

**BOARD OF DIRECTORS**

<b>Sri N. KRISHNA MOHAN</b>	Chairman
<b>Sri R. SHIV KUMAR</b>	Executive Vice Chairman
<b>Sri K. VIJAY KUMAR</b>	Managing Director
<b>Smt K.V. NAGALALITHA</b>	Director
<b>Sri K.V. PRASAD</b>	Director - Independent
<b>Sri P. RAMAMOORTHY</b>	Director (upto 06.08.2014)
<b>Sri M. NARASIMHA RAO</b>	Director - Independent (w.e.f. 09.11.2013)

**COMPANY SECRETARY :**  
**Sri P. RAJENDRA BABU****AUDITORS**

C.Ramachandram&Co,  
Chartered Accountants  
3-6-237,Unit 606,  
Lingapur la builde complex,  
Himayath Nagar, Hyderabad-29.

**REGISTRAR & SHARE TRANSFER AGENTS**

M/s Venture Capital & Corporate  
Investments Pvt. Limited,  
12-10-134, (MIG-134)  
2nd Floor, Bharatnagar,  
Hyderabad-500 038.

**ADMINISTRATIVE OFFICE**

6-3-668/10/66  
Durganagar Colony, Punjagutta  
Hyderabad -500082.

**FACTORY & REGD. OFFICE**

Perindesam Village, K.V.B. Puram Mandal  
Near Srikalahasti, Chittoor Dist A.P.

**BANKERS**

Andhra Bank  
Srikalahasti Branch,  
Chittoor District.

**NOTICE**

Notice is hereby given that the 22<sup>nd</sup> Annual General Meeting of the members of Aditya Spinners Limited (CIN:L18100AP1991PLC012337) will be held on Friday, the 26th September'2014 at 12.30 P.M. at Registered Office of the Company located at Perindesam Village, KVB Puram Mandal, Near Srikalahasti, Chittoor District, Andhra Pradesh-517643 to transact the following business.

**ORDINARY BUSINESS:**

1. To receive consider and adopt the Balance Sheet as at 31 March 2014 and the Statement of Profit and Loss of the Company for the year ended on that date along with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Sri N. Krishna Mohan, Director (DIN:00698772) who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Smt K.V. Nagalalitha, Director (DIN:02223430) who retires by rotation and being eligible, offers herself for reappointment.
4. To appoint the Statutory Auditors and fix their remuneration. The retiring Auditors M/s C. Ramachandram & Co., Hyderabad, Chartered Accountants are eligible for re-appointment.

**SPECIAL BUSINESS:****5. Increase in the Borrowing Powers of the Company:**

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

**"RESOLVED THAT** in supersession to the earlier resolution(s), the consent of the company be and is hereby accorded under the provisions of Section 180 (1) (c) of the Companies Act, 2013 to the Board of Directors of the Company to borrow from time to time all such moneys as they may deem requisite for the purpose of the business of the Company notwithstanding that money to be borrowed together with the moneys already borrowed by the Company (apart from temporary Loans obtained from the Company's Bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount up to which the money may be borrowed by the Board of Directors (apart from temporary loans obtained from the company's bankers) shall not exceed Rs. 50.00 Crores (Rupees Fifty Crores only) outstanding at any time.

**6. Appointment of Sri M. Narasimha Rao as Independent Director:**

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

**"RESOLVED THAT** pursuant to the provisions of Section 149 and 152 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, read with Schedule IV to the Companies Act, 2013, Sri M. Narasimha Rao be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5(five) consecutive years up to the conclusion of the 27<sup>th</sup> Annual General Meeting of the Company."

**7. Appointment of Sri K.V. Prasad as Independent Director:**

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

**“RESOLVED THAT** pursuant to the provisions of Section 149 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013, Sri K.V. Prasad (DIN:01853455) be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5(five) consecutive years up to the conclusion of the 27<sup>th</sup> Annual General Meeting of the Company.”

**8. Approval for Creation of Charge/Securities:**

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

**“RESOLVED THAT** the Company do hereby accord its consent under section 180 (1) (a) and other applicable provisions of the Companies Act, 2013, to mortgaging and or charging by the Board of Directors of the Company all or any of the movable and or immovable properties both present and future of the whole or substantially the whole of the undertaking or the undertakings of the Company for securing any term loan obtained or as may be obtained from any bank/financial institution together with interest, costs, charges, expenses and any other money payable by the Company.

