



**BANNARI AMMAN**  
Spinning Mills Ltd.



*23<sup>rd</sup>*  
*Annual Report*  
*2013*

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## IMPORTANT COMMUNICATION

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by companies and has issued a circular clarifying that the companies would be in compliance of Section 219(1) of Companies Act 1956 in case copy of notice calling Annual General Meeting, Audited Financial Statements, Directors' Report, Auditors' Report etc is sent by electronic mail to its members. Hence, members who have not registered their e-mail addresses so far are requested to register their e-mail addresses with the depository through their Depository Participants to enable the company to send the notice calling Annual General Meeting, Audited Financial Statements, Directors' Report, Auditors' Report etc. through e-mail. Members who hold shares in physical form are requested to register their e-mail address with the Registrar and Share Transfer Agent viz. LINK INTIME INDIA PRIVATE LIMITED, COIMBATORE.

**BOARD OF DIRECTORS**

|                      |   |                              |
|----------------------|---|------------------------------|
| Sri S V Arumugam     | - | Chairman & Managing Director |
| Sri K N V Ramani     | - | Director                     |
| Sri C S K Prabhu     | - | Director                     |
| Dr K R Thillainathan | - | Director                     |
| Sri S Palaniswami    | - | Director                     |
| Sri K Sadhasivam     | - | Director                     |

**CHIEF EXECUTIVE OFFICER**

Sri A Senthil

**COMPANY SECRETARY**

Sri N Krishnaraj

**AUDITORS**

M/s P N Raghavendra Rao & Co  
Chartered Accountants  
Coimbatore - 641 009

**INTERNAL AUDITORS**

M/s Srivatsan & Gita  
Chartered Accountants  
Coimbatore - 641 018

**COST AUDITOR**

Sri M. Nagarajan  
Cost Accountant  
Coimbatore - 641 018

**REGISTERED OFFICE**

252, Mettupalayam Road  
Coimbatore - 641 043 Tamilnadu  
Ph No : 0422 - 2435555  
<http://www.bannarimills.com>

**BANKERS**

The Karur Vysya Bank Limited  
Corporation Bank  
ICICI Bank Limited  
Oriental Bank Of Commerce  
Indian Overseas Bank  
Bank Of Maharastra  
Indian Bank  
IDBI Bank  
Allahabad Bank



## **NOTICE TO SHAREHOLDERS**

NOTICE is hereby given that the 23<sup>rd</sup> Annual General Meeting of the Members of the Company will be held at Nani Kalai Arangam, Mani Higher Secondary School, Pappanaickenpalayam, Coimbatore – 641 037 on the Monday the 23<sup>rd</sup> day of September 2013 at 9.15 A.M to transact the business set out in the agenda given below:

You are requested to make it convenient to attend the Meeting.

### **AGENDA**

#### **ORDINARY BUSINESSES**

1. To receive and adopt the Balance Sheet as at 31st March, 2013 and the Statement of Profit and Loss for the year ended on that date together with the reports of the Directors' and the Auditors thereon.
2. To declare Dividend.
3. To appoint a Director in the place of Sri S Palaniswami, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in the place of Dr K R Thillainathan, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors and fix their remuneration.

#### **Notes :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies, in order to be effective, should be deposited with the Company, forty eight hours before the meeting.
3. The Register of Members and the Share Transfer Books of the Company will remain closed 17.9.2013 to 23.9.2013 (both days inclusive).
4. The dividend remaining unclaimed for a period of 7 years will be transferred to Investor Education and Protection Fund established under Section 205C of the Companies Act, 1956 on the respective due dates; upon such transfer, no claim shall lie against the company or the Central Government for such unclaimed dividend.
5. Members are requested to bring their copy of the Annual Report along with them to the meeting.

Coimbatore  
18<sup>th</sup> May, 2013

BY ORDER OF THE BOARD  
**N KRISHNARAJ**  
**Company Secretary**



## RE-APPOINTMENT OF DIRECTORS

A brief resume in respect of the proposed reappointment of Directors is given below in terms of Clause 49 of the Listing Agreement.

|  |   |  |
|--|---|--|
| Name   | : | <b>Sri S Palaniswami</b>   |
| Age  | : | 69 years   |
| Qualification  | : | B.E., Electrical Engineering   |
| Date of Appointment                                    | : | 26.5.2008  |
| Experience   | : | He has more than 33 years of experience in the field of Vertical Transportation Elevators, Escalators and allied products. |
| Other Directorships                                    | : | Shiva Taxyarn Limited  |
| Member of Committees                                   | : | Audit Committee - Member   |
| Member of Committees in other Public Limited Companies | : | <b>Shiva Taxyarn Limited</b><br>Audit Committee - Member<br>Remuneration Committee - Member                                |
| Number of Shares held in the Company                   | : | 172  |

|  |   |   |
|--|---|---|
| Name   | : | <b>Dr K R Thillainathan</b>                                     |
| Age  | : | 59 years  |
| Qualification  | : | M B B S   |
| Date of Appointment                                    | : | 26.5.2008   |
| Experience   | : | He has more than 33 years of experience in Medical Profession   |
| Other Directorships                                    | : | Shiva Taxyarn Limited   |
| Member of Committee                                    | : | Nil   |
| Member of Committees in other Public Limited Companies | : | <b>Shiva Taxyarn Limited</b><br>Remuneration Committee - Member |
| Number of Shares held in the Company                   | : | Nil   |

BY ORDER OF THE BOARD

**N KRISHNARAJ**

**Company Secretary**

Coimbatore

18<sup>th</sup> May, 2013



**DIRECTORS' REPORT**

Dear Members,

Your Directors have pleasure in presenting the 23<sup>rd</sup> Annual Report together with audited accounts of the Company for the year ended 31<sup>st</sup> March, 2013.

**FINANCIAL RESULTS :****(Rs in Lakhs)**

|  | <b>2012-2013</b>       | <b>2011-2012</b>      |
|--|------------------------|-----------------------|
| Profit before Depreciation                       | 7,648.08               | 326.47                |
| Less: Depreciation                               | 3,575.65               | 3,722.63              |
| Less : Taxes                                     | 1,340.61               | -1,758.55             |
| Less : Extra Ordinary Item (Net of Tax Expenses) | -                      | -                     |
| Profit after Tax                                 | 2,731.81               | -1,637.61             |
| Surplus brought forward from last year           | -611.25                | 1,026.36              |
| Amount available for appropriation               | <b><u>2,120.56</u></b> | <b><u>-611.25</u></b> |
| <b>Appropriations:</b>                           |                        |                       |
| Provision for Equity Dividend                    | 315.09                 | -                     |
| Provision for Tax on Dividend                    | 53.55                  | -                     |
| Transfer to General Reserve                      | 1,000.00               | -                     |
| Surplus carried over to Balance Sheet            | 751.92                 | -                     |
| Total  | <b><u>2,120.56</u></b> | <b><u>-</u></b>       |

**DIVIDEND**

Your Directors are glad to recommend payment of dividend of ₹ 2 per equity share of ₹ 10/- each to the equity shareholders (Last year Nil per share of ₹ 10/- each). The dividend is free from income tax in the hands of shareholders.

**REVIEW OF OPERATIONS****Spinning Division**

During the year under review, the Spinning Mills produced 17790.26 tonnes (14696.59 tonnes) inclusive of purchased quantity 226.97 tonnes (56.68 tonnes) of Yarn and sold 17286.64 tonnes (16136.67 tonnes) of Yarn. The sales include 9337.58 tonnes (8603.05 tonnes) by way of Export. The total sales of this division amounted to ₹ 40210.94 Lakhs ( ₹ 34489.74 Lakhs) of which export sales amounted to ₹ 20499.79 Lakhs ( ₹ 18382.30 Lakhs) constituting 50.98% (53.30%) of the total revenue.



### **Weaving Division**

The Weaving Division specializes in manufacturing wider-width cotton fabric. During the year under review, 61.28 Lakh metres (66.93 Lakh Metres) of Fabric were produced and 69.58 Lakh Metres (70.21 Lakh metres) of Fabric were sold.

### **Wind Mill Division**

The company has 4 windmills of 1250 KW each totaling 5MW in Radhapuram Taluk, Tirunelveli District, Tamilnadu, 25 Nos windmills, each of 800 KW capacity totaling 20 MW capacity in Dharapuram Taluk, Tirupur District and Palani Taluk, Dindigul District, Tamilnadu and 3 Windmills of 1650 KW each in Kongalnagaram, Udumalpet Taluk, Tirupur District, Tamilnadu. The total installed capacity of Windmills is 29.95 MW and the whole of the power generated is captively consumed by the Spinning Units. The windmills produced 618.25 Lakh units of wind energy as against 528.55 lakh units produced in the last year.

### **Processing and Technical Textiles Division**

During the year under review, 7.74 Lakh Metres (16.03 Lakh Metres) of Coated Fabric were produced and 8.81 Lakh metres (16.52 Lakh Metres) of Coated Fabric were sold. During the year under review 2.53 Lakh metres of Canvas were produced and 2.50 Lakh metres of Canvas were sold. The end products/applications of these fabrics include Home Textiles, upholstery, apparel fabric, performance and industrial fabric. During the year under review, 0.37 Lakh Metres (3.35 Lakh Metres) of Breathable water proof Fabric were produced and 0.74 Lakh metres (3.46 Lakh metres) were sold under the Brand name Quick dry.

### **Garment Division**

During the year under review, 5.32 lakh pieces of Garments were produced inclusive of purchased quantity 0.47 lakhs pieces and sold 5.14 lakh pieces. The total sales of this division amounts to ₹ 1934.63 lakhs of which export sales amounted to ₹ 1894.35 lakhs.

### **Prospects for the Current Year**

The revival of Dying units in Tirupur, Tamilnadu, improvements in Garments Export coupled with stability in cotton prices is expected to contribute favorably to the working results of the company. In the current year also the power supply situation in the state of Tamilnadu remains severely affected. However the company has identified alternate sources of power to overcome power shortage. Barring unforeseen circumstances the overall performance of the company expected to be satisfactory.

### **PUBLIC DEPOSITS**

During the year under review, the Company has not accepted any deposits from the Public.



## **DIRECTORS**

Sri S Palaniswami and Dr K R Thillainathan, Directors will retire by rotation at the ensuing annual general meeting and they are eligible for re-appointment.

Sri S K Sundararaman ceased to be a Director of the Company by resignation with effect from 31.5.2012. The Board wishes to place on record its appreciation for the valuable services rendered by Sri S K Sundararaman during his tenure of office as Director and Executive Director in the growth of the Company.

## **AUDIT COMMITTEE**

The Audit Committee comprises of

1. Sri C S K Prabhu - Chairman (Non- Executive Independent Director)
2. Sri K N V Ramani - Member (Non- Executive Independent Director) and
3. Sri S Palaniswami - Member (Non- Executive Independent Director)

## **PARTICULARS OF EMPLOYEES**

None of the Employee is drawing remuneration in excess of the limits specified under Section 217(2A) of the Companies Act, 1956. Hence the information required under section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 and forming part of the Director's report is not furnished.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The particulars required to be included in terms of Section 217(1) (e) of the Companies Act, 1956 with regard to conservation of energy, technology absorption, foreign exchange earnings and outgo are given in Annexure -I.

## **DIRECTOR'S RESPONSIBILITY STATEMENT**

As stipulated in Section 217 (2AA) of the Companies Act, 1956 your Directors confirm that:

- (i) Your Directors have followed the applicable accounting standards in the preparation of annual accounts;
- (ii) Your Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 2012-2013 and of the profit of the company for that period;
- (iii) Your Directors have taken proper and sufficient care for the 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; and

(iv) Your Directors have prepared the annual accounts on a going concern basis.

## **CORPORATE GOVERNANCE**

A separate section on Corporate Governance, Management Discussion and Analysis and a certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under clause 49 of the Listing Agreement form part of this Annual Report.

## **AUDITORS**

The present Auditors of the Company M/s P.N.Raghavendra Rao & Co, Chartered Accountants, Coimbatore, are retiring at the ensuing Annual General Meeting and are eligible for re-appointment.

## **COST AUDITOR**

Sri M Nagarajan, Cost Accountant, Coimbatore has been appointed as Cost Auditor to conduct Cost Audit of the Company for the financial year 2012 – 2013 with the approval of Central Government.

## **INDUSTRIAL RELATIONS**

The relationship with employees continued to remain cordial throughout the year under review.

## **ACKNOWLEDGEMENT**

Your Directors acknowledge with gratitude the timely assistance and help extended by the Bankers for having provided the required bank facilities. Your Directors wish to place on record their appreciation of the contributions made by the employees at all levels for the excellent performance of your company.

Coimbatore

18<sup>th</sup> May, 2013

BY ORDER OF THE BOARD

**S V ARUMUGAM**

**Chairman & Managing Director**



## ANNEXURE I

### Information pursuant to Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988

#### A. CONSERVATION OF ENERGY

Energy conservation continues to be the top priority of the Company and efforts are being made to benchmark it with global standards. Various studies are being conducted for reduction of consumption of energy on a continuous basis.

##### a. Energy Conservation Measures taken:

(i) Humidification plant fans blade angle optimized according to the outside climate conditions.

##### b. Additional Investments and Proposals, if any, being implemented for reduction of consumption of energy:

The Company has plans to install latest energy saving machineries for reduction of consumption of power in the process of production in the spinning units.

##### c. Impact of the measures (a) and (b) above for reduction of energy consumption and consequent impact on cost of production of goods:

The above measures already implemented have resulted in reduction of power consumption and consequent reduction in cost of production of finished goods.

