i) Finish Cloth	Mtrs	656.26
	Rupees	74,874.31
ii) Readymade Garments	Nos	24.84
	Rupees	11,663.72
iii) Yarn *	Kgs	17.12
	Rupees	2,867.93
iv) Others	Rupees	2,148.10
* includes 1.38 Lac kgs. Of yarn (2.47 Lac kgs) purchased and sold during the year.		
<b>d) Opening Stock of Finished Goods :</b>		
i) Cloth	Mtrs	85.83
	Rupees	5,870.53
ii) Readymade Garments	Nos	2.60
	Rupees	302.64
iii) Yarn	Kgs	0.59
	Rupees	85.90
iv) Others	Rupees	85.86

	Unit	Current Year	(Figures in Lacs)	
			Previous Year	
<b>e) Closing Stock of Finished Goods :</b>				
i) Cloth	Mtrs	102.16	85.83	
	Rupees	8,516.86	5,870.53	
ii) Readymade Garments	Nos	3.55	2.60	
	Rupees	816.70	302.64	
iii) Yarn	Kgs	0.85	0.59	
	Rupees	120.13	85.90	
iv) Others	Rupees	32.63	85.86	
<b>f) Consumption of Raw Materials :</b>			(₹ In Lacs)	
		%		%
i) Imported	303.48	0.82	129.94	0.35
ii) Indigenous	36,697.09	99.18	37,635.63	99.65
	<u>37,000.57</u>	<u>100.00</u>	<u>37,765.57</u>	<u>100.00</u>
<b>g) Consumption of Stores &amp; Spares :</b>				
i) Imported	416.40	35.49	321.97	16.31
ii) Indigenous	756.89	64.51	601.77	83.69
	<u>1,173.29</u>	<u>100.00</u>	<u>923.74</u>	<u>100.00</u>
<b>h) C.I.F. Value of Imports :</b>				
i) Raw Materials	380.87		150.27	
ii) Stores & Spares	573.34		404.78	
iii) Capital Goods	459.32		423.48	
iv) Packing Materials	—		13.47	
<b>i) Expenditure in Foreign Currency :</b>				
i) Advertisement	7.15		9.79	
ii) Sales promotion	22.22		16.29	
iii) Travelling	63.24		37.16	
iv) Interest	31.65		20.22	
v) Commission	97.11		141.68	
vi) Others	32.90		29.82	
<b>j) Earnings in Foreign Currency :</b>				
i) FOB value of exports	3,613.33		4,074.16	
ii) Recovery towards freight and Insurance	25.55		33.01	
<b>k) Amounts remitted during the year in Foreign Currency on account of Dividend.</b>				
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 2010-11				
(103 Shareholder holding 45,363 Equity Shares)	3.18		-	
Dividend in respect of Year 2009-10				
(57 Shareholder holding 31,546 Equity Shares)	-		1.89	

35) Figures in brackets in these notes are in respect of previous year.

36) The previous years/periods figures have been regrouped to be in conformity with the revised schedule VI of the Companies Act, 1956.

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, 18<sup>th</sup> May, 2012

For and on behalf of the Board

W. V. Fernandes  
Company Secretary

R. D. Poddar  
P. D. Poddar

Chairman & 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 34<sup>th</sup> Annual General Meeting of the Company held on Saturday, the 25<sup>th</sup> day of August, 2012, 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 34<sup>th</sup> Annual General Meeting of the Company to be held on Saturday, the 25<sup>th</sup> day of August, 2012, at 11.00 a.m., at Plot No. G-4/1(A), MIDC, Tarapur, Boisar Dist. Thane 401 506.

Signed this ..... Day of.....2012.

- 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.

Signature-

Affix  
Re. 1.00  
Revenue  
Stamp





# FINANCIAL HIGHLIGHTS

(Figures in Lacs)

YEAR	2011-12	2010-11	2009-10	2008-09	2007-08
<b>PRODUCTION</b>					
Cloth ( Mtrs)	598	663	543	423	411
Yarn (Kgs.)	33	34	30	20	20
Garments (Nos.)	26	20	17	15	13
<b>GROSS SALES (Rs.)</b>					
Local	107572	98095	75693	60028	55096
Export	3643	3642	3930	4759	3872
Gross Profit	10,352	10,377	6919	3382	2880
Depreciation	2,231	2093	2019	1918	1655
Profit Before Tax	8,121	8,284	4900	1464	1225
Provision for Tax	2,448	2,531	1534	320	274
Net Profit	5,673	5,753	3366	1144	951
Dividend (%)	75	70	60	50	50
Net Worth per Share of Rs. 10/- each*	285	235	181	152	146
Earning Per Share	59	62	36	12	10
Net Cash Accrual	6985	6966	4761	2564	2209
Gross Block of Fixed Assets	41,790	38,725	33761	32688	30761

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

