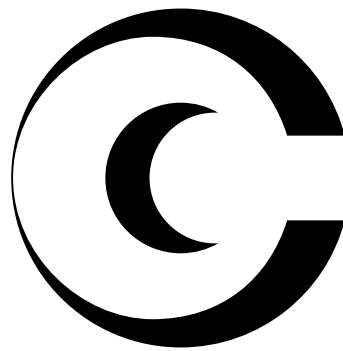


Celebrity Fashions Limited



24th
ANNUAL REPORT 2012-2013

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BOARD OF DIRECTORS

Mr. V. Rajagopal, Chairman
Mr. Charath Ram Narsimhan, Managing Director
Mrs. Rama Rajagopal, Director
Mr. N.K. Ranganath, Independent Director
Mrs. Nidhi Reddy, Independent Director
Mr. P.S.Raman, Independent Director
Mr. Ramji Sinha, Special Director

Management Team

Mr. Selin Reubalin C. C	VP - Operations
Mrs. Pushpa R	GM – Merchandising
Mrs. Visalakshi. L	GM – Finance & Accounts
Mr. A.M. Gopinath	GM – Commercial
Mr. W. Charlie Manickarayan	GM – Human Resources
Mr. Sankaranarayanan. G	GM – Sourcing
Mr. Martin Premkumar. A	GM - Technical
Mr. Balaji. J	GM – Purchase

REGISTERED OFFICE & CORPORATE OFFICE

SDF –IV & C2, 3rd Main Road,
MEPZ – SEZ, Tambaram, Chennai – 600 045

NOTICE CONVENING THE ANNUAL GENERAL MEETING

Notice is hereby given that the Twenty Fourth Annual General Meeting of Celebrity Fashions Limited will be held on Monday the, 23rd September 2013 at 3.00 PM at the Registered Office of the Company, situated at SDF – IV & C2, 3rd Main Road, MEPZ-SEZ, Tambaram, Chennai – 600 045 to transact the following businesses.

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Statement of Profit and Loss for the year ended 31st March 2013 and Balance Sheet as on that date together with the report of Directors and Auditors thereon.
2. To appoint Director in place of Mr N K Ranganath, who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Mrs Nidhi Reddy, who retires by rotation and being eligible offers herself for reappointment.
4. To appoint M/s Anil Nair & Associates, Chartered Accountants, Chennai and M/s CNGSN & Associates, Chartered Accountants, Chennai as Joint Auditors of the Company and to fix their remuneration.

SPECIAL BUSINESS

5. Appointment of Mr P S Raman as a Director of the Company.

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

"RESOLVED THAT Mr P S Raman who was appointed by the Board of Directors as Additional director of the Company with effect from 10th January 2013 holds office up to the date of the ensuing Annual General Meeting of the Company pursuant to the provisions of Section 260 of the Companies Act, 1956 and in respect of whom the company has received a notice in writing from a member under Section 257 of the Act proposing his candidature for the Office of the Company, be and is hereby appointed as a Director of the Company"

6. Appointment of Mr Charath Ram Narsimhan as Managing Director of the Company

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 198,269,309,310,311 and schedule XIII and all other applicable provisions, if any, of the Companies Act 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and such other approvals, permissions and sanctions, as may be required, and the company hereby accords its approval to the appointment of Mr Charath Ram Narsimhan as the Managing Director from 13th February 2013 for a period of Five years.

RESOLVED FURTHER THAT Mr Charath Ram Narsimhan will not be paid any remuneration for holding the position of Managing director.

RESOLVED FURTHER THAT the remuneration if any payable in the future, Board of Directors of the Company be and are hereby authorized to fix and vary remuneration and perquisites including monetary value thereof to the extent the Board of Directors may consider appropriate and as may be considered and permitted or authorized and will be subject to the provisions of Section 198,269,309,310,311 and other applicable provisions of the Companies Act, 1956 and within the limits laid down under schedule XIII of the Companies Act 1956 for the time being in force and any statutory modifications or reenactment thereof, and / or any rules or regulations framed there under.