#### FORM A-PARTICULARS WITH RESPECT OF ENERGY CONSERVATION

| PARTICULARS   | Current Year | Previous Year |
|---|--------------|---------------|
| <b>I. POWER AND FUEL CONSUMPTIONS</b>                 |              |               |
| 1. Electricity  |              |               |
| a) Purchased (includes power availed from Wind Mills) | 828.60       | 768.30        |
| Amount spent (₹ in Lakhs)                             | 5,825.30     | 3,605.47      |
| Rate per unit (₹)                                     | 7.03         | 4.69          |
| b) Own Generation                                     |              |               |
| i) Through Diesel Generator                           |              |               |
| Total Units produced (in Lakhs)                       | 56.55        | 40.25         |
| Units produced per litre of diesel (Units)            | 3.14         | 3.32          |
| Amount spent (₹ in lakhs)                             | 673.53       | 441.30        |
| Cost per unit (₹)                                     | 11.91        | 10.96         |
| ii) Through steam turbine/generator                   | Nil          | Nil           |



| PARTICULARS                                   | Current Year        | Previous Year        |
|---|---------------------|----------------------|
| 2. Coal                                       | Nil                 | Nil                  |
| 3. Furnace oil                                | Nil                 | Nil                  |
| 4. Others /Internal Generation                | Nil                 | Nil                  |
| <b>II. CONSUMPTION PER UNIT OF PRODUCTION</b> | <b>Current Year</b> | <b>Previous Year</b> |
| Product : COTTON YARN                         |                     |                      |
| Production in MT                              | 17,563.29           | 14,639.91            |
| Electricity consumed in units (in Lakhs)      | 799.30              | 739.02               |
| Electricity consumed per Kg of yarn (Units)   | 4.55                | 5.05                 |

#### B) TECHNOLOGY ABSORPTION RESEARCH AND DEVELOPMENT (R&D)

1. Specific areas in which R&D carried out by the Company : Nil
2. Benefits derived as a result of above R&D : Nil
3. Future Plan of Action : Nil
4. Expenditure on R&D : Nil
5. Technology absorption, adaptation and innovation : Nil
  - i) Efforts in brief, made towards technology absorption : Nil
 

Adaptation and innovation
  - ii) Benefits derived as a result of above effects : Nil
  - iii) Imported Technology : Nil

#### C) FOREIGN EXCHANGE EARNINGS AND OUTGO

- i) Total Foreign Exchange used Remittance in Foreign Currency on account of :
 

|                                      |                    |
|--------------------------------------|--------------------|
| Travelling                           | : ₹ 29,27,949/-    |
| Commission                           | : ₹ 1,81,70,417/-  |
| Interest                             | : ₹ 2,39,78,449/-  |
| Purchase of Spares and Capital Goods | : ₹ 11,74,87,120/- |
| Purchase of Raw Materials            | : ₹ 33,70,30,596/- |
- ii) Foreign Exchange earned : ₹ 2,32,30,60,012/-

Coimbatore  
18<sup>th</sup> May, 2013

BY ORDER OF THE BOARD  
**S V ARUMUGAM**  
Chairman & Managing Director



## REPORT ON CORPORATE GOVERNANCE

### COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on Corporate Governance envisages the attainment of high levels of transparency, accountability, fairness and equity in all facets of procedures and reporting systems.

Bannari Amman Spinning Mills Limited has adopted a Code of Conduct which lays down standards of values, ethics and business principles of management.

### BOARD OF DIRECTORS

The Board comprises of 7 Directors viz., 1 Executive Directors and 6 Non Executive Directors. 6 Directors are Independent Directors.

| NAME OF THE DIRECTOR     | CATEGORY                  | NUMBER OF DIRECTORSHIPS HELD IN OTHER COMPANIES* | NUMBER OF BOARD COMMITTEE MEMBERSHIP HELD IN OTHER COMPANIES** |        |
|--------------------------|---------------------------|--|--|--------|
|                          |                           |  | Chairman   | Member |
| 1. Sri S V Arumugam      | Executive                 | 7  | 1  | 2      |
| 2. Sri S K Sundararaman# | Executive                 | 3  | -  | 1      |
| 3. Sri V Venkata Reddy   | Non-Executive Independent | 2  | 2  | 1      |
| 4. Sri K N V Ramani      | Non-Executive Independent | 6  | 2  | 1      |
| 5. Sri C S K Prabhu      | Non-Executive Independent | 3  | 1  | 3      |
| 6. Dr K R Thillainathan  | Non-Executive Independent | 1  | -  | -      |
| 7. Sri S Palaniswami     | Non-Executive Independent | 1  | -  | 1      |
| 8. Sri K Sadhasivam      | Non-Executive Independent | -  | -  | -      |

# Resigned w.e.f. 31.5.2012

\* Excluding private companies which are not subsidiary of public limited companies.

\*\* Only Committees formed under Clause 49 of the Listing Agreement are considered.

### BOARD MEETINGS AND ANNUAL GENERAL MEETING

During the financial year, 4 Board Meetings were convened by giving advance notices to the Directors. The meetings were held on 30.5.2012, 13.8.2012, 9.11.2012 and 14.2.2013.

The Board is given all material information which are incorporated in the Agenda papers for facilitating meaningful and focused discussions at the meetings.



Details of attendance of each Director at the Board Meetings and at the last Annual General Meeting held on 24.9.2012 :

| NAME OF THE DIRECTOR    | NUMBER OF BOARD MEETINGS ATTENDED | LAST AGM ATTENDED YES / NO |
|-------------------------|-----------------------------------|----------------------------|
| 1. Sri S V Arumugam     | 4                                 | Yes                        |
| 2. Sri V Venkata Reddy  | -                                 | No                         |
| 3. Sri K N V Ramani     | 4                                 | Yes                        |
| 4. Sri C S K Prabhu     | 3                                 | Yes                        |
| 5. Dr K R Thillainathan | 2                                 | Yes                        |
| 6. Sri S Palaniswami    | 2                                 | Yes                        |
| 7. Sri K Sadhasivam     | 3                                 | Yes                        |

#### **AUDIT COMMITTEE**

The Audit Committee consists of Directors, of which 3 are independent.

- |                      |   |                        |
|----------------------|---|------------------------|
| 1. Sri C S K Prabhu  | - | Chairman - Independent |
| 2. Sri K N V Ramani  | - | Member - Independent   |
| 3. Sri S Palaniswami | - | Member - Independent   |

The terms of reference of the Audit Committee are as set out in Clause 49 of the Listing Agreement, which inter-alia includes the following:

- Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct and sufficient.
- Quarterly and Annual financial statements before submission to the Board for approval.
- Review with management, external and internal auditors the adequacy of internal control system, significant findings and follow-up thereon.
- Company's financial and risk management policies.
- Management discussion and analysis of financial condition and result of operations.

During the financial year, the Audit Committee met 4 times and the attendance of each member is furnished below:

| Name of the Member   | No of Meetings Attended |
|----------------------|-------------------------|
| 1. Sri C S K Prabhu  | 3                       |
| 2. Sri K N V Ramani  | 4                       |
| 3. Sri S Palaniswami | 3                       |



## REMUNERATION COMMITTEE

The Remuneration Committee consists of 3 Directors, all of whom are independent.

1. Sri K N V Ramani - Chairman
2. Sri C S K Prabhu - Member
3. Sri V Venkata Reddy - Member

The terms of reference specified by Board of Directors to the Remuneration Committee are as under:

- (a) Recommending remuneration payable to Managing Director and other Directors as and when necessity arises.
- (b) Reviewing sitting fees payable to Directors for attending Board Meetings, Committee Meetings etc.,

Remuneration paid to Managing Director and Executive Director are as follows :

| Name                              | Designation        | Remuneration Received<br>₹ |
|-----------------------------------|--------------------|----------------------------|
| Sri S V Arumugam                  | Managing Director  | 40,32,000                  |
| Sri S K Sundararaman <sup>#</sup> | Executive Director | 4,48,000                   |

<sup>#</sup> Resigned w.e.f. 31.5.2012

All the non - executive Directors are paid a sitting fee of ₹ 5,000/- for each Board Meeting attended by them. The Members of Audit Committee are paid a sitting fee of ₹ 5,000/- for each Committee Meeting attended by them.

## SHAREHOLDING OF NON-EXECUTIVE DIRECTORS AS ON 31.3.2013

| Name of the Director | No. of sharesheld |
|----------------------|-------------------|
| Sri V Venkata Reddy  | Nil               |
| Sri K N V Ramani     | Nil               |
| Sri C S K Prabhu     | Nil               |
| Dr K R Thillainathan | Nil               |
| Sri S Palaniswami    | 172               |
| Sri K Sadhasivam     | Nil               |





## INVESTOR'S GRIEVANCE COMMITTEE

The Investor's Grievance Committee was formed to specifically look into shareholders/investors complaints, if any, on transfer of shares, non-receipt of Balance Sheet, non-receipt of declared dividend, etc., and also the action taken by the Company on those matters.

The Investor's Grievance Committee consists of :

1. Sri C S K Prabhu - Chairman
2. Sri S V Arumugam - Member

Sri N Krishnaraj, Company Secretary is the compliance Officer.

The company has not received any complaints from the investors for redressal during the year and there was no complaint pending at the beginning of the year for redressal.

In terms of the Clause 5A of Listing Agreement entered into with Stock Exchange, the Company has opened Demat Suspense Account in the name "**Bannari Amman Spinning Mills Limited Unclaimed Shares Demat Suspense Account**" and transferred the shares which remains unclaimed and are lying in the escrow account out of the Initial Public Offer made by the Company.

| Unclaimed Shares                               | No. of share holders | No. of shares |
|--|----------------------|---------------|
| Outstanding at the beginning of the year       | 24                   | 1266          |
| Approached for transfer during the year        | Nil                  | Nil           |
| Transferred to the shareholder during the year | Nil                  | Nil           |
| Balance at the end of the year                 | 24                   | 1266          |

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

## CEO & CFO CERTIFICATION

The Managing Director and General Manager - Accounts (Head of finance function) have furnished a certificate relating to financial statements and internal controls and systems to the Board of Directors as prescribed under Clause 49 of the listing agreement and Board took the same on record.

## INSIDER TRADING

In compliance with SEBI Regulations in prevention of insider trading the company has framed a comprehensive Code of Conduct for its management staff. The Code lays down guidelines and procedures to be followed and disclosures to be made by the management staff while dealing with the shares of the company.

**GENERAL BODY MEETING**

Location and time where last three Annual General Meetings were held :

| AGM              | Date      | Venue   | Time     |
|------------------|-----------|---|----------|
| 20 <sup>th</sup> | 20.9.2010 | Nani Kalai Arangam, Mani Higher Secondary School, Pappanaickenpalayam, Coimbatore 641 037 | 10.15 AM |
| 21 <sup>st</sup> | 29.9.2011 | Nani Kalai Arangam, Mani Higher Secondary School, Pappanaickenpalayam, Coimbatore 641 037 | 10.00 AM |
| 22 <sup>nd</sup> | 24.9.2012 | Nani Kalai Arangam, Mani Higher Secondary School, Pappanaickenpalayam, Coimbatore 641 037 | 9.15 AM  |

**DISCLOSURES**

- i) None of the transactions with related parties during the year 2012-2013 were in conflict with the interest of the company.
- ii) There was no instance of non-compliance of any matter related to the capital markets during the last 3 years.

**MEANS OF COMMUNICATION**

- i) The quarterly/half-yearly/annual financial results of the Company are announced within the stipulated period and are normally published in English and Tamil newspapers.
- ii) The Management Discussion and Analysis forms part of the Annual Report, which is posted to the shareholders of the company.

**SHAREHOLDERS' INFORMATION****Annual General Meeting**

Day and Date : Monday and 23.9.2013  
Time : 9.15 A.M  
Venue : Nani Kalai Arangam  
Mani Higher Secondary School  
Pappanaickenpalayam,  
Coimbatore 641 037

**Financial Calendar**

Results Announced : 18.5.2013  
Posting of Annual Report : On or before 28.8.2013  
Last date of receipt of Proxy forms : 21.9.2013  
Dividend payment Date : on or before 1.10.2013



Announcement of quarterly Results : During first/second week of August and November 2013. February and May 2014 or as stipulated by SEBI from time to time.

**Date of Book Closure for the purpose of Annual General Meeting**

17.9.2013 to 23.9.2013 (both days inclusive)

**Share Price Movement**

The high and low quotations of the Company's shares on the National Stock Exchange of India Limited (Designated Stock Exchange) together with Nifty from April 2012 to March 2013 were:

| MONTH        | SHARE PRICE AT NSE |              | NIFTY - INDEX |         |
|--------------|--------------------|--------------|---------------|---------|
|              | High (₹. Ps.)      | Low (₹. Ps.) | High          | Low     |
| April 2012   | 60.50              | 52.10        | 5378.75       | 5154.30 |
| May          | 58.70              | 50.10        | 5279.60       | 4788.95 |
| June         | 61.00              | 46.00        | 5286.25       | 4770.35 |
| July         | 66.00              | 57.15        | 5348.55       | 5032.40 |
| August       | 87.70              | 58.40        | 5448.60       | 5164.65 |
| September    | 89.80              | 80.00        | 5735.15       | 5215.70 |
| October      | 91.45              | 82.25        | 5815.35       | 4888.20 |
| November     | 95.75              | 76.75        | 5885.25       | 5548.35 |
| December     | 95.55              | 76.00        | 5965.15       | 5823.15 |
| January 2013 | 125.95             | 95.00        | 6111.80       | 5935.20 |
| February     | 117.75             | 105.05       | 6052.95       | 5671.90 |
| March        | 112.70             | 108.00       | 5971.20       | 5604.85 |

Based on the closing quotation of ₹ 108.00 as at 31.3.2013 at NSE Mumbai, the market capitalization of the company was ₹ 170.15 Crores.

**SHARE DETAILS**

The Company's Equity Shares are listed on the following Stock Exchanges :

| Exchange                             | Stock Code | Exchange  | Stock Code |
|--------------------------------------|------------|---|------------|
| <b>Bombay Stock Exchange Limited</b> | 532674     | <b>National Stock Exchange of India Limited</b> | BASML      |
| Phiroze Jeejeebhoy Towers            |            | "Exchange Plaza"                                |            |
| Dalal Street, Mumbai 400 001         |            | Bandra-Kurla Complex                            |            |
|                                      |            | Bandra (E) Mumbai 400 051                       |            |



The company has paid Annual Listing Fees for the year 2013-2014.

### DEMATERIALISATION OF SHARES

The shares of the company are in compulsory demat segment. The company's shares are available for trading in the depository systems of both the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL). Members have option to hold their shares in demat form (i.e electronic mode) either through the NSDL or CDSL. ISIN allotted to our company is INE186H01014.

### SHARE TRANSFER AGENT

#### Link Intime India Private Limited

Suriya, 35, Mayflower Avenue, Behind Senthil Nagar  
Sowripalayam Road, Coimbatore - 641 028.

Phone : (0422) 2314792, 2315792

Fax : (0422) 2314792

E-mail : coimbatore@linkintime.co.in

Share Transfer documents, Non Receipt of share certificates sent for transfer, nomination forms and change of address may directly be sent to the above address.

### SHARE TRANSFER SYSTEM

The Share Transfers in physical form are registered and returned within 15 days from the date of receipt if the documents are in order. The share transfers are approved by the Share Transfer Committee who usually meet twice in a month, if needed.