By Order of the Board  
For ADITYA SPINNERS LIMITED

K.VIJAY KUMAR  
Managing Director

Place : Hyderabad  
Date : 06-08-2014

**NOTES**

1. The statement pursuant to Schedule IV and Section 102(1) of the Companies Act, 2013 in respect of the ordinary business and special business respectively, as set out in the Notice is annexed hereto.
2. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote in the meeting instead of himself / herself, and the proxy need not be a member of Company.
3. The instrument appointing the proxy, duly completed, must be deposited at the Company's registered office not less than 48 hours before the commencement of the meeting. A proxy form for the Annual General Meeting is enclosed.
4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged with the Company, at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
5. The Register of Members and Share Transfer Books of the Company will remain closed on 26th September, 2014.
6. Members are requested to intimate immediately, any change in their address, to the Registrar and Share Transfer Agent of the company quoting their folio number.
7. Members, desiring any information relating to the accounts, are requested to write to the Company at an early date so as to enable the management to keep the information ready.
8. The Ministry of Corporate Affairs ("Ministry"), Government of India, has taken a "Green Initiative in Corporate Governance" by allowing proper compliances by Companies through electronic mode. As per the Circular No. 17/2011 dated 21.04.2011 and Circular No. 185/2011 dated 29.04.2011 issued by the Ministry of Corporate Affairs, companies can now send various notices/ documents (including notice calling Annual General Meeting. Audited Financial Statements, Directors' Report, Auditors' Report etc) to their shareholders through electronic mode, to the Registered email address of the shareholders. Therefore, all the shareholders are requested to update their email/register email address immediately to company with the Green Initiative on Corporate Governance.
9. Statement containing the procedure and instructions for the e-voting through electronic system is attached.

**EXPLANATORY STATEMENT UNDER SECTION 102(1):**

**Item No. 5 and 8:**

The approval of the shareholders is sought to permit the Board to borrow money in excess of the Company's capital and free reserves. In terms of the MCA clarification vide its General Circular No.04/2014, dated 25.03.2014 with regard to the Section 180 of the Companies Act, 2013 which was notified to be in force with effect from 12.09.2013 that the resolution passed under section 293 of the Companies Act, 1956, prior to 12.09.2013, with reference to borrowing limits/ creation of security or charge on assets of the company will be regarded as sufficient compliance of the requirements of section 180 of the Companies Act, 2013 for a period of one year from the date of notification of section 180. Thus, the earlier resolution(s) passed u/s293 were effective only for a period of one year with effect from 12.09.2013 and therefore a fresh resolution in lieu of the

earlier resolution now proposed which is permissive under Section 180(1)(C) of the Companies Act, 2013, if the shareholders approve. With the Company's plans for expansion, Board of Directors of the Company thought it necessary to acquire the power to borrow within the limit as specified in the above resolution under item no. 5 and create charge on assets of the company as per the resolution under item no. 8 and commends the passing of the resolutions.

None of the Directors is in any way concerned or interested in this resolution.

#### Item No.6:

Sri M. Narasimha Rao was appointed as an Additional Director by the Board of Directors at their meeting held on 09.11.2013 and he holds office till the conclusion of the ensuing Annual General Meeting in terms of the Articles of Association and Company Law. As required by section 160 of the Companies Act, 2013, notice was received from a member of the Company signifying his intention to propose appointment of Sri M. Narasimha Rao as Director along with a deposit of Rs.1,00,000/- for the proposed appointment.

In the opinion of the board Sri M. Narasimha Rao fulfills the conditions specified in section 149 (6) and other applicable provisions of the Companies Act, 2013. and the rules made thereunder and that the proposed Director is independent of the management.

The Board considered it desirable that the Company should avail his services as Director and recommend the resolution for approval of shareholders at the ensuing Annual General Meeting.

None of the Directors except Sri M. Narasimha Rao is interested in the resolution.

#### Item No.7:

In the opinion of the Board, Sri K.V. Prasad fulfills the conditions specified in Section 149(6) and other applicable provisions of the Companies Act, 2013 and the rules made thereunder and that the proposed director is independent of the management.

None of the directors except Sri K.V. Prasad is interested in the resolution.