7. A. CONVERSION OF LOAN INTO 1% CUMULATIVE REDEEMABLE PREFERENCE SHARES (CRPS)

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

"RESOLVED THAT pursuant to section 80, 81, 81 (1A) and other applicable provisions, if any, of the Companies Act, 1956, and pursuant to the provisions of the Memorandum & Articles of Association of the Company, and the listing agreement entered into by the company with the Stock Exchanges, where Shares of the Company are listed, restructuring package of the company sanctioned by State Bank of India, and subject to such approvals, consents, permissions and/ or sanctions as may be required from the Securities and Exchange Board of India (SEBI), and from any other government/ appropriate authorities / institutions

of bodies (hereinafter individually/ collectively referred to as the "concerned authorities") and subject to such conditions if any, as may be stipulated by the concerned authorities from time to time in granting any such approvals, consents, permissions or sanctions, the Board of Directors of the Company be and is hereby authorized to allot 2,51,04,500 (Two crores fifty one lakhs four thousand and five hundred) 1% Cumulative Redeemable Preference Shares (CRPS) of face value of Rs.10/- (Rupees Ten Only) each against conversion of part outstanding amounts of the loan facilities amounting to Rs.25,10,45,000 (Twenty five crores ten lakhs forty five thousand only) provided by State Bank of India in accordance with the Re-structuring Package approved by Bank. The Conversion shall be in accordance with the following conditions:

- i) The Company shall allot and issue 2,51,04,500 (Two crores fifty one lakhs four thousand and five hundred) 1% Cumulative Redeemable Preference Shares of Rs.10/- (Rupees Ten Only) each aggregating to Rs.25,10,45,000 (Twenty five crores ten lakhs forty five thousand only) to State Bank of India in accordance with the Re-Structuring Package and the Bank shall accept the same in satisfaction of the part of the loans as envisaged in the Re-structuring Package. The Part of the said loans so converted shall cease to carry interest from the date of conversion and the said loans shall stand correspondingly reduced from the outstanding loan as on date of conversion.
- ii) The CRPS shall carry a dividend of 1% p.a. and will be redeemed in 6 equal annual installments starting from the Financial year 2021-22. If in case the cash flows does not permit redemption of these CRPS, the Company will issue fresh CRPS, carrying dividend at 1% p.a. to the holders of original CRPS as a consideration for redemption of original CRPS or redeem the CRPS from the promoters' infusion of funds.
- iii) All other terms and conditions as may be presently or as amended from time to time.
- iv) Proposed Allottees to the issue:

Sl #	Name of the allottee	Category	1%Cumulative Redeemable Preference Shares (Face Value Rs.10/- each)	Amount of Loans to be Converted into 1% CRPS Rs.
1	State Bank of India	Public-Banks / Financial Institution	2,51,04,500	25,10,45,000

"RESOLVED FURTHER THAT, the Board be and is hereby authorized for the purpose of giving effect to this resolution, on behalf of the Company to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation to enter into arrangements / agreements / make payment of dividend in priority to equity share holders in the case of 1% Cumulative Redeemable Preference Shares (CRPS) as per the terms and conditions mentioned above and to settle all questions, difficulties, doubts that may arise in regard to such issue as the Board, in its absolute discretion deem fit and take all steps which are incidental, consequential, relevant or ancillary in this connection."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or any other Officer(s) / Authorized Representative(s) of the Company to give effect to the aforesaid resolution."

B. CONVERSION OF LOANS INTO EQUITY SHARES

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

"RESOLVED THAT, in accordance with the provisions of Section 81(1A) and other applicable provisions of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof) (the "Act") and in accordance with the provisions of the Memorandum of Association ("MOA") and Articles of Association ("AOA") of the Company, re-structured package sanctioned by State Bank of India, subject to the Listing Agreements entered into by the Company with the Stock exchanges on which company's shares are listed and the rules/regulations/ guidelines, notifications, circulars and clarifications issued by Securities and Exchange Board of India ("SEBI"), SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI ICDR Regulations"), SEBI (Substantial