### SHAREHOLDING PATTERN AS ON 31.3.2013

| Category                 | No of Shares Held  | Percentage of Shareholding |
|--------------------------|--------------------|----------------------------|
| Promoter's Holding       | 87,51,250          | 55.55                      |
| Banks/FIs/Mutual Funds   | 2,86,214           | 1.82                       |
| Private Corporate Bodies | 20,01,406          | 12.70                      |
| Indian Public            | 46,23,580          | 29.35                      |
| NRI/OCBs                 | 91,819             | 0.58                       |
| <b>Total</b>             | <b>1,57,54,269</b> | <b>100.00</b>              |

### PLANT LOCATIONS :

| Spinning Division   |  |
|---|--|
| NaduKandanur Pirivu, Morepatty Post<br>Vadamadurai, Dindigul 624 802. Tamilnadu | Velvarkottai, Dindigul Trichy National Highway 45<br>Vedasandur Taluk, Dindigul 624 803. Tamilnadu |



| Weaving Division  | Technical Textile Division  |
|---|---|
| Karanampet - Paruvai Road<br>Paruvai Post, Coimbatore - 641 658 | Kovai – Sathy Main Road, Kunnathur Village<br>Ganesapuram Post, S S Kulam (Via)<br>Coimbatore - 641 107 |

| Windmill Division   |  |
|---|--|
| Irukandurai & Dhanakarkulam Villages<br>Radhapuram Taluk<br>Tirunelveli District, Tamilnadu | Chinnapudur Village<br>Dharapuram Taluk<br>Erode District, Tamilnadu                   |
| Melkaraipatti & Kottathurai Villages<br>Palani Taluk Dindigul District<br>Tamilnadu         | Virugalpatti & Illuppanagaram Village<br>Udumelpet Taluk Tirupur District<br>Tamilnadu |

| Garments Division   |
|---|
| Palladam Hitech Weaving Park<br>Sukkampalayam Village<br>K N Puram (Po) Palladam- 641 662 |

| Address for Correspondence  |
|---|
| All investor related queries and complaints may be sent to the following address:<br>The Company Secretary<br>Bannari Amman Spinning Mills Limited<br>252, Mettupalayam Road, Coimbatore - 641 043<br>E-mail: shares@bannarimills.com |

Coimbatore  
18<sup>th</sup> May, 2013

BY ORDER OF THE BOARD  
**S V ARUMUGAM**  
Chairman & Managing Director



## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **COMPANY'S BUSINESS**

The Company's business is manufacture of Cotton yarn, woven and coated fabrics, Garments, Processing and wind power generation. The company has two modern spinning units near Dindigul, Tamilnadu with installed capacity of 1,44,240 spindles, Weaving unit near Palladam, Tamilnadu with installed capacity of 135 Looms, Processing & Technical Textiles near Annur, Tamilnadu with capacity to produce 24 Lakhs meters of coated fabric per annum and 32 windmills with installed capacity 29.95 MW of Power. The whole of the power produced by the wind mills is captively consumed by the spinning units.

### **INDUSTRY STRUCTURE AND DEVELOPMENTS**

Contribution of Indian Textile Industry is about 11 percent to industrial production, 14 per cent to the manufacturing sector, 4 percent to the GDP and 12 per cent to the country's total export earnings. It provides direct employment to over 35 million people, the second largest provider of employment after agriculture. Besides, another 54.85 million people are engaged in its allied activities.

Indian textile and clothing industry is the second largest producer of cotton and yarn in the world. The Indian textile industry is amongst the very few in the world that is truly vertically integrated from raw material to finished products (from fibre to retail). Indian textile industry has leveraged its strong manufacturing position to improve its export performance.

India is one of the largest exporters of readymade garments and made-ups to the World. India is considered as the second most preferred destination for major global retailers due to its strength of vertical and horizontal integration. India's position has improved from being the 9th largest exporter of textiles and clothing in 1999 to becoming the 5th largest exporter in 2008. India has emerged as an important sourcing base for leading brands. The strength of the country's products is reflected in the repeat orders from these brands / companies and increase in their outsourcing from India.

Overall demand outlook for the textile industry for the financial year 2013-14 is expected to remain stable; the commodity prices and exchange rates being key factors for the industry. However, with the US and EU accounting for more than 70% of Indian apparel exports, the concerns over the economic health of these countries continues to put pressure on the Indian apparel exporters in the medium term.

### **OPPORTUNITIES, RISKS AND CONCERNS**

The cotton economy has fallen into the spiraling price trap. Textile industry is worried about the shortage of cotton in the domestic market. With the decline in exports more than compensating the decline in production compared to last year, we should have a higher availability for domestic consumption this year. Market arrivals have tapering off and unless the quantities stuck with procurement agencies and traders are released the industry will face the kind of hardships that had led it to huge losses and debt restructuring in the recent past. The rising power cost, power shortage and higher interest rates have been areas of concern for the industry for quite some time.

The cotton industry is presently facing challenges like slow demand and a loss in margins, but a recovery is expected on account of falling cotton prices, though this could be negated by further volatility in input costs or forex movements.





The opportunities of this sector may creep up depending upon the recovery of the euro zone crises.

A supportive financial package with reduced interest costs may offer more stability to the industry in the present context.

The industry may show more positive growth in the scenario of removal of the uncertainties thrown up by frequent changes in cotton export policy.

### **SEGMENT-WISE AND PRODUCT-WISE PERFORMANCE**

The entire operations of the Company relate to only one segment viz Textiles therefore, segment/product-wise details are not applicable.

### **OUTLOOK**

With the optimum utilization of very modern machinery and the measures taken by the company overcome Power crisis, it is expected that the Company would be able to improve efficiency. The company has been taking steps to increase the export sales as well as up-country sales for improving the sales turnover.

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY.**

The Company has adequate system of internal controls to ensure that all the assets are safeguarded and are productive. Necessary checks and balances are in place to ensure that transactions are adequately authorized and reported correctly. The Internal Auditors of the Company conduct Audits of various departments to ensure that the necessary controls are in place. The Audit Committee of the Board reviews these and the Company, when needed, takes corrective actions

### **DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE.**

The year 2012-13 has been the good year for the spinning industry. The company has been able to increase its topline to Rs.559.72 Crores The detailed performance has already been discussed in the Directors Report.

### **HUMAN RESOURCES / INDUSTRIAL RELATIONS :**

Beyond Balance Sheet lies company's singly biggest Asset Human Resources. The Company is of firm belief that the Human Resources are the driving force that propels a company towards progress and success. The Company continued its policy of attracting and recruiting best available talent so that it can face business challenges ahead. The company also offers attractive compensation package to retain and motivate its professionals so that they can give their best.

Coimbatore

18<sup>th</sup> May, 2013

BY ORDER OF THE BOARD

**S V ARUMUGAM**

**Chairman & Managing Director**



## **DECLARATION ON CODE OF CONDUCT**

To  
The Members  
Bannari Amman Spinning Mills Limited

In compliance with the requirements of clause 49 of the listing agreement with the stock exchanges, I declare that the Board of Directors and members of senior management have affirmed the compliance with the code of conduct during the financial year ended 31.3.2013.

Coimbatore  
18<sup>th</sup> May, 2013

**S V ARUMUGAM**  
**Chairman & Managing Director**

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## **AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE :**

To  
The Members  
Bannari Amman Spinning Mills Limited

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

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance 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, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

Coimbatore  
18<sup>th</sup> May, 2013

For **P N RAGAVENDRA RAO & Co.**  
Chartered Accountants  
**P R VITTEL**  
Partner  
M.No.200/18111  
ICAI Firm Regn. No. 003328S



## **INDEPENDENT AUDITOR'S REPORT**

### **To the Members of Bannari Amman Spinning Mills Limited**

#### **Report on the Financial Statements**

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

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

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

#### **Auditor's Responsibility**

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

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

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

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the



financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- (b) In the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date, and
- (c) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

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

Coimbatore

18<sup>th</sup> May, 2013

For **P N RAGAVENDRA RAO & Co.**

Chartered Accountants

**P R VITTEL**

Partner

M.No.200/18111

ICAI Firm Regn. No. 003328S



## ANNEXURE TO AUDITOR'S REPORT

The Annexure referred to in our report to the members of M/s. Bannari Amman Spinning Mills Limited ("the Company") on the accounts of the company for the year ended 31st March, 2013.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.  
c) Fixed assets disposed off during the year were not substantial, and therefore, do not affect the going concern assumption.
2. a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.  
b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.  
c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of the order are not applicable to the Company.  
b) According to the information and explanations given to us and on the basis of our examination of the books of accounts, the Company has not taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Thus sub clauses (f) & (g) are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for 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 system of the company.
5. a) In our opinion and according to the information and explanations given to us, the particulars of all 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) In our opinion and according to the information and explanations furnished to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. The Company has not accepted any deposits from the public. Therefore the provisions of clause 4(vi) of the Companies (Auditor's Report) Order, 2003 are not applicable.
7. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
8. As per information & explanation given by the management, maintenance of cost records has been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
9. a) According to the records, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth tax, Service tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were outstanding as at 31st March, 2013 for a period of more than six months from the date they became payable.
- b) The disputed statutory dues aggregating to ₹ 204.04 Lakhs that have not been deposited on account of matters pending before appropriate authority are as under :

| <b>Name of the Statute</b> | <b>Nature of the Dues</b> | <b>Amount (₹. In Lakhs)</b> | <b>Period to which the amount relates</b> | <b>Forum where dispute is pending</b>            |
|----------------------------|---------------------------|-----------------------------|---|--|
| Central Excise Act, 1944   | Excise Duty               | 11.59                       | 7.12.2008 to 7.7.2009                     | CESTAT, Chennai                                  |
| Central Excise Act, 1944   | Excise Duty               | 55.73                       | 7.12.2008 to 6.7.2009                     | CESTAT, Chennai                                  |
| Central Excise Act, 1944   | Excise Duty               | 0.40                        | 1.4.2009 to 6.7.2009                      | CESTAT, Chennai                                  |
| Central Excise Act, 1944   | Excise Duty               | 0.93                        | 1.4.2009 to 6.7.2009                      | CESTAT, Chennai                                  |
| Central Excise Act, 1944   | Excise Duty               | 0.24                        | 14.9.2007 to 30.9.2011                    | Assistant Commissioner (Central Excise), Madurai |
| Central Excise Act, 1944   | Excise Duty               | 0.12                        | 14.9.2007 to 30.9.2011                    | Assistant Commissioner (Central Excise), Madurai |
| Central Excise Act, 1944   | Excise Duty               | 0.03                        | 1.10.2011 to 3.10.2012                    | Assistant Commissioner (Central Excise), Madurai |





| Name of the Statue          | Nature of the Dues    | Amount (Rs. In Lakhs) | Period to which the amount relates | Forum where dispute is pending |
|-----------------------------|-----------------------|-----------------------|------------------------------------|--------------------------------|
| Central Sales Tax Act, 1956 | Sales Tax and Penalty | 87.55                 | Assessment year 2009-10            | High Court of Madras, Chennai  |
| Central Sales Tax Act, 1956 | Sales Tax             | 46.60                 | Assessment year 2008-09            | High Court of Madras, Chennai  |
| Income Tax Act, 1961        | Income Tax            | 0.85                  | Assessment year 2010-11            | CIT (Appeals), Coimbatore      |

10. The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
11. In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of dues to financial institutions or banks.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund/nidhi/mutual benefit fund/society. Therefore, the provisions of clause (xiii) of paragraph 4 of the order are not applicable to the Company.
14. According to information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.
15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. In our opinion, the term loans have been applied for the purpose for which they have been raised.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that the no funds raised on short term basis have been used for long term investments.
18. According to the information and explanations given to us, 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.
19. The Company has not issued any debentures during the year.
20. The Company has not raised any money by way of public issue during the year.
21. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For **P N RAGAVENDRA RAO & Co.**  
Chartered Accountants

**P R VITEL**  
Partner

M.No.200/18111

ICAI Firm Regn. No. 003328S

Coimbatore

18<sup>th</sup> May, 2013


**BALANCE SHEET AS AT 31.3.2013**

| <b>PARTICULARS</b>                    | <b>Note No.</b> | <b>As at<br/>31.3.2013<br/>₹</b> | <b>As at<br/>31.3.2012<br/>₹</b> |
|---------------------------------------|-----------------|----------------------------------|----------------------------------|
| <b>I. EQUITY AND LIABILITIES :</b>    |                 |                                  |                                  |
| 1. SHAREHOLDERS' FUNDS                |                 |                                  |                                  |
| (a) Share Capital                     | 2               | 15,75,42,690                     | 15,75,42,690                     |
| (b) Reserves and Surplus              | 3               | 1,99,22,46,217                   | 1,75,59,28,401                   |
| 2. NON-CURRENT LIABILITIES            |                 |                                  |                                  |
| (a) Long Term Borrowings              | 4               | 2,48,39,35,527                   | 2,64,18,94,013                   |
| (b) Deferred Tax Liabilities (Net)    |                 | 52,40,70,553                     | 39,00,09,280                     |
| (c) Other Long Term Liabilities       | 5               | 1,08,87,307                      | 1,12,73,657                      |
| (d) Long Term Provisions              | 6               | -                                | 1,07,35,027                      |
| 3. CURRENT LIABILITIES                |                 |                                  |                                  |
| (a) Short Term Borrowings             | 7               | 66,32,09,584                     | 89,17,07,536                     |
| (b) Trade Payables                    | 8               | 32,82,04,067                     | 38,74,39,144                     |
| (c) Other Current Liabilities         | 9               | 73,25,81,192                     | 68,28,93,770                     |
| (d) Short Term Provisions             | 10              | 4,65,90,963                      | 48,68,318                        |
| <b>TOTAL</b>                          |                 | <b>6,93,92,68,100</b>            | <b>6,93,42,91,836</b>            |
| <b>II. ASSETS :</b>                   |                 |                                  |                                  |
| 1. NON-CURRENT ASSETS                 |                 |                                  |                                  |
| (a) Fixed Assets                      | 11              |                                  |                                  |
| (i) Tangible Assets                   |                 | 4,42,28,41,915                   | 4,63,78,92,267                   |
| (ii) Capital Works in Progress        |                 | 6,96,33,820                      | 1,51,79,084                      |
| (iii) Foreign Currency Monetary Items |                 |                                  |                                  |
| Translation Reserve A/c               |                 | 3,20,83,109                      | 5,04,71,034                      |
| (b) Non Current Investments           | 12              | 22,66,70,336                     | 17,49,26,335                     |
| (c) Long Term Loans and Advances      | 13              | 35,45,15,803                     | 35,85,27,673                     |
| (d) Other Non Current Assets          | 14              | 2,64,91,545                      | 3,34,06,934                      |
| 2. CURRENT ASSETS                     |                 |                                  |                                  |
| (a) Inventories                       | 15              | 90,85,00,728                     | 99,22,61,294                     |
| (b) Trade Receivables                 | 16              | 44,64,36,108                     | 32,61,79,382                     |
| (c) Cash and Bank Balances            | 17              | 21,89,88,198                     | 12,47,04,295                     |
| (d) Short Term Loans and Advances     | 18              | 18,48,71,526                     | 14,17,95,384                     |
| (e) Other Current Assets              | 19              | 4,82,35,012                      | 7,89,48,154                      |
| <b>TOTAL</b>                          |                 | <b>6,93,92,68,100</b>            | <b>6,93,42,91,836</b>            |