By Order of the Board  
For ADITYA SPINNERS LIMITED

K.VIJAY KUMAR  
Managing Director

Place : Hyderabad  
Date : 06-08-2014

### INSTRUCTIONS FOR E-VOTING

#### 1. Voting through electronic means:

- a. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide to members the facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Securities Depository Limited (CSDL).
- b. The instructions for e-voting are as under:  
In case of members receiving e-mail:
  - (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
  - (ii) Click on "Shareholders" tab.
  - (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
  - (iv) Now enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on Login.
  - (v) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used. If you are a first time user follow the steps given below.
  - (vi) Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Physical Form	For Members holding shares in Demat Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)	
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.	
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account Bank or in the company records for the said demat account or folio.	

\*Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of your name and the Folio Number in the PAN field. Eg. If your name is Ramesh Kumar with Folio Number 1 then enter RA00000001 in the PAN field.

# Please enter any one of the details in order to login. In case both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on <Company Name> on which you choose to vote.
- (xi) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.
- (xvii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on <Date and Time> and ends on <Date and Time>. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <Record Date>, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

The e-voting period commences on 20th September 2014 (9:00 am) and ends on 22nd September 2014 (6:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 26th September 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 26th September 2014.

Sri K. Swamy Practicing Company Secretary (Membership No. F3743) and has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The Scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two(2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company.

The Results shall be declared in the Annual General Meeting of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.everestorganicsltd.com](http://www.everestorganicsltd.com) in and on the website of CDSL within two(2) days of passing of the resolutions at the Annual General Meeting of the Company and communicated to the BSE Limited.

**DIRECTORS' REPORT**

To  
The Members,  
Your Directors have pleasure in presenting the 22<sup>nd</sup> Annual Report of the Company together with the Audited Accounts for the year ended 31<sup>st</sup> March, 2014.

1. FINANCIAL RESULTS	Rs. in Lakhs	
	2013-14	2012-13
Sales	4207.09	3701.17
Profit before depreciation and interest	212.15	234.75
Depreciation	75.08	69.09
Interest for the year	25.62	71.47
Profit before tax	111.45	94.19
Deferred Tax	1.04	1.98
Net Profit	110.41	92.21

**2. DIVIDEND:**

The Directors have not recommended any dividend.

**3. REVIEW OF OPERATIONS:**

During the year under review, the Company had achieved a sales turnover of Rs. 4207.09 lakhs as compared to Rs. 3701.17 lakhs made during the corresponding previous year. For the year 2013-14, the company earned a net profit of Rs.110.41 Lakhs as against the net profit of Rs.92.21 lakhs made during the corresponding previous year.

**4. FUTURE PLANS:**

The company is maintaining good quality products and planned to modernise the plant. The company aims to increase the turnover to achieve the targeted profitability during the current year.

**5. DIRECTORS :**

The Board of Directors of the company was duly constituted as required under the Companies Act, 1956 as well as per the Clause-49 of the Listing Agreement. Sri N. Krishna Mohan and Smt K.V. Nagalalitha, Directors of the company will retire at this annual general meeting by rotation and being eligible, offer themselves for reappointment. The Board regretted the sad demise of Sri G. Satyanarayana, director and expressed its condolences. The Board appointed an additional director Sri M. Narasimha Rao whose term of office will expire at the conclusion of this Annual General Meeting.

In the opinion of the Board, Sri M. Narasimha Rao and Sri K.V. Prasad are proposed to be appointed as independent directors who fulfills the conditions specified in Section 149(6) and other applicable provisions of the Companies Act, 2013 and the rules made thereunder and that the proposed directors are independent of the management.

Sri P. Ramamoorthy ceased to be a Director on account of his resignation on 06-08-2014 and the board conveyed its appreciation for the guidance and support given by him during his tenure.

**6. DEPOSITS:**

The Company has not accepted any deposits from the public during the year under review.

**7. AUDITORS:**

The present Auditors of the Company M/s C.Ramachandram & Co., Chartered Accountants, Hyderabad, will retire at the conclusion of this Annual General Meeting and they are eligible for reappointment and it was confirmed that their reappointment, if made, would be within the specified limit under the Companies Act, 1956.

**8. PARTICULARS OF EMPLOYEES:**

The Particulars of employees required under Section 217(2A) of the Companies Act, 1956 read with the provisions contained in companies (Particulars of Employees) Rules 1975 as amended to date were not applicable to your Company as none of the employees was in receipt of remuneration which is in excess of the limits specified.