Acquisition of Shares and Takeovers) Regulations, 2011 ("SEBI Takeover Regulations"), and any other applicable laws and regulations, permissions including from Reserve Bank of India ("RBI") or any other relevant authority from time to time, to the extent applicable and subject to any other government/ appropriate authorities/institutions of bodies (hereinafter individually / collectively referred to as the "concerned authorities") and subject to such conditions if any, as may be stipulated by the concerned authorities from time to time in granting any such approvals, consents, permissions or sanctions, the Board of Directors of the Company be and is hereby authorized to allot 74,69,100 (Seventy four lakhs sixty nine thousand and one hundred) Equity Shares of face value of Rs.10/- (Rupees Ten Only) each against conversion of part outstanding amounts of the loan facilities amounting to Rs.7,46,91,000 (Rupees Seven crores forty six lakhs ninety one thousand only) provided by State Bank of India in accordance with the Re-structuring Package sanctioned by Bank. The Conversion shall be in accordance with the following conditions:

- i) The Company shall allot and issue the requisite number of Equity Shares to State Bank of India in accordance with the Re-Structuring Package and State Bank of India shall accept the same in satisfaction of the part of the loans as envisaged in the Re-structuring Package.
- ii) The Part of the said loans so converted shall cease to carry interest from the date of conversion and the said loans shall stand correspondingly reduced from the outstanding loan as on date of conversion.
- iii) The Equity shares so issued and allotted to State Bank of India shall rank pari passu with the existing equity shares of the Company in all respects, inter alia, the dividends and other distributions or to be declared in respect of the equity capital of the Company.
- iv) Proposed Allottees to the issue:

Sl #	Name of the allottee	Category	Equity Shares (Face Value of Rs.10/- each)	Amount of Loans to be Converted into Equity Rs.
1	State Bank of India	Public-Banks / Financial Institution	74,69,100	7,46,91,000

"RESOLVED FURTHER THAT the Equity shares issued pursuant to conversion of the outstanding loans shall be subject to lock-in requirement as prescribed by the SEBI (ICDR) Regulations, 2009".

RESOLVED FURTHER THAT the Company shall be allowed to make an application to SEBI for exemption of lock-in period provisions after BIFR according approval for the Draft Re-habilitation Scheme.

"RESOLVED FURTHER THAT on conversion of the outstanding loans to Equity shares, the said Equity shares shall be listed on the Stock Exchanges on which the existing Equity Shares of the Company are listed".

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do and perform all such acts, deeds, matters or things as may be necessary, appropriate, desirable or expedient to give effect to this resolution"

Date : 09th August 2013 For and on behalf of the Board
Place : Chennai **V Rajagopal**
Chairman

NOTES

- A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies, in order to be effective must be received at the company's Registered Office not less than 48 hours before the meeting. Proxies submitted on behalf of the Companies, Societies and Partnership firms etc must be supported by appropriate resolution/authority as applicable issued on behalf of the nominating organization.
- The Register of member and transfer books of the Company will be closed from Monday the 16th September 2013 to Monday the 23rd September 2013 (both days inclusive)
- In terms of Clause 49 of the Listing Agreement entered with Stock Exchanges, a brief resume of the directors proposed to be reappointed in this meeting, nature of expertise in specific functional areas, their other directorship, committee membership and their Shareholding in the Company are annexed to this notice.

4. IMPORTANT SHAREHOLDER COMMUNICATION

The Ministry of Corporate Affairs (MCA), Government of India has taken a "Green Initiative in Corporate Governance" by allowing paperless compliance by the Companies through its recent Circular Nos. 17/2011 and 18/2011, dated 21st and 29th April 2011 respectively allowing companies to send various official documents to their shareholders electronically. Your Company recognizes the spirit of this MCA circular and it is proposed to henceforth send all documents and communications such as, Notice convening the General Meetings, Financial Statements, Directors Report, Auditors Report etc to the email addresses provided by you with your depository. It is encouraged that the members support this green initiative and update their email address with their depository participant to ensure that all communications sent by the company are received on the desired email address. However, as per the records shared by the Depositories, if your email address is not registered, to enable us to implement the said initiative, we request you to please register / update your email address with your DP at the earliest.