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

As per our report of even date attached

For **P N RAGHAVENDRA RAO & CO**  
Chartered Accountants

**P R VITTEL**

Partner

Membership No. 200/18111

ICAI Firm Regn. No: 003328S

Coimbatore

18<sup>th</sup> May, 2013

**S V ARUMUGAM**

Chairman & Managing Director

**K SADHASIVAM**

Director

**N KRISHNARAJ**

Company Secretary



**STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.3.2013**

| <b>PARTICULARS</b>  | <b>Note No.</b> | <b>Year Ended 31.3.2013<br/>₹</b> |                | <b>Year Ended 31.3.2012<br/>₹</b> |
|---|-----------------|-----------------------------------|----------------|-----------------------------------|
| 1. Revenue from operations  | 20              | 5,59,71,50,492                    |                | 4,59,72,50,658                    |
| 2. Other income   | 21              | 1,09,24,085                       |                | 2,25,76,824                       |
| 3. <b>Total revenue</b>   |                 | <b>5,60,80,74,576</b>             |                | <b>4,61,98,27,482</b>             |
| 4. Expenses   |                 |                                   |                |                                   |
| (a) Cost of materials consumed  | 22              | 3,19,74,66,719                    |                | 3,17,98,20,225                    |
| (b) Purchases of stock-in-trade   | 23              | 6,57,39,511                       |                | 1,00,07,179                       |
| (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | 24              | 10,42,71,240                      |                | 23,11,54,176                      |
| (d) Employee benefits expenses  | 25              | 25,68,68,080                      |                | 1,897,11,277                      |
| (e) Finance costs   | 26              | 38,04,80,996                      |                | 3,263,83,489                      |
| (f) Depreciation and amortisation expenses  |                 | 35,75,65,043                      |                | 3,722,62,517                      |
| (g) Other expenses  | 27              | 83,84,40,493                      |                | 6,501,04,736                      |
| <b>Total expenses</b>   |                 | <b>5,20,08,32,081</b>             |                | <b>4,95,94,43,599</b>             |
| 5. Profit / (Loss) before exceptional and extraordinary items and tax             |                 | 40,72,42,495                      |                | (33,96,16,117)                    |
| 6. Profit / (Loss) before extraordinary items and tax                             |                 | 40,72,42,495                      |                | (33,96,16,117)                    |
| 7. Profit / (Loss) before tax   |                 | <b>40,72,42,495</b>               |                | <b>(33,96,16,117)</b>             |
| 8. Tax expense :  |                 |                                   |                |                                   |
| (a) Current tax expense for current year  | 8,14,80,060     | -                                 | -              | -                                 |
| (b) (Less): MAT credit  | 8,14,80,060     | -                                 | -              | -                                 |
| (c) Current tax expense relating to prior year                                    |                 | -                                 | 9,33,550       | -                                 |
| (d) Deferred tax  |                 | 13,40,61,266                      | (17,67,88,553) | (17,58,55,003)                    |
| 9. <b>Profit / (Loss) for the year</b>  |                 | <b>27,31,81,229</b>               |                | <b>(16,37,61,114)</b>             |
| 10. Earnings per share (of ₹ 10/- each):  |                 |                                   |                |                                   |
| (a) Basic (i) Continuing operations   |                 | 17.34                             |                | (10.39)                           |
| (ii) Total operations   |                 | 17.34                             |                | (10.39)                           |
| (b) Diluted (i) Continuing operations   |                 | 17.34                             |                | (10.39)                           |
| (ii) Total operations   |                 | 17.34                             |                | (10.39)                           |
| Earnings per share (excluding extraordinary items) (of ₹ 10/- each):              |                 |                                   |                |                                   |
| (a) Basic (i) Continuing operations   |                 | 17.34                             |                | (10.39)                           |
| (ii) Total operations   |                 | 17.34                             |                | (10.39)                           |
| (b) Diluted (i) Continuing operations   |                 | 17.34                             |                | (10.39)                           |
| (ii) Total operations   |                 | 17.34                             |                | (10.39)                           |

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

As per our report of even date attached

For **P N RAGHAVENDRA RAO & CO**  
Chartered Accountants

**P R VITTEL**

Partner

Membership No. 200/18111

ICAI Firm Regn. No: 003328S

Coimbatore

18<sup>th</sup> May, 2013

**S V ARUMUGAM**

Chairman & Managing Director

**K SADHASIVAM**

Director

**N KRISHNARAJ**

Company Secretary



## **1. Notes to Financial Statements for the year ended 31<sup>st</sup> March 2013**

### **NOTE - 1**

#### **Significant accounting policies**

- i. The accompanying Financial Statements have been prepared on a going concern basis under the historical cost convention on accrual basis of accounting in conformity with Generally Accepted Accounting Principles in India ("Indian GAAP") to comply with Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of Companies Act, 1956.
- ii. Investments: Investments are carried individually at cost and are treated as long-term investments. The diminution in the market value of investment is recognized when diminution is considered permanent.
- iii. Valuation of Inventory.
  - Raw materials and stores & spares: At cost determined on First in First out basis or net realizable value, whichever is lower.
  - Finished goods and by products: At cost or net realizable value, whichever is lower. The cost has been measured on the weighted average cost basis and includes cost of purchase, cost of conversion and other costs incurred in bringing the inventory to their present location and condition.
  - Stock in Process : At estimated weighted average cost basis.
- iv. The Fixed Assets are carried at historical cost less accumulated depreciation. Cost includes related taxes, duties, freight, insurance etc., attributable to acquisition and installation of assets and borrowing cost incurred up to the date of commencing operations, but excludes duties and taxes that are recoverable from taxing authorities. The fixed assets shown in the books are not revalued.
- v. The Company has provided depreciation on straight-line basis in respect of fixed assets other than Windmill Units at the rates prescribed in Schedule XIV to the Companies Act, 1956. In respect of Windmill assets, the depreciation has been provided on written down value basis at the rates prescribed in Schedule XIV to the Companies Act, 1956.

For assets costing Rs.5000/- or less, 100% depreciation has been charged in the year of purchase of such assets. For other assets acquired during the year pro-rata charge has been made from the date of first use. In the year of disposal of assets, depreciation is charged up to the date of disposal.
- vi. The Foreign Currency transactions are recorded at the exchange rate prevailing on the date of the transaction. Foreign currency monetary items as at the Balance Sheet date are reported at the closing rate or at the rate at which it is likely to be realized from or required to be disbursed. Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognized as income or expense in the Statement of Profit and Loss.
- vii. The exchange differences on restatement / settlement of long term foreign currency loans are accumulated in a "Foreign currency translation reserve" until repayment of the loan. "Foreign Currency Monetary item Translation difference Account" has been amortized as per notification G.S.R.225(E) of the Ministry of Corporate Affairs, Government Of India dated 31.3.2009 as amended by notification G.S.R.913(E) dated 29.12.2011.
- viii. The Company has opted for Life Insurance Corporation Employees Group Gratuity Scheme to



cover its gratuity liability. Contribution paid/payable by the company to LIC of India is charged to revenue on the basis of actuarial valuation towards demand worked out by LIC.

Provident fund/pension fund and gratuity liability are Defined Contribution Schemes and contributions are charged to Profit and Loss Account of the year in which the contribution to the respective funds are due.

Short term employee benefits including compensated absences are provided for based on the expected obligation on an undiscounted basis as per Accounting Standard 15 (Revised).

- ix. Borrowing costs attributable to the acquisition, construction and installation of qualifying capital assets are capitalized till the period before they are put into use.
- x. The carrying value of assets at each balance sheet date is reviewed for impairment. If any indication of impairment exists the recoverable amount of such assets is estimated and appropriate provision is recognized in the accounts.
- xi. Current tax is determined at the current rates of income tax on taxable income and tax credits are computed in accordance with the provisions of the Income Tax Act, 1961.
- xii. Deferred tax is recognized on timing difference between the accounting income and the taxable income for the year and quantified using the rates and tax laws that prevail as at the balance sheet date. The deferred tax assets are recognized and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.
- xiii. Government grants have been recognized based on the reasonable assurance that the Company will comply with the conditions attached to the grants and the grants will be received. Government grants relating to borrowing cost have been reduced from the borrowing cost thereby reducing the cost of the asset. Government grants relating to periods after the acquisition, construction and installation of qualifying assets are in the nature of revenue grants and have been recognized on a systematic basis in the profit and loss account. Export benefits are accounted for in the year of exports based on the eligibility and there is no uncertainty in receiving the same.
- xiv. The Company has operated only one business segment which is textile segment and hence segment report is not furnished.
- xv. Provisions, Contingent liabilities and Contingent Assets: Provision is recognized only when there is a present obligation as a result of past event and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are shown by way of notes attached to and forming part of the Balance Sheet. Contingent Assets are neither recognized nor disclosed in the financial statements.
- xvi. Assets taken on lease by the Company in its capacity as lessee where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalized at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.
- xvii. Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. The lease rentals paid under such agreements are accounted in the profit and loss account.



| PARTICULARS   | As at<br>31.3.2013<br>₹ |  | As at<br>31.3.2012<br>₹ |
|---|-------------------------|--|-------------------------|
| <b>2. Share Capital</b>   |                         |  |                         |
| <b>a. AUTHORISED</b>  |                         |  |                         |
| 160,00,000 (PY 160,00,000) Equity Shares of ₹.10/- each         | 16,00,00,000            |  | 16,00,00,000            |
| 50,000 (PY 50,000) Cumulative preference Shares of ₹.100/- each | 50,00,000               |  | 50,00,000               |
| <b>Total</b>  | <b>16,50,00,000</b>     |  | <b>16,50,00,000</b>     |
| <b>ISSUED , SUBSCRIBED AND FULLY PAID UP</b>                    |                         |  |                         |
| 1,57,54,269 (PY 1,57,54,269) Equity Shares of ₹.10/- each       | 15,75,42,690            |  | 15,75,42,690            |
| <b>Total</b>  | <b>15,75,42,690</b>     |  | <b>15,75,42,690</b>     |

**b. Reconciliation of shares outstanding at the beginning and at the end of the reporting period**

| Name of the Share holder       | As at 31.3.2013 |              | As at 31.3.2012 |              |
|--------------------------------|-----------------|--------------|-----------------|--------------|
|                                | No.of shares    | Amount in ₹. | No.of shares    | Amount in ₹. |
| <b>Equity Shares</b>           |                 |              |                 |              |
| At the beginning of the period | 1,57,54,269     | 15,75,42,690 | 1,57,54,269     | 15,75,42,690 |
| At the end of the period       | 1,57,54,269     | 15,75,42,690 | 1,57,54,269     | 15,75,42,690 |

**Terms/rights attached to the equity shares**

The company has issued only one class of equity shares having a face value of ₹10 per equity 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 Board of Directors is subject to the approval of the Shareholders in ensuing Annual General Meeting.

**c. Details of shareholders holding more than 5% shares in the company.**

| Name of the Share holder       | As at 31.3.2013 |              | As at 31.3.2012 |              |
|--------------------------------|-----------------|--------------|-----------------|--------------|
|                                | No.of shares    | % of holding | No.of shares    | % of holding |
| <b>Equity Shares</b>           |                 |              |                 |              |
| Murugan Enterprise P Ltd       | 78,03,733       | 49.53        | 78,03,733       | 49.53        |
| Gagandeep Credit Capital P Ltd | 9,13,122        | 5.80         | 8,33,919        | 5.29         |





| PARTICULARS   | As at<br>31.3.2013<br>₹ | As at<br>31.3.2012<br>₹ |
|---|-------------------------|-------------------------|
| <b>3. Reserves and Surplus</b>  |                         |                         |
| <b>a. General Reserve</b>   |                         |                         |
| Opening balance   | 1,02,39,78,091          | 1,02,39,78,091          |
| Add: Transferred from surplus in Statement of Profit and Loss   | 10,00,00,000            | -                       |
| Closing balance   | 1,12,39,78,091          | 1,02,39,78,091          |
| <b>b. Share Premium Account</b>   | 79,30,76,230            | 79,30,76,230            |
| <b>c. Surplus / (Deficit) in Profit and Loss Account</b>  |                         |                         |
| Opening balance   | (6,11,25,920)           | 10,26,35,195            |
| Add : Profit / (Loss) for the year  | 27,31,81,229            | (16,37,61,114)          |
| Less : Dividends proposed to be distributed to equity shareholders ₹ 2/-(two) per share (31.3.2012 Nil per share) | 3,15,08,538             | -                       |
| Tax on dividend   | 53,54,876               | -                       |
| Transferred to :  |                         |                         |
| General Reserve   | 10,00,00,000            | -                       |
| Closing balance   | 7,51,91,896             | (6,11,25,920)           |
| <b>Total</b>  | <b>1,99,22,46,217</b>   | <b>1,75,59,28,401</b>   |
| <b>4. Long Term Borrowings</b>  |                         |                         |
| <b>a. Term loans from Banks - Secured</b>   |                         |                         |
| ICICI Bank  | 33,12,50,000            | 3,37,50,000             |
| Corporation Bank  | 12,17,27,506            | 18,41,27,506            |
| Bank of Maharashtra   | 23,43,75,000            | 29,68,75,002            |
| Oriental Bank of Commerce   | 65,58,85,780            | 84,33,85,780            |
| Indian Bank   | 33,14,92,004            | 24,47,42,004            |
| Indian Overseas Bank  | 79,69,67,721            | 1,02,50,41,609          |
| (b) Long-term maturities of finance lease obligations   |                         |                         |
| Unsecured   | 1,22,37,516             | 1,39,72,112             |
| <b>Total</b>  | <b>2,48,39,35,527</b>   | <b>2,64,18,94,013</b>   |



**b. Name of the Bank and Details of the loan**

**ICICI Bank Limited**

"ICICI Bank Ltd - Rupee Term Loan under Technology Upgradation Fund Scheme - Outstanding as at 31.3.2013 ₹.337.50 Lakhs (31.3.2012 - ₹.562.50 Lakhs) - Current maturity for 31.3.2013 - ₹.225 Lakhs (31.3.2012 - ₹.225 Lakhs)"

**ICICI Bank Limited**

"ICICI Bank Ltd - Rupee Term Loan Outstanding as at 31.3.2013 ₹.4000.00 Lakhs (31.3.2012 - Nil ) - Current maturity for 31.3.2013 - ₹.800 Lakhs (31.3.2012 - Nil)"

**Corporation Bank**

"Corporation Bank - Rupee Term Loan under Technology Upgradation Fund Scheme - Outstanding as at 31.3.2013 ₹.1561.28 Lakhs (31.3.2012 - ₹.1961.28 Lakhs) - Current maturity for 31.3.2013 - ₹.400 Lakhs (31.3.2012 - ₹.400 Lakhs)"

"Corporation Bank - Rupee Term Loan under Technology Upgradation Fund Scheme -

**Securities and other Terms & Conditions**

"Security : Hypothecation of specified movable properties including the machinery spares, tools and accessories of the spinning unit situated at Vadamadurai Village, Vendasandhur Taluk, Dindigul District.

Repayment : 32 quarterly instalments starting from December 2006. Loan has been further secured by the personal gurantee of Managing Director of the Company.

Rate of Interest : 8.50% to 9.10% per annum.