**9. DISCLOSURE AS PER LISTING AGREEMENT :**

Clause 32:

The cash flow statement in accordance with accounting standard and cash flow statement (AS-3) issued by ICAI is appended to this Annual Report.

Clause 43A:

The Company shares are listed on the Bombay Stock Exchange, Mumbai. It is further informed that the Annual listing fee was paid for the year 2014-15 to the Bombay Stock Exchange.

Clause 49 Compliance:

A detailed compliance report on the Corporate Governance is enclosed to this Annual Report.

**10. DIRECTORS' RESPONSIBILITY STATEMENT :**

- (i) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- (ii) The directors had selected such accounting policies and applied them consistently and made Judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for the period.
- (iii) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- (iv) The Directors have prepared the accounts on a going concern basis.

**11. INDUSTRIAL RELATIONS:**

The Company has had harmonious industrial relations throughout the year under review at all levels of the organization. The Company would endeavor to maintain this cordial relationship in future also.



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

Information pursuant to section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rule 1988 regarding conservation of energy, technology absorption and foreign exchange earnings and out go has been given in a separate statement annexed here to, which forms part of the Directors Report.

**13. AUDIT COMMITTEE AS PER THE COMPANIES ACT, 1956:**

Pursuant to section 292A of the Companies Act, 1956, Audit Committee is duly constituted and the members of the committee are Sri P. Ramamoorthy, Director and Chairman, Sri K.V. Prasad, Independent Director, Sri M. Narasimha Rao, Independent Director and Sri K.Vijay Kumar, Managing Director.

**14. ACKNOWLEDGEMENT:**

Your Directors take this opportunity to express their thanks to various departments of the Central and State Government, Bankers, Material Suppliers, Customers and Shareholders for their continued support and guidance.

The Directors wish to place on record their appreciation for the dedicated efforts put in by the employees of the company at all levels.

For and on behalf of the Board

Place : Hyderabad  
Date : 06-08-2014

**N. KRISHNA MOHAN**  
Chairman

**K. VIJAY KUMAR**  
Managing Director

**ANNEXURE TO DIRECTORS' REPORT**

Disclosure of particulars with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under companies (Disclosure of particulars in the Board of Directors' Report) Rules, 1988.

**I. CONSERVATION OF ENERGY:**

- (a) Energy Conservation Measures taken : Regular energy audits are being internally conducted and efforts to improve the DG sets performance was being undertaken
- (b) Additional investment and proposals , if any, being implemented for reduction in consumption of energy: -NIL-
- (c) Impact of measures of (a) and (b) above for reduction in energy consumption and consequent Impact on the cost of production of goods: Being studied.
- (d) Total energy consumption and energy consumption per unit of production as per Form A of the Annexure to the Rules in respect of industries specified in the schedule thereto:

**FORM – A**

	Current Year ended 2013-2014	Previous year ended 2012-2013
<b>A. Power and Fuel Consumption:</b>		
Electricity:		
a. Purchases (Units in Lakhs)	109.31	97.10
Total Amount (Rs. in Lakhs)	785.18	590.27
Rate per Unit in (Rs.)	7.18	6.08
b. Own Captive generation:		
i. Through Diesel Generator (Units in lacks)	-	-
Unit per litre of diesel	-	-
Cost/Unit (Rs.)	-	-
ii. Through steam Turbians/Generator	NIL	NIL
Unit (Nos)	-	-
Units per Ltr. of Fuel Oil	-	-
Gas	-	-
Cost/Unit (Rs.)	-	-
<b>B. Consumption per unit of production:</b>		
Yarn production (in MTS.)	1455.94	1402.27
Energy consumption (KWH) per kg. of yarn	7.51	6.92
<b>II. TECHNOLOGY ABSORPTION :</b>		
Efforts made to Technology absorption as per Form B of the Annexure to the Rules: ———Not Applicable———		
<b>III. FOREIGN EXCHANGE EARNINGS AND OUTGO : NIL</b>		

For and on behalf of the Board

Place : Hyderabad  
Date : 06-08-2014

**N. KRISHNA MOHAN**  
Chairman

**K. VIJAY KUMAR**  
Managing Director