In addition, the full text of the reports and documents will also be made available on the Company's website:www.celebritygroup.com in the investor section.

ANNEXURE TO THE NOTICE CONVENING THE ANNUAL GENERAL MEETING

Additional information on directors seeking re-election at the Annual General Meeting

Mr.N.K.Ranganath

Profile and expertise in specific functional areas

Born on 13th March 1956, Mr. N.K.Ranganath is a mechanical engineer and holds a post graduate degree in Business Management from XLRI.

Mr. N.K.Ranganath is Managing Director of M/s. Grundfos Pumps India Private Limited. He had acquired valuable knowledge, experience and expertise in sales, marketing, finance, production and human resources disciplines.

He was inducted as a director by the Board on 6th September 2005.

Mrs.Nidhi Reddy

Profile and expertise in specific functional areas

Born on 13th April 1956, Mrs. Nidhi Reddy holds a Master degree in Economics from Delhi School of Economics and a Post Graduate diploma in Personnel Management and Industrial relations from XLRI.

Mrs. Nidhi Reddy is the sole proprietor of Nidhi Reddy Consultants. She specializes in the field of human resource management, behavioral training and recruitment.

She was co-opted as a director by the Board on 6th September 2005.

Explanatory Statement pursuant to section 173(2) of the Companies Act 1956

Item No.5

Mr P S Raman was appointed as an Additional Director of the Company by the Board of Directors vide the Circular Resolution dated 10th January 2013. As per the provisions of Section 260 of the Companies Act, 1956 he holds office till the conclusion of the ensuing Annual General Meeting.

The Company has received a notice from a member under section 257 of the Companies Act, 1956 proposing his appointment as a Director.

Born on 07th November 1960, Mr P S Raman holds bachelor degree in Commerce and Law. He is an Advocate with more the two decades of practice in Madras High Court and in the Supreme Court.

During the years of practice, he has gained valuable knowledge, experience and expertise in the field of Law.

Item No.6

The Board of Directors of the Company at their meeting held on 11th Day of February 2013 have appointed Mr Charath Ram Narsimhan as Managing Director of the Company for a period of Five years effective from 13th February 2013. He will hold the office as Managing Director without any remuneration.

i)Tenure : For a period of Five years with effect from 13th February 2013.

ii)Salary & Perquisites : Nil

iii)Sitting Fees : He will not be entitled to any sitting fees for attending the meetings of the Board or any Committee thereof.

Disclosure as per Clause 49 of the Listing Agreement
(a) Profile of Mr Charath Ram Narsimhan

Mr Charath Ram Narsimhan aged 40 holds Bachelors Degree from IIT and MBA Finance from IIM – Lucknow. He has over 16 years of experience in garment industry. He was working with Colorplus (Raymond's Group Company) before joining Indian Terrain Division of Celebrity Fashions Limited in November 2005 and heading the business as Chief Executive Officer.

He has been in Celebrity Fashions Limited for the past 10 years and held the position of Chief Executive officer for the group. He was inducted into the Board of Directors in February – 13 and was elevated as Managing Director of the Company.

(b) Expertise in specific functional areas

Managerial, Financial, Commercial, Systems and Administration.

(c) Directorship of other Companies and the membership of Committees of the Board

Directorship of other Companies : Nil

Audit Committee : Member

Shareholders / Investors Grievances Committee : Member

Mr Charath Ram Narsimhan holds 25600 equity shares in the Company.

None of the Directors except Mr Charath Ram Narsimhan is interested or concerned in the proposed resolution.

Item No.7(A & B)

The Company is predominantly an exporter of Ready-Made Garments. The financial performance of the Company has been drastically affected for reasons beyond its control including Global economic recession, Volatility in currency movements and increase in raw material prices and other costs. The network of the Company has got eroded and the Company has been declared Sick in April 2011 by the Board for Industrial and Financial Reconstruction (BIFR). The Bankers to the Company include State Bank of India and HDFC Bank Limited. BIFR has appointed State Bank of India as the Operating Agency and has issued directions to submit a Rehabilitation Scheme for the revival of the Company. State Bank of India after conducting a Techno- Economic-Viability has sanctioned a Re-structuring Scheme for revival of the Company and State Bank of India (as the Operating Agency) has also submitted the Draft Rehabilitation Scheme (DRS) for approval before the Hon'ble BIFR. HDFC Bank Limited is yet to approve the Re-structuring Package for the Company.