"Security : First charge on entire movable and immovable fixed assets of spinning unit I situated at Vadamadurai Village, Vendasandhur Taluk, Dindigul District and entire movable fixed assets of weaving division situated at Karanampettai, Paruvai Road, Coimbatore 641658. Second charge on the current assets of Spinning Unit I situated at Vadamadurai Village, Vendasandhur Taluk, Dindigul.

Repayment : 20 quarterly instalments starting from April 2013.

Rate of Interest : 12.75% per annum.

"First charge by way of Equitable Mortgage over factory land and building and hypothecation of other movable assets financed by the bank for the expansion project ranking pari-passu with other banks. Second charge on the above fixed assets to be extended to the bankers who are extending working capital facilities to the company.

Repayment : 32 Quaterly instalments starting from Dec 2009.

Rate of Interest : 14.85% per annum.

"Exclusive First charge on the Windmill- Unit I and all related equipments, systems and accessories. Exclusive First charge on the



Outstanding as at 31.3.2013 ₹. 280 Lakhs (31.3.2012 - ₹. 504 Lakhs) - Current maturity for 31.3.2013 - ₹. 224 Lakhs (31.3.2012 - ₹. 224 Lakhs)"

#### **Bank of Maharashtra**

"Bank of Maharashtra - Rupee Term Loan under Technology Upgradation Fund Scheme - Outstanding as at 31.3.2013 ₹. 2968.75 Lakhs (31.3.2012 - ₹. 3593.75 Lakhs) - Current maturity for 31.3.2013 - ₹. 625 Lakhs (31.3.2012 - ₹. 625 Lakhs)"

#### **Oriental Bank of Commerce**

"Oriental Bank of Commerce - Rupee Term Loan under Technology Upgradation Fund Scheme - Outstanding as at 31.3.2013 ₹. 8433.86 Lakhs (31.3.2012 - ₹. 10308.86 Lakhs) - Current maturity for 31.3.2013 - ₹. 1875 Lakhs (31.3.2012 - ₹. 1875 Lakhs)"

#### **Indian Bank**

"Indian Bank - Rupee Term Loan Outstanding as at 31.3.2013 ₹. 1862.50 Lakhs (31.3.2012 - ₹. 2235 Lakhs) - Current maturity for 31.3.2013 - ₹. 372.50 Lakhs (31.3.2012 - ₹. 372.50 Lakhs)"

"Indian Bank - Rupee Term Loan Outstanding as at 31.03.2013 ₹. 1824.92 Lakhs (31.03.2012 -

Windmill- Unit I and all related equipments, systems and accessories. Loan has been further secured by the personal guarantee of Managing Director of the Company.

Repayment : 32 quarterly instalments starting from August 2006.

Rate of Interest : 9.00% per annum.

"First charge by way of Equitable Mortgage over factory land and building and hypothecation of other movable assets financed by the bank for the expansion project ranking pari-passu with other banks. Second charge on the above fixed assets to be extended to the bankers who are extending working capital facilities to the company.

Repayment : 32 Quarterly instalments starting from March 2010.

Rate of Interest : 13.00% per annum.

"First charge by way of Equitable Mortgage over factory land and building and hypothecation of other movable assets financed by the bank for the expansion project ranking pari-passu with other banks. Second charge on the above fixed assets to be extended to the bankers who are extending working capital facilities to the company.

Repayment : 32 Quarterly instalments starting from October 2009.

Rate of Interest : 12.75% per annum.

"Exclusive First charge by way of Mortgage and hypothecation on windmill unit III assets being financed by the Bank.

Repayment : 32 Quarterly instalments starting from June 2011.

Rate of Interest : 12.70% per annum.

"Exclusive First charge by way of equitable mortgage over factory land and building where construction is proposed and



₹.584.92 Lakhs) - Current maturity for 31.3.2013 - Nil (31.3.2012 - Nil)"

### **Indian Overseas Bank**

"Indian Overseas Bank - Rupee Term Loan under Technology Upgradation Fund Scheme Outstanding as at 31.3.2013 ₹. 5587.20 Lakhs (31.3.2012 - ₹.6837.20 Lakhs) - Current maturity for 31.3.2013 - ₹.1250 Lakhs (31.3.2012 - ₹.1250 Lakhs)"

"Indian Overseas Bank - Rupee Term Loan Outstanding as at 31.3.2013 ₹. 2951 Lakhs (31.3.2012 - ₹. 3371 Lakhs) - Current maturity for 31.3.2013 - ₹.420 Lakhs (31.3.2012 - ₹. 420 Lakhs)"

"Indian Overseas Bank - Foreign Currency Term Loan Outstanding as at 31.3.2013 ₹.1671.48 Lakhs (31.3.2012 - ₹. 2282.22 Lakhs) - Current maturity for 31.3.2013 - ₹.570 Lakhs (31.3.2012 - ₹.570 Lakhs)"

exclusive charge on fixed assets to be purchased out of the loan.

Repayment : 32 Quarterly instalments starting from June 2014.

Rate of Interest : 12.20% per annum.

"First charge by way of Equitable Mortgage over factory land and building and hypothecation of other movable assets financed by the bank for the expansion project ranking pari-passu with other banks. Second charge on the above fixed assets to be extended to the bankers who are extending working capital facilities to the company.

Repayment : 32 Quarterly instalments starting from October 2009.

Rate of Interest : 13.00% per annum.

"Exclusive First charge on windmill unit IV & V assets situated at Chinnapudur village, Dharapuram Taluk, Tamilnadu and Kongalnagaram, Udumalpet Taluk, Tirupur District, Tamilnadu.

Repayment : 32 Quarterly instalments starting from June 2012.

Rate of Interest : 13.00% per annum.

"Exclusive First charge on windmill unit II assets situated at Chinnapudur village, Dharapuram Taluk, Tamilnadu

Repayment : 14 Half-yearly instalments starting from June 2009.

Rate of Interest : 7.50% per annum.



| <b>PARTICULARS</b>                              | <b>As at<br/>31.3.2013<br/>₹</b> | <b>As at<br/>31.3.2012<br/>₹</b> |
|---|----------------------------------|----------------------------------|
| <b>5. Other Long Term Liabilities</b>           |                                  |                                  |
| (a) Others :                                    |                                  |                                  |
| (i) Trade / security deposits received          | 14,57,307                        | 18,43,657                        |
| (ii) Others (Advance received for sale of land) | 94,30,000                        | 94,30,000                        |
| <b>Total</b>                                    | <b>1,08,87,307</b>               | <b>1,12,73,657</b>               |
| <b>6. Long Term Provisions</b>                  |                                  |                                  |
| (a) Provision for employee benefits :           |                                  |                                  |
| (i) Provision for post-employment payments      | -                                | 1,07,35,027                      |
| <b>Total</b>                                    | <b>-</b>                         | <b>1,07,35,027</b>               |
| <b>7. Short Term Borrowings</b>                 |                                  |                                  |
| (a) Loans repayable on demand From banks        |                                  |                                  |
| (i) Secured                                     | 66,32,09,584                     | 89,17,07,536                     |
| <b>Total</b>                                    | <b>66,32,09,584</b>              | <b>89,17,07,536</b>              |

#### **Name of the Bank and Details of the loan**

##### **The Karur Vysya Bank Limited**

"Karur Vysya Bank Ltd - Working Capital Limit  
₹.750 Lakhs Outstanding as at 31.3.2013  
₹.131.66 Lakhs (31.3.2012 - ₹.726.35 Lakhs)"

##### **Corporation Bank**

"Corporation Bank - Working Capital Limit  
₹. 5250 Lakhs Outstanding as at 31.3.2013  
₹.1389.44 Lakhs (31.3.2012 - ₹.1575.78 Lakhs)"

##### **ICICI Bank Limited**

"ICICI Bank Limited - Working Capital Limit  
₹.1500 Lakhs Outstanding as at 31.3.2013  
₹.851.41 Lakhs (31.3.2012 - Nil)"

#### **Securities and other Terms & Conditions :**

"Security : First Charge by way of Hypothecation of Raw materials, Stock in-process, Finished goods of the Spinning Unit-I. Second charge on the Fixed Assets of the Spinning Unit - I.

Rate of Interest : 12.25% per annum.

"Security : First Charge by way of Hypothecation of Raw materials, Stock in-process, Finished goods of the Spinning Unit - I and II. Second charge on the Fixed Assets of the Spinning Unit - I and II.

Rate of Interest : 13.85% per annum.

"Security : First Charge by way of Hypothecation of Raw materials, Semi-finished and Finished goods, Consumable stores and Spares and other movable properties both present and future for Limit upto ₹1500 Lakhs.

Rate of Interest : 3.50% per annum.



"ICICI Bank Limited - Short Term Loan Outstanding as at 31.3.2013 ₹. Nil (31.3.2012 - ₹.3000 Lakhs)"

#### **Oriental Bank of Commerce**

"Oriental Bank of Commerce - Working Capital Limit ₹. 5000 Lakhs ( Interchangeable of Cash credit / Rupee Packing Credit / Packing Credit in Foreign Currency Loan) Outstanding as at 31.3.2013 ₹.1659.64 Lakhs (31.3.2012 - ₹.98.89 Lakhs)"

#### **Indian Overseas Bank**

"Indian Overseas Bank - Working Capital Limit (Interchangeable of Cash credit / WCFC / Rupee Packing Credit / Packing Credit in Foreign Currency Loan) Outstanding as at 31.3.2013 ₹.1060.92 Lakhs (31.3.2012 - ₹.2506.40"

Security : First Charge by way of Hypothecation of Raw materials, Semi-finished and Finished goods, Consumable stores and Spares and other movable properties both present and future.

"Security : Pari-pasu first charge on current assets of the company belonging to expansion project along with other banks who have extended Working Capital Finance for expansion project under multiple banking arrangements. Pari-pasu second charge on Fixed Assets of the company belonging to expansion project along with other banks who have extended Working Capital Finance for expansion project under multiple banking arrangements.

Rate of Interest : 12.50% per annum for OCC A/c.

Rate of Interest : 4.00% per annum for PCFC A/c.

"Security : Pari-pasu first charge on current assets of the company belonging to expansion project along with other banks who have extended Working Capital Finance for expansion project under multiple banking arrangements. Pari-pasu second charge on Fixed Assets of the company belonging to expansion project along with other banks who have extended Working Capital Finance for expansion project under multiple banking arrangements.

Rate of Interest : 13.00% per annum for OCC A/c.

Rate of Interest : 4.00% per annum for PCFC A/c.



**Bank of Maharashtra**

"Bank of Maharashtra - Working Capital Limit  
₹. 500 Lakhs Outstanding as at 31.3.2013  
₹. Nil (31.3.2012 - ₹. 478.36 Lakhs)"

**Allahabad Bank**

"Allahabad Bank - Working Capital Limit  
(Interchangable of Cash credit / Packing  
Credit / Packing Credit in Foreign Currency  
Loan) ₹. 4500 Lakhs Outstanding as at  
31.3.2013 ₹. 1423.26 Lakhs (31.3.2012 -  
₹. 507.96 Lakhs)"

"Security : Pari-pasu first charge on current  
assets of the company belonging to  
expansion project along with other banks  
who have extended Working Capital  
Finance for expansion project under  
multiple banking arrangements.

Rate of Interest : 12.75% per annum.

Security : Pari-pasu first charge on current  
assets of the company belonging to  
expansion project along with other banks  
who have extended Working Capital  
Finance for expansion project under  
multiple banking arrangements.

Rate of Interest : 13.00% per annum for OCC  
A/c.

Rate of Interest : 3.95% per annum for PCFC  
A/c.



| PARTICULARS  | As at<br>31.3.2013<br>₹ | As at<br>31.3.2012<br>₹ |
|--|-------------------------|-------------------------|
| <b>8. Trade Payables</b>   |                         |                         |
| Acceptances (Refer Note 31)  | 32,82,04,067            | 38,74,39,144            |
| <b>Total</b>   | <b>32,82,04,067</b>     | <b>38,74,39,144</b>     |
| <b>9. Other Current Liabilities</b>  |                         |                         |
| (a) Current maturities of long-term debt   | 67,61,50,000            | 62,71,38,457            |
| (b) Current maturities of finance lease obligations  | 14,09,804               | -                       |
| (c) Interest accrued but not due on borrowings   | 28,81,451               | 1,03,90,314             |
| (d) Interest accrued and due on borrowings   | 1,86,14,401             | -                       |
| (i) Statutory remittances<br>(Contributions to PF and ESIC, Withholding<br>Taxes, Excise Duty, VAT, Service Tax, etc.) | 1,24,97,058             | 98,22,639               |
| (ii) Payables on purchase of fixed assets  | 93,48,015               | 2,00,43,523             |
| (iii) Contractually reimbursable expenses  | 2,08,164                | -                       |
| (iii) Advances from customers  | 1,10,72,299             | 1,54,98,837             |
| (viii) Others (Advance received for sale<br>of machinery)  | 4,00,000                | -                       |
| <b>Total</b>   | <b>73,25,81,192</b>     | <b>68,28,93,770</b>     |
| <b>10. Short Term Provisions</b>   |                         |                         |
| (a) Provision for employee benefits :  |                         |                         |
| (i) Provision for bonus  | 86,18,032               | 48,68,318               |
| (ii) Provision for post-employment medical<br>benefits   | 7,09,517                | -                       |
| (b) Provisions - others :  |                         |                         |
| (i) Provision for proposed equity dividend   | 3,15,08,538             | -                       |
| (ii) Provision for tax on proposed dividends   | 53,54,876               | -                       |
| (iii) Provision - others (Impairment loss)   | 4,00,000                | -                       |
| <b>Total</b>   | <b>4,65,90,963</b>      | <b>48,68,318</b>        |



NOTE NO. : 11  
FIXED ASSETS

| S.No. PARTICULARS        |                             | GROSS BLOCK    |              |             |                 | DEPRECIATION   |              |             | NET BLOCK      |                 |
|--------------------------|-----------------------------|----------------|--------------|-------------|-----------------|----------------|--------------|-------------|----------------|-----------------|
|                          |                             | As at 1.4.2012 | Addition     | Deletion    | As at 31.3.2013 | Upto 31.3.2012 | For the year | Withdrawn   | Upto 31.3.2013 | As at 31.3.2013 |
| 1                        | Land & Site Development     | 10,91,23,600   | 1,69,98,160  | 13,529      | 12,61,08,231    | -              | -            | -           | -              | 12,61,08,231    |
| 2                        | Building                    |                |              |             |                 |                |              |             |                |                 |
|                          | Own use                     | 1,19,15,25,731 | 2,11,39,808  | -           | 1,21,26,65,540  | 19,14,42,625   | 3,59,77,775  | -           | 22,74,20,400   | 98,52,45,139    |
|                          | Taken Under Finance Lease * | 2,64,26,767    | 1,57,83,001  | -           | 4,22,09,768     | -              | 11,13,781    | -           | 11,13,781      | 4,10,95,987     |
| 3                        | Plant & Machinery           | 51,67,621,393  | 7,39,70,833  | 10,63,870   | 5,24,05,28,356  | 1,69,26,98,954 | 31,44,89,571 | 54,477      | 2,00,71,34,049 | 3,23,33,94,307  |
| 4                        | Office Equipment            | 2,23,03,849    | 51,50,941    | -           | 2,74,54,790     | 85,97,849      | 33,70,254    | -           | 1,19,68,103    | 1,54,86,688     |
| 5                        | Furniture & fitting         | 76,68,902      | 14,95,776    | -           | 91,54,678       | 28,43,008      | 5,41,014     | -           | 33,84,022      | 57,70,656       |
| 6                        | Vehicle                     | 1,45,47,574    | 98,49,686    | 20,84,150   | 2,23,13,110     | 59,98,137      | 20,61,195    | 12,33,556   | 68,25,776      | 1,54,87,334     |
| 7                        | Tools & Implements          | 3,75,286       | -            | -           | 3,75,286        | 1,10,263       | 11,451       | -           | 1,21,714       | 2,53,572        |
| (A)                      |                             | 6,53,95,83,103 | 14,43,88,205 | 31,61,549   | 6,68,08,09,759  | 1,90,16,90,836 | 35,75,65,043 | 12,88,033   | 2,25,79,67,844 | 4,42,28,41,915  |
| Capital Work In progress |                             |                |              |             |                 |                |              |             |                |                 |
| 1                        | Buildings                   | 1,08,00,901    | 1,43,52,904  | 1,08,00,901 | 1,43,52,904     | -              | -            | -           | -              | 1,43,52,904     |
| 2                        | Plant & Machinery           | 43,78,183      | 5,52,80,916  | 43,78,183   | 5,52,80,916     | -              | -            | -           | -              | 5,52,80,916     |
| (B)                      |                             | 1,51,79,084    | 6,96,33,820  | 1,51,79,084 | 6,96,33,820     | -              | -            | -           | -              | 6,96,33,820     |
| Total for the year (A+B) |                             | 6,55,47,62,187 | 21,40,22,025 | 1,83,30,633 | 6,75,04,43,579  | 1,90,16,90,836 | 35,75,65,041 | 12,88,033   | 2,25,79,67,844 | 4,49,24,75,735  |
| Previous Year            |                             | 6,35,39,00,570 | 22,28,34,876 | 2,19,73,265 | 6,55,47,62,181  | 1,54,30,43,319 | 37,23,49,352 | 1,37,01,835 | 1,90,16,90,836 | 4,65,30,71,345  |



| <b>PARTICULARS</b>  | <b>As at<br/>31.3.2013<br/>₹</b> |  | <b>As at<br/>31.3.2012<br/>₹</b> |
|---|----------------------------------|--|----------------------------------|
| <b>12 Non Current Investments</b>   |                                  |  |                                  |
| <b>I. NON-TRADE, QUOTED - AT COST - FULLY PAID UP</b>   |                                  |  |                                  |
| INVESTMENT IN EQUITY INSTRUMENTS OF<br>OTHER ENTITIES :   |                                  |  |                                  |
| i) 250 Equity Shares (P.Y : 250) of<br>Bannari Amman Sugars Ltd of ₹.10 each                          | 31,434                           |  | 31,434                           |
| ii) 17 Equity Shares (P.Y : 17) of Moil Ltd of<br>₹10 each  | 6,056                            |  | 6,056                            |
| <b>Total</b>  | <b>37,490</b>                    |  | <b>37,490</b>                    |
| <b>II. NON-TRADE, UN QUOTED - AT COST</b>   |                                  |  |                                  |
| A. IN GOVERNMENT SECURITIES :   |                                  |  |                                  |
| Kisan Vikas Patra   | 3,000                            |  | 3,000                            |
| B. IN EQUITY INSTRUMENTS OF OTHER ENTITIES:   |                                  |  |                                  |
| i) 344039 (P.Y.344039) Preference Shares of<br>₹100/- each in Anamallais Agencies P Ltd<br>fully paid | 2,72,58,686                      |  | 2,72,58,686                      |
| ii) Nil (P.Y 18333) Equity Shares of<br>₹10/- each in Bannari Amman Flour<br>Mill Limited             | -                                |  | 55,00,000                        |
| iii) 20000 Equity Shares of ₹ 10/- each in<br>SIMA Textile Processing Centre Limited                  | 2,00,000                         |  | 2,00,000                         |
| C. IN EQUITY INSTRUMENTS OF JOINT VENTURE :   |                                  |  |                                  |
| i) 18626869 (PY 12902469) Equity Shares of<br>₹10/- each in Young Brand Apparel P Ltd                 | 19,91,71,160                     |  | 14,19,27,159                     |
| <b>Total</b>  | <b>22,66,32,846</b>              |  | <b>17,48,88,845</b>              |
| Aggregate cost of Quoted Investments  | 37,490                           |  | 37,490                           |
| Aggregate market value of Quoted Investments  | 2,21,774                         |  | 1,41,204                         |
| Aggregate cost of unquoted Investments  | 22,66,32,846                     |  | 17,48,88,845                     |
| <b>Total (UNQUOTED &amp; QUOTED)</b>  | <b>22,66,70,336</b>              |  | <b>17,49,26,335</b>              |



| PARTICULARS  | As at<br>31.3.2013<br>₹ | As at<br>31.3.2012<br>₹ |
|--|-------------------------|-------------------------|
| <b>13 Long Term Loans and Advances</b>                             |                         |                         |
| ( Unsecured - considered goods)                                    |                         |                         |
| (a) Capital advances   | 1,33,79,489             | 2,64,44,703             |
| (b) Security deposits  | 4,62,85,214             | 4,11,92,528             |
| (c) Loans and advances to related parties                          | -                       | 5,72,91,353             |
| (d) Loans and advances to employees                                | 2,05,000                | -                       |
| (e) Advance income tax (net of provisions)                         | 3,15,31,388             | 5,19,64,439             |
| (f) MAT credit entitlement   | 26,31,14,712            | 18,16,34,650            |
| <b>Total</b>   | <b>35,45,15,803</b>     | <b>35,85,27,673</b>     |
| Note : Long-term loans and advances<br>include amounts due from:   |                         |                         |
| Private companies in which any<br>director is a director or member | -                       | 5,72,91,353             |
| Young Brand Apparel Private Limited                                |                         |                         |
| <b>Total</b>   | <b>-</b>                | <b>5,72,91,353</b>      |
| <b>14 Other Non Current Assets</b>                                 |                         |                         |
| (a) Others   |                         |                         |
| (I) Receivables on sale of fixed assets                            | 2,64,91,545             | 3,34,06,934             |
| <b>Total</b>   | <b>2,64,91,545</b>      | <b>3,34,06,934</b>      |
| <b>15 Inventories</b>  |                         |                         |
| (a) Raw materials  | 58,93,81,224            | 57,08,09,385            |
| (b) Work-in-progress   | 8,53,70,963             | 10,20,32,839            |
| (c) Finished goods   | 19,67,97,827            | 28,44,07,191            |
| (d) Stock-in-trade   | -                       | 2,44,65,517             |
| (e) Stores and spares  | 3,69,50,714             | 1,05,46,362             |
| <b>Total</b>   | <b>90,85,00,728</b>     | <b>99,22,61,294</b>     |



| <b>PARTICULARS</b>  | <b>As at<br/>31.3.2013<br/>₹</b> | <b>As at<br/>31.3.2012<br/>₹</b> |
|---|----------------------------------|----------------------------------|
| <b>16 Trade Receivables</b>   |                                  |                                  |
| <b>(Unsecured, considered good)</b>   |                                  |                                  |
| a. Trade receivables outstanding for a period exceeding six months from the date they were due for payment      | 29,95,264                        | 1,18,47,951                      |
| b. Other Trade receivables  | 44,34,40,844                     | 31,43,31,431                     |
| <b>Total</b>  | <b>44,64,36,108</b>              | <b>32,61,79,382</b>              |
| Note : Trade receivables includes amount due from :<br>Companies in which any directors is a director or member |                                  |                                  |
| i. Shiva Texyarn Limited  | 3,10,46,911                      | -                                |
| <b>17 Cash and Bank Balances</b>  |                                  |                                  |
| i) Cash and Cash Equivalents :  |                                  |                                  |
| (a) Cash on hand  | 13,90,478                        | 12,02,837                        |
| (b) Cheques, drafts on hand   | 1,03,00,000                      | 87,83,554                        |
| ii) Balance with scheduled banks :  |                                  |                                  |
| (a) Balances with banks   |                                  |                                  |
| (i) In current accounts   | 6,93,26,601                      | 11,31,00,565                     |
| (ii) In deposit accounts  | 13,32,89,119                     | 10,54,644                        |
| Balances held as margin money or security against borrowings, guarantees and other commitments                  | 46,82,000                        | 5,62,035                         |
| (iii) Others (Stamps)   | -                                | 660                              |
| <b>Total</b>  | <b>21,89,88,198</b>              | <b>12,47,04,295</b>              |
| <b>18 Short Term Loans and Advances</b>   |                                  |                                  |
| <b>(Unsecured, considered good)</b>   |                                  |                                  |
| (a) Loans and advances to related parties   | -                                | 21,25,006                        |
| (b) Security deposits   | 65,727                           | -                                |
| (c) Loans and advances to employee  | 23,29,423                        | 27,87,736                        |
| (d) Prepaid expenses  | 2,82,32,868                      | 2,25,92,436                      |
| (e) Balances with government authorities  |                                  |                                  |
| (i) CENVAT credit receivable  | 66,24,426                        | 57,11,766                        |
| (ii) VAT credit receivable  | 7,48,691                         | 4,41,341                         |
| (iii) Excise Duty Rebate receivable   | 72,51,145                        | 1,15,95,064                      |
| (iv) Duty Drawback receivable   | 4,32,01,793                      | 4,56,82,931                      |
| (f) Others (Advance for Purchase)   | 9,39,75,220                      | 5,02,22,617                      |
| (g) Advance income tax  | 24,42,233                        | 6,36,487                         |
| <b>Total</b>  | <b>18,48,71,526</b>              | <b>14,17,95,384</b>              |





| PARTICULARS                                       | As at<br>31.3.2013<br>₹ | As at<br>31.3.2012<br>₹ |
|---|-------------------------|-------------------------|
| <b>19. Other Current Assets</b>                   |                         |                         |
| (a) Unbilled revenue                              | 39,06,167               | 68,07,972               |
| (b) Accruals                                      |                         |                         |
| (i) Interest accrued on deposits                  | 1,84,495                | -                       |
| (c) Others  |                         |                         |
| (i) Insurance claims                              | -                       | 6,675                   |
| (ii) Contractually reimbursable expenses          | 8,75,208                | -                       |
| (iii) Others:                                     |                         |                         |
| TUFF Subsidy Receivable                           | 4,31,65,643             | 7,21,33,507             |
| Rent Advance                                      | 1,03,499                | -                       |
| <b>Total</b>                                      | <b>4,82,35,012</b>      | <b>7,89,48,154</b>      |
| <b>20. Revenue from operations</b>                |                         |                         |
| Sale of products (Refer Note (i) below)           | 5,44,77,36,577          | 4,49,28,64,580          |
| Sale of services (Refer Note (ii) below)          | 5,51,31,602             | 79,24,213               |
| Other operating revenues (Refer Note (iii) below) | 9,42,88,030             | 9,64,61,865             |
| Less : Excise duty                                | (5,717)                 | -                       |
| <b>Total</b>                                      | <b>5,59,71,50,492</b>   | <b>45,97,250,658</b>    |
| (i) Sale of products comprises                    |                         |                         |
| Manufactured goods                                |                         |                         |
| Yarn  | 3,71,91,14,498          | 3,24,98,48,626          |
| Fabric  | 1,08,09,10,667          | 75,83,91,164            |
| Power   | 39,06,160               | 70,59,068               |
| Quick Dry   | 3,39,43,537             | 13,91,86,503            |
| Flock Powder                                      | 27,66,773               | 11,58,290               |
| Waste Cotton                                      | 34,38,84,410            | 32,72,13,750            |
| Others  | 37,600                  | -                       |
| Garments  | 18,87,78,627            | -                       |
| Madeups   | 83,51,243               | -                       |
| <b>Total - Sale of manufactured goods</b>         | <b>5,38,16,93,514</b>   | <b>4,48,28,57,401</b>   |



| PARTICULARS  | Year Ended<br>31.3.2013<br>₹ | Year Ended<br>31.3.2012<br>₹ |
|--|------------------------------|------------------------------|
| <b>Traded goods</b>  |                              |                              |
| Yarn   | 4,54,26,284                  | 1,00,07,179                  |
| Fabric   | 1,27,14,923                  | -                            |
| Garment  | 79,01,856                    | -                            |
| <b>Total - Sale of traded goods</b>  | <b>-</b>                     | <b>1,00,07,179</b>           |
| <b>Total - Sale of goods (Manufactured and Traded)</b>   | <b>5,44,77,36,577</b>        | <b>4,49,28,64,580</b>        |
| (ii) Sale of services comprises  |                              |                              |
| Lamination Charges/Coating Charges   | 3,37,22,688                  | 79,24,213                    |
| Others   | 2,14,08,914                  | -                            |
| <b>Total - Sale of services</b>  | <b>5,51,31,602</b>           | <b>79,24,213</b>             |
| (iii) Other operating revenues comprise:   |                              |                              |
| Sale of scrap  | 31,08,217                    | 22,51,415                    |
| Freight Charges  | -                            | 3,69,775                     |
| Discount Received  | 2,29,981                     | -                            |
| Duty drawback and other export incentives  | 9,09,49,832                  | 9,17,47,944                  |
| Others - Sale of Certified Emission Reduction  | -                            | 20,92,731                    |
| <b>Total - Other operating revenues</b>  | <b>9,42,88,030</b>           | <b>9,64,61,865</b>           |
| <b>21. Other Income</b>  |                              |                              |
| a. Interest income (Refer Note (i) below)  | 90,26,923                    | 53,57,029                    |
| b. Dividend income :   |                              |                              |
| from long-term investments   | -                            | -                            |
| associates   | 91,665                       | -                            |
| others   | 85                           | 91,742                       |
| c. Net gain on sale of:  |                              |                              |
| long-term investments  | 11,91,545                    | -                            |
| d. Net gain on foreign currency transactions and translation (other than considered as finance cost)         | -                            | 9,74,744                     |
| e. Other non-operating income (net of expenses directly attributable to such income) (Refer Note (ii) below) | 6,13,867                     | 1,61,53,309                  |
| <b>Total</b>   | <b>1,09,24,085</b>           | <b>2,25,76,824</b>           |
| (i) Interest income comprises :  |                              |                              |
| Interest from banks on :   |                              |                              |
| deposits (TDS deducted ₹ 5,18,679)   | 46,94,841                    | 7,83,767                     |
| other balances   | 1,04,160                     | -                            |
| Interest on loans and advances   | -                            | 21,933                       |
| Interest on trade receivables  | 41,808                       | 4,550                        |
| Interest on income tax refund  | -                            | 4,12,121                     |
| Interest on EB Deposit   | 41,86,114                    | 41,34,658                    |
| <b>Total - Interest income</b>   | <b>90,26,923</b>             | <b>53,57,029</b>             |