The Company in its Extra Ordinary General Meeting dated 10th October 2012, has already secured the approval of the share holders for the conversion of loans in Equity & CRPS by State Bank of India and HDFC Bank Limited. However with the pending approval of the re-structuring scheme by HDFC Bank Limited and Hon'ble BIFR and with State Bank of India independently agreeing to implement the package considering the position of the Company as advised by Hon'ble BIFR in its hearing dated 17th April 2013, the Company is seeking the approval of the Share holders for conversion of loans pertaining to State Bank of India before the approval of DRS by BIFR.

The salient features of the Re-structuring Scheme sanctioned by State Bank of India include:

- Conversion of Rs.7.47 crores of Term loans into Equity Shares by State Bank of India.
- Conversion of Rs.25.10 crores of Term loans into 1% Cumulative Redeemable Preference Shares by State Bank of India.
- Infusion of Rs.7 crores towards Equity by the Promoters as contribution towards Lender's sacrifice. 50% of the Contribution from Promoters has already been brought in during October / November 2012 and balance 50% will be brought in by December 2013. Further the Re-structuring Scheme also envisages repayment of Term loans through Sale of Immovable Properties during the course of the Re-structuring Period and concessions in interest rates on Term loans.

Sl #	Name of the Allottee	Category	Pre-issue	Post-issue	% to Issue	
					Pre-Issue	Post-Issue
1	State Bank of India	Public-Banks / Financial Institution	-	74,69,100	-	24.48%
	Total			74,69,100	-	24.48%

The details of the proposed issue of 1% Cumulative Redeemable Preference Shares are as under:

Sl #	Name of the Allottee	Category	Pre-issue	Post-issue	% to Issue	
					Pre-Issue	Post-Issue
1	State Bank of India	Public-Banks / Financial Institution	-	2,51,04,500	-	100%
	Total			2,51,04,500	-	100%

The disclosures which are required to be given in the explanatory statement to the notice of the Annual General Meeting in terms of point no.73 of Chapter VII of SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009 and as amended from time to time for Preferential Issues and as are in force on the date of this notice, are stated below:

i) Objects of the Issue: As mentioned above, the objective of the issue of equity and preference shares is to meet out the terms and conditions of the proposed Re-structuring Scheme sanctioned by State Bank of India for conversion of secured term loans into Equity and 1% Cumulative Redeemable Preference Shares. The issue of shares is part of the re-structuring package sanctioned by State Bank of India.

ii) Intention of the promoters / directors / their associates and relatives / key management persons with regard to the proposed issue :-

The proposed issue of securities is in terms of the re-structuring package sanctioned by State Bank of India. The allotment would not result in any change in control or management of the affairs of the Company. However there will be consequential change in the voting rights / share holding of the Company.

iii) Shareholding Pattern of the Company before and after the Proposed Issue:

Particulars	Pre-allotment Holding		Post-allotment Holding	
Category of Shareholders	Total No.of shares	% of Paid up capital	Total No.of shares	% of Paid up capital
Promoter & Promoter Group	10543796	45.7736	10543796	34.5656
Bodies Corporate	2598022	11.2787	2598022	8.5171
Foreign Institutional Investor	2100000	9.1167	2100000	6.8844
Financial Institution/Banks-				
1. SBI			7469100	24.4858
Resident Individuals	4179223	18.1432	4179223	13.7007
Clearing Members	162607	0.7059	162607	0.5331
Non Resident Indians	51017	0.2215	51017	0.1672
Foreign Companies	3400000	14.7604	3400000	11.1462
Total	23034665	100.00	30503765	100.00

NOTE:

The above Shareholding Pattern may change upon transfer of shares by existing shareholders of the Company from time to time.

iv) Proposed time within which the allotment shall be complete:

The Board will allot Equity Shares / CRPS