| PARTICULARS  | Year Ended<br>31.3.2013<br>₹ | Year Ended<br>31.3.2012<br>₹ |
|--|------------------------------|------------------------------|
| (ii) Other non-operating income comprises:   |                              |                              |
| Rental income from operating leases  | -                            | 1,85,833                     |
| Profit on sale of fixed assets [net of expenses directly attributable Nil (Year ended 31 March, 2012 Nil)] | 6,13,867                     | 1,59,67,476                  |
| <b>Total - Other non-operating income</b>  | <b>6,13,867</b>              | <b>1,61,53,309</b>           |
| <b>22. Cost of materials consumed</b>  |                              |                              |
| Opening stock  |                              |                              |
| Cotton   | 49,22,21,318                 | 1,24,28,89,457               |
| Chemicals  | 89,65,277                    | 78,97,239                    |
| Fabric   | 1,85,27,366                  | 1,23,91,351                  |
| Tow  | 90,32,416                    | 1,15,78,386                  |
| Yarn   | 4,20,63,008                  | 6,42,24,743                  |
| Add: Purchases   |                              |                              |
| Cotton   | 2,58,05,59,774               | 2,02,61,79,181               |
| Chemicals  | 5,46,37,124                  | 3,78,70,902                  |
| Fabric   | 12,04,82,280                 | 10,12,28,634                 |
| Tow  | 75,64,742                    | 2,52,30,064                  |
| Yarn   | 44,14,01,211                 | 22,11,39,653                 |
| Trims  | 11,393,428                   | -                            |
| Less: Closing stock  |                              |                              |
| Cotton   | 43,54,03,550                 | 49,22,21,318                 |
| Chemicals  | 47,77,254                    | 89,65,277                    |
| Fabric   | 1,92,65,956                  | 1,85,27,366                  |
| Tow  | 10,04,258                    | 90,32,416                    |
| Yarn   | 12,61,57,712                 | 4,20,63,008                  |
| Trims  | 27,72,495                    | -                            |
| <b>Cost of material consumed</b>   | <b>3,19,74,66,719</b>        | <b>3,17,98,20,225</b>        |
| Material consumed comprises:   |                              |                              |
| Raw material - Cotton  | 2,63,73,77,542               | 2,77,68,47,320               |
| Raw material - Tow & Grey Cut  | 1,55,92,900                  | 2,77,76,034                  |
| Raw material - Yarn  | 35,73,06,507                 | 24,33,01,388                 |
| Raw material - Fabric  | 11,97,43,690                 | 9,50,92,619                  |
| Raw material - Chemicals   | 5,88,25,147                  | 3,68,02,864                  |
| Raw material - Trims   | 86,20,933                    | -                            |
| <b>Total</b>   | <b>3,19,74,66,719</b>        | <b>3,17,98,20,225</b>        |



| <b>PARTICULARS</b>  | <b>Year Ended<br/>31.3.2013<br/>₹</b> | <b>Year Ended<br/>31.3.2012<br/>₹</b> |
|---|---------------------------------------|---------------------------------------|
| <b>23. Purchase of traded goods</b>   |                                       |                                       |
| Fabric  | 1,27,37,931                           | -                                     |
| Yarn  | 4,51,12,075                           | 1,00,07,179                           |
| Garment   | 78,89,505                             | -                                     |
| <b>Total</b>  | <b>6,57,39,511</b>                    | <b>1,00,07,179</b>                    |
| <b>24. Changes in inventories of finished goods,<br/>work-in-progress and stock-in-trade</b>        |                                       |                                       |
| <b>Inventories at the end of the year :</b>   |                                       |                                       |
| Finished goods  | 19,67,97,827                          | 28,44,07,191                          |
| Work-in-progress  | 8,53,70,963                           | 10,20,32,839                          |
| <b>Total</b>  | <b>28,21,68,790</b>                   | <b>38,64,40,030</b>                   |
| <b>Inventories at the beginning of the year :</b>   |                                       |                                       |
| Finished goods  | 28,44,07,191                          | 53,44,78,421                          |
| Work-in-progress  | 10,20,32,839                          | 8,31,15,785                           |
| <b>Total</b>  | <b>38,64,40,030</b>                   | <b>61,75,94,206</b>                   |
| <b>Net (increase) / decrease</b>  | <b>10,42,71,240</b>                   | <b>23,11,54,176</b>                   |
| <b>25. Employee benefits expenses</b>   |                                       |                                       |
| Salaries and wages  | 18,77,91,125                          | 14,11,81,023                          |
| Contributions to provident and other funds  | 1,10,10,640                           | 98,58,452                             |
| Staff welfare expenses  | 5,80,66,315                           | 3,86,71,802                           |
| <b>Total</b>  | <b>25,68,68,080</b>                   | <b>18,97,11,277</b>                   |
| <b>26. Finance costs</b>  |                                       |                                       |
| (a) Interest expense on :   |                                       |                                       |
| (I) Borrowings  | 36,50,27,329                          | 31,12,85,527                          |
| Others - Interest on Deposit from Customers   | -                                     | 61,667                                |
| (b) Other borrowing costs   | 1,58,85,639                           | 1,45,00,368                           |
| (c) Net (gain) / loss on foreign currency transactions and translation (considered as finance cost) | -4,31,973                             | 5,35,927                              |
| <b>Total</b>  | <b>38,04,80,996</b>                   | <b>32,63,83,489</b>                   |



| PARTICULARS   | Year Ended<br>31.3.2013<br>₹ | Year Ended<br>31.3.2012<br>₹ |
|---|------------------------------|------------------------------|
| <b>27 Other expenses</b>  |                              |                              |
| Consumption of stores and spare parts   | 36,58,297                    | 1,27,05,795                  |
| Manufacturing Expenses  | 1,10,12,022                  | 1,23,79,329                  |
| Consumption of packing materials  | 6,95,92,045                  | 6,16,32,980                  |
| Power and fuel  | 32,32,17,458                 | 21,31,77,518                 |
| Water   | 2,42,920                     | 2,88,685                     |
| Rent including lease rentals  | 24,80,144                    | 26,73,810                    |
| Repairs and maintenance - Buildings   | 1,02,03,915                  | 1,05,53,434                  |
| Repairs and maintenance - Machinery   | 14,66,65,281                 | 9,62,29,756                  |
| Repairs and maintenance - Others  | 94,73,795                    | 65,97,609                    |
| Insurance   | 1,57,50,953                  | 1,20,59,352                  |
| Rates and taxes   | 5,27,38,755                  | 1,62,79,119                  |
| Communication   | 43,39,881                    | 46,85,221                    |
| Travelling and conveyance   | 2,05,70,352                  | 1,45,78,685                  |
| Printing and stationery   | 30,23,911                    | 29,26,621                    |
| Freight and forwarding  | 6,61,19,710                  | 5,46,83,547                  |
| Sales commission  | 6,78,68,303                  | 6,04,83,505                  |
| Sales discount  | 1,13,73,887                  | 4,14,47,036                  |
| Hank Yarn Obligation  | 15,14,211                    | 43,46,653                    |
| Business promotion  | 13,14,246                    | 90,68,538                    |
| Donations and contributions   | 23,26,014                    | 10,90,000                    |
| Legal and professional  | 91,75,972                    | 77,91,669                    |
| Payments to auditors (Refer Note (i) below)   | 16,72,846                    | 12,77,202                    |
| Bad trade and other receivables, loans and advances written off                             | 7,46,233                     | 24,45,463                    |
| Loss on fixed assets sold   | 8,56,339                     | -                            |
| Provision for impairment of fixed assets and intangibles (net)                              | 4,00,000                     | -                            |
| Miscellaneous expenses  | 21,03,000                    | 7,03,209                     |
| <b>Total</b>  | <b>83,84,40,493</b>          | <b>65,01,04,736</b>          |
| (I) Payments to the auditors comprises (net of service tax input credit, where applicable): |                              |                              |
| As auditors - statutory audit   | 6,75,000                     | 5,89,890                     |
| For taxation matters  | 1,50,000                     | 3,65,357                     |
| For company law matters   | -                            | 88,240                       |
| For other services - Certification  | 8,47,846                     | 2,14,965                     |
| Reimbursement of expenses   | -                            | 18,750                       |
| <b>Total</b>  | <b>16,72,846</b>             | <b>12,77,202</b>             |



28. Contingent Liability:

- a. The amount of duty concession availed against the pending obligation (For import of capital goods under concessional customs duty linked to fulfillment of export obligations) for the year ended 31.3.2013 is ₹. 8111.25 Lakhs. (31.3.2012 - ₹. 5184.61 Lakhs).
  - b. The Central Excise Department has demanded an amount of ₹. 69.99 Lakhs towards Cenvat credits availed by the Company in previous years on account of Capital and stores materials purchased and utilized. The Company has appealed against these demands before CESTAT, Chennai.
  - c. The Sales Tax Department has demanded the Central Sales Tax amounting to ₹. 132.47 Lakhs on account of exempted sales made by the Company during the financial year 2008-09 and 2009-10. The company has preferred a writ petition before the Hon'ble High Court of Madras on the ground that the order is barred by limitation and obtained an interim stay for payment of the impugned tax.
29. Estimated amount of contracts to be executed on the capital accounts and not provided for amounts to ₹.76.05 Lakhs (31.3.2012 - ₹.1136 Lakhs) approximately.
30. The funds raised by way of Public Issue have been fully utilized for the purposes for which it was raised.
31. The Company has not received information from its creditors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence a disclosure relating to their outstanding amount and interest has not been given.
32. No amount is due for credit to Investor Education and Protection Fund.





33. Details of Foreign currency Exposures

| Particulars           | Outstanding foreign currency exposures as at 31.3.2013 | Covered by forward contracts   | Exposures not covered by forward contracts |
|-----------------------|--|--------------------------------|--|
| Cotton Import         | \$ 24,82,694<br>(\$ 18,20,021)                         | NIL<br>(Nil)                   | \$ 24,82,694<br>(\$ 18,20,021)             |
| Machinery import      | € 7,60,000<br>(€ 2,33,856 )                            | € 7,60,000<br>(Nil)            | (Nil)<br>(€ 2,33,856)                      |
| Foreign Currency Loan | \$ 40,32,440<br>(\$ 53,22,386)                         | \$ 35,19,315<br>(\$ 35,00,000) | \$ 5,13,125<br>(\$ 18,22,386)              |
| Export sales          | \$ 23,43,947<br>(\$ 8,85,434 )                         | NIL<br>(Nil)                   | \$ 23,43,947<br>( \$ 8,85,434 )            |
| Export Sales          | € 9,39,855<br>( € 24,327)                              | NIL<br>(Nil)                   | € 9,39,855<br>( € 24,327)                  |
| Export sales          | GBP 38,066<br>(Nil)                                    | NIL<br>(Nil)                   | GBP 38,066<br>(Nil)                        |

(\$ - US Dollar, € - Euro, GBP - Great Britian Pounds)

All foreign exchange derivative transactions by way of forward contracts are for the purpose of hedging foreign exchange risk.

34. Value of imports calculated on CIF basis (in Rupees):

| Particulars            | FY 2012-13   | FY 2011-12   |
|------------------------|--------------|--------------|
| Raw Materials          | 33,70,30,596 | 18,22,00,454 |
| Capital Goods & Spares | 11,74,87,120 | 4,43,36,109  |

35. EXPENDITURE IN FOREIGN CURRENCY (in Rupees)

| Nature of Expenses  | FY 2012-13  | FY 2011-12  |
|---|-------------|-------------|
| Royalty, Know how, Professional/ Consultation Fees/Commission | 1,81,70,417 | 2,56,61,263 |
| Interest & Others   | 2,39,78,449 | 2,03,69,067 |
| Traveling Expenses  | 29,27,949   | 55,48,026   |



| <b>Amount Remitted in Foreign currency (in Rupees)</b> | <b>FY 2012-13</b> | <b>FY 2011-12</b> |
|--|-------------------|-------------------|
| Amount remitted on account of Dividend                 | NIL               | 2,67,564          |
| No. of Non-resident Shareholders                       | NIL               | 71                |
| No. of shares held by them                             | NIL               | 1,33,782          |
| Year to which the dividend related                     | NIL               | 2010-11           |

**36. EARNINGS IN FOREIGN EXCHANGE (in Rupees)**

| <b>Particulars</b>           | <b>FY 2012-13</b> | <b>FY 2011-12</b> |
|------------------------------|-------------------|-------------------|
| Export of goods on FOB Basis | 2,32,30,60,012    | 1,82,50,83,383    |

**37. VALUE OF IMPORTED/INDIGENOUS MATERIALS CONSUMED**

| <b>Particulars</b>         | <b>FY 2012-13</b> |          | <b>FY 2011-12</b> |          |
|----------------------------|-------------------|----------|-------------------|----------|
| <b>Raw Material</b>        | <b>Value (₹)</b>  | <b>%</b> | <b>Value (₹)</b>  | <b>%</b> |
| Cotton-Imported            | 34,02,34,795      | 12.90    | 13,14,89,141      | 4.74     |
| Cotton-Indigenous          | 229,71,42,747     | 87.10    | 2,64,53,58,179    | 95.26    |
| Yarn - Imported            | -                 | -        | -                 | -        |
| Yarn - Indigenous          | 35,73,06,507      | 100.00   | 24,33,01,388      | 100.00   |
| Nylon Tow - Import         | 53,05,300         | 34.02    | 27,37,130         | 9.85     |
| Nylon Tow - Indigenous     | 1,02,87,600       | 65.98    | 2,50,38,905       | 90.15    |
| Fabric - Imported          | -                 | -        | 81,89,290         | 8.61     |
| Fabric - Indigenous        | 11,97,43,690      | 100.00   | 8,69,03,329       | 91.39    |
| Chemical - Imported        | 14,80,517         | 2.52     | -                 | -        |
| Chemical - Indigenous      | 5,73,44,630       | 97.48    | 3,68,02,864       | 100.00   |
| Trims - Imported           | 14,92,799         | 17.32    | -                 | -        |
| Trims - Indigenous         | 71,28,134         | 82.68    | -                 | -        |
| <b>Stores &amp; Spares</b> |                   |          |                   |          |
| Imported                   | 3,34,25,673       | 9.63     | 3,03,49,022       | 16.28    |
| Indigenous                 | 31,37,66,183      | 90.37    | 15,60,79,491      | 83.72    |



38. Details of Government Grants

| Details   | FY 2012-13   | FY 2011-12   |
|---|--------------|--------------|
| Interest subsidy under TUF Scheme (netted off with interest expenses)                 | 11,23,29,133 | 12,93,88,446 |
| Duty drawback and Other Export Incentives (recognized under Other operating revenues) | 9,09,49,832  | 9,17,47,944  |

39. Defined contribution plan : Contribution made by the company to defined contribution plan which are recognized and charged to profit and loss account during the year are as under

| Particulars               | FY 2012-13 (₹) | FY 2011-12 (₹) |
|---------------------------|----------------|----------------|
| Provident Fund            | 37,49,816      | 32,32,569      |
| Family Pension Fund       | 37,22,047      | 26,21,483      |
| Employees State Insurance | 25,63,819      | 18,61,088      |
| Employees Group Gratuity  | 11,92,080      | 38,87,395      |

40. Details of borrowing cost capitalized during the year under fixed assets – ₹ 4.69 Lakhs (31.3.2012 - ₹ 51.43 Lakhs).

41. Related Party Transactions :

|                                       |   |
|---------------------------------------|---|
| Key Management Personnel              | Sri S.V. Arumugam, Managing Director  |
| Relatives of Key Management Personnel | Sri A.Senthil, S/o. Sri S.V.Arumugam<br>Chief Executive Officer   |
| Related Party                         | Shiva Texyarn Limited<br>Anamallais Automobiles (P) Ltd<br>Annamallai Infrastructures Limited<br>Young Brand Apparel P Limited<br>Bannari Amman Flour Mill Limited<br>Sakthi Murugan Transports Limited |
| Relationship                          | Enterprises in which the Key management Personnel or relatives have significant influence.  |


**II. Related Party Transactions :**

| <b>Nature of Transactions</b> | <b>Enterprises in which key management personnel or relative have significant influence</b> |                 | <b>Outstanding as on 31.3.2013</b> |
|-------------------------------|---|-----------------|------------------------------------|
| Purchase of Yarn              | ₹ 4,05,10,019/-   | (₹ 68,32,200)   | ₹ 2,52,60,692/-<br>(₹ NIL)         |
| Sale of Yarn                  | ₹ 81,92,230/-   | (₹ 2,89,69,420) |                                    |
| Sale of Fabric                | ₹ 2,48,40,916/-   | (₹ Nil)         |                                    |
| Conversion Charges Received   | ₹ 2,12,02,491/-   | (₹ Nil )        |                                    |
| Conversion Charges Paid       | ₹ 3,49,27,752/-   | (₹ 65,74,260)   |                                    |
| Rent Paid                     | ₹ 3,39,748/-  | (₹ 7,08,540)    |                                    |
| Purchase of Garments          | ₹ 40,27,500/-   | (₹ Nil)         |                                    |
| Purchase of Cotton            | ₹ NIL   | (₹ 27,78,816)   |                                    |
| Sale of Waste Cotton          | ₹ NIL   | (₹ 19,59,110)   |                                    |
| Sale of Stores                | ₹ NIL   | (₹ 63,492)      |                                    |
| Maintenance Expenses          | ₹ NIL   | (₹ 2156,85)     |                                    |
| Purchase of Stores and Spares | ₹ NIL   | (₹ 20,44,697)   |                                    |
| Lease Rent Received           | ₹ NIL   | (₹ 1,85,833)    |                                    |
| Vehilce Maintenance Expenses  | ₹ 89,587/-  | (₹ NIL)         |                                    |
| Purchase of Fabric            | ₹. 2,82,43,531/-  | (₹.NIL)         |                                    |

**42. Basic and Diluted Earnings per Share :**

| <b>Details</b>  | <b>FY 2012-13</b> | <b>FY 2011-12</b> |
|---|-------------------|-------------------|
| Profit/(Loss) for the year attributable to Equity Share holders (₹) | 27,31,81,229      | (16,37,61,114)    |
| Weighted average number of Equity Shares.                           | 1,57,54,269       | 1,57,54,269       |
| Basic & Diluted Earnings per share (₹)                              | 17.34             | (10.39)           |
| Nominal Value of Share (₹)  | 10.00             | 10.00             |



Basic and Diluted Earnings per Share – Excluding Extraordinary Items:

| Details  | FY 2012-13   | FY 2011-12     |
|--|--------------|----------------|
| Profit for the year attributable to Equity Share holders (₹.)  | 27,31,81,229 | (16,37,61,114) |
| Add: Extraordinary items (net of tax)  | NIL          | NIL            |
| Net profit / (loss) for the year from continuing operations attributable to the equity shareholders, excluding extraordinary items | 27,31,81,229 | (16,37,61,114) |
| Weighted average number of Equity Shares.  | 1,57,54,269  | 1,57,54,269    |
| Basic & Diluted Earnings per share (₹.)  | 17.34        | (10.39)        |
| Nominal Value of Share (₹.)  | 10.00        | 10.00          |

43. The net deferred tax liabilities as at 31.3.2013 comprise the following as per the Accounting Standard 22.

| Particulars  | As at 2012-13 | As at 2011-12 |
|--|---------------|---------------|
| Deferred Tax Liability on A/c of Depreciation                          | 76,12,71,693  | 77,23,23,717  |
| Deferred Tax Assets on A/c of Carried forward unabsorbed depreciation. | 23,72,01,146  | 38,23,14,437  |
| Net Deferred Tax Liability   | 52,40,70,547  | 39,00,09,280  |

The Company has recognized deferred tax asset on unabsorbed depreciation and brought forward business losses based on the Management's estimates of future profits of the Company.

44. Disclosures regarding interest in Joint Venture - The Company has invested ₹.1991.71 Lakhs (₹.1419.27 Lakhs) in the equity shares of Young Brand Apparel Private Limited (A Joint venture of the Company) as on 31.3.2013. The company does not have any further capital commitment towards purchase of shares of the Joint venture entity.



## 45. Details of interest in Joint Venture Company

| Name of the Company                 | Country of incorporation | % of voting power held as on 31.3.2013 | % of voting power held as on 31.3.2012 |
|-------------------------------------|--------------------------|--|--|
| Young Brand Apparel Private Limited | India                    | 33.33                                  | 33.33                                  |

The Proportionate interest of the Company in the Joint Venture entity as on 30.9.2012 (31.3.2011) is as under: (₹ in Lakhs)

| Financial Year Ended | Assets  | Liabilities | Contingent Liabilities | Income  | Expenditure |
|----------------------|---------|-------------|------------------------|---------|-------------|
| 30.9.2012*           | 2302.19 | 1999.23     | NIL                    | 3562.05 | 4106.71     |
| 31.3.2011            | 2767.42 | 2006.12     | NIL                    | 2544.33 | 2615.67     |

\* For 18 months period ended 30.9.2012.

For **P N RAGHAVENDRA RAO & CO**  
Chartered Accountants

**P R VITTEL**

Partner  
Membership No. 200/18111  
ICAI Firm Regn. No: 003328S

Coimbatore  
18<sup>th</sup> May, 2013

**S V ARUMUGAM**

Chairman & Managing Director

**K SADHASIVAM**

Director

**N KRISHNARAJ**

Company Secretary





**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.3.2013**

(₹ in Lakhs)

|  | <b>31.3.2013</b>  | <b>31.3.2012</b>  |
|--|-------------------|-------------------|
| <b>I CASH FROM OPERTATING ACTIVITIES</b>         |                   |                   |
| Net Profit before taxation & Extraordinary items | 4,072.42          | (3,396.16)        |
| Adjustments for :                                |                   |                   |
| Depreciation                                     | 3,575.65          | 3,722.63          |
| Interest income                                  | (90.27)           | (53.57)           |
| Dividend income                                  | (0.92)            | (0.92)            |
| Finance costs                                    | 3,804.81          | 3,263.83          |
| Foreign Exchange Fluctuation                     | 183.88            | -                 |
| (Profit) / Loss on sale of asset                 | (6.14)            | (159.67)          |
|  | <b>7,467.01</b>   | <b>6,772.30</b>   |
| Operating profit before working capital changes  | 11,539.44         | 3,376.14          |
| Debtors  | (12,02.57)        | 430.79            |
| Inventories                                      | 837.61            | 9,926.15          |
| Other Current Assets                             | 547.25            | 1,782.32          |
| Current Liabilities                              | (759.27)          | 915.76            |
|  | <b>(576.98)</b>   | <b>13,055</b>     |
| Cash generation from operations                  | 10,962.46         | 16,431.15         |
| Add: income taxes (Paid)/refund                  | (628.53)          | 20.15             |
| <b>Net cash from operations</b>                  | <b>10,333.94</b>  | <b>16,451.30</b>  |
| <b>II CASH FROM INVESTING ACTIVITIES</b>         |                   |                   |
| Purchase of fixed assets                         | (1,988.43)        | (2,175.89)        |
| Proceeds from sale of assets                     | 24.87             | 190.79            |
| Interest income                                  | 90.27             | 53.57             |
| Dividend income                                  | 0.92              | 0.92              |
| Purchase of Investments                          | (517.44)          | -                 |
| Proceeds from sale of investment                 | 66.92             | -                 |
|  | <b>(2,322.89)</b> | <b>(1,930.60)</b> |


**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.3.2013 (Contd....)**
**(₹ in Lakhs)**

|  | <b>31.3.2013</b>  | <b>31.3.2012</b>   |
|--|-------------------|--------------------|
| <b>III CASH FROM FINANCING ACTIVITIES</b>            |                   |                    |
| Increase/(decrease) in short term borrowing          | (2,284.98)        | (5,789.51)         |
| Decrease in Long Term Borrowings                     | (978.41)          | (4,371.81)         |
| Interest paid  | (3,804.81)        | (3,284.37)         |
| Dividend Paid  | -                 | (367.42)           |
|  | <b>(7,068.20)</b> | <b>(13,813.11)</b> |
| Net (decrease)/increase in cash and cash equivalents | 942.84            | 707.60             |
| Opening cash and bank balances                       | 1,247.04          | 539.45             |
| Closing cash and bank balances                       | 2,189.88          | 1,247.04           |
| Net (decrease)/increase in cash and cash equivalents | 942.84            | 707.60             |

For **P N RAGHAVENDRA RAO & CO**  
Chartered Accountants

**P R VITTEL**  
Partner  
Membership No. 200/18111  
ICAI Firm Regn. No: 003328S

Coimbatore  
18<sup>th</sup> May, 2013

**S V ARUMUGAM**  
Chairman & Managing Director

**K SADHASIVAM**  
Director

**N KRISHNARAJ**  
Company Secretary


**Financial Performance - Yearwise**

(₹ in lakhs)

| Financial Year           | Equity Share Capital | Reserves & Surplus | Turnover* | Profit before Depreciation | Depreciation | Profit before Tax | Dividend on Equity Shares (%) |
|--------------------------|----------------------|--------------------|-----------|----------------------------|--------------|-------------------|-------------------------------|
| 1994-1995                | 350.05               | 0.32               | 8.60      | 1.21                       | 0.90         | 0.32              | -                             |
| 1995-1996<br>(18 months) | 350.05               | 42.16              | 3171.12   | 185.77                     | 143.93       | 41.84             | -                             |
| 1996-1997                | 350.05               | 104.84             | 4936.08   | 769.28                     | 668.09       | 101.19            | 10                            |
| 1997-1998                | 350.05               | 181.02             | 5270.53   | 494.61                     | 379.92       | 114.69            | 10                            |
| 1998-1999                | 350.05               | 592.27             | 6137.82   | 792.70                     | 342.60       | 450.10            | 10                            |
| 2000-2001<br>(18 months) | 350.05               | 1464.27            | 9942.63   | 1702.90                    | 537.03       | 1165.87           | 15                            |
| 2001-2002                | 350.05               | 1736.63            | 6365.46   | 736.57                     | 333.64       | 402.93            | 10                            |
| 2002-2003                | 350.05               | 2085.64            | 6361.65   | 1183.80                    | 340.02       | 843.78            | 10                            |
| 2003-2004                | 350.05               | 2685.39            | 7533.23   | 1206.95                    | 322.97       | 883.99            | 20                            |
| 2004-2005                | 875.13               | 3601.48            | 7487.43   | 1789.41                    | 321.42       | 1467.99           | 20                            |
| 2005-2006                | 1575.43              | 13569.54           | 8670.07   | 2044.41                    | 470.86       | 1573.55           | 20                            |
| 2006-2007                | 1575.43              | 14903.05           | 11033.07  | 2563.34                    | 848.69       | 1714.65           | 20                            |
| 2007-2008                | 1575.43              | 14657.28           | 20933.17  | 3122.39                    | 1493.26      | 1629.12           | 20                            |
| 2008-2009                | 1575.43              | 14454.79           | 29095.40  | 3139.29                    | 2180.84      | 958.44            | 10                            |
| 2009-2010                | 1575.43              | 15683.92           | 35427.40  | 4799.92                    | 2565.30      | 2234.62           | 15                            |
| 2010-2011                | 1575.43              | 19196.90           | 58645.01  | 12108.40                   | 5389.09      | 6719.31           | 20                            |
| 2011-2012                | 1575.43              | 17559.28           | 43660.96  | 326.46                     | 3722.63      | -3396.16          | -                             |
| 2012-2013                | 1575.43              | 19922.46           | 54928.79  | 7648.08                    | 3575.65      | 4072.42           | 20                            |

\* Turnover = Net Sales + Closing Stock - Opening Stock

[illegible]

**PLANT LOCATIONS :**

| Spinning Division   |   |
|---|---|
| NaduKandanur Pirivu, Morepatty Post<br>Vadamadurai, Dindigul 624 802. Tamilnadu             | Velvarkottai, Dindigul Trichy National Highway 45<br>Vedasandur Taluk, Dindigul 624 803. Tamilnadu      |
| Weaving Division  | Technical Textile Division  |
| Karanampet - Paruvai Road<br>Paruvai Post, Coimbatore - 641 658                             | Kovai – Sathy Main Road, Kunnathur Village<br>Ganesapuram Post, S S Kulam (Via)<br>Coimbatore - 641 107 |
| Windmill Division   |   |
| Irukandurai & Dhanakarkulam Villages<br>Radhapuram Taluk<br>Tirunelveli District, Tamilnadu | Chinnapudur Village<br>Dharapuram Taluk<br>Erode District, Tamilnadu                                    |
| Melkaraipatti & Kottathurai Villages<br>Palani Taluk<br>Dindigul District<br>Tamilnadu      | Virugalpatti Village<br>Illuppanagaram Village<br>Udumelpet Taluk, Tirupur District<br>Tamilnadu        |
| Garment Division  | Processing Division   |
| Palladam Hitech Weaving Park<br>Sukkampalayam Village<br>K N Puram (Po) Palladam- 641 662   | Plot No. H-11, E-12<br>SIPCOT Industrial Growth Estate<br>Perundhurai, Erode - 638 052                  |

# BANNARI AMMAN



## **BANNARI AMMAN** Spinning Mills Ltd.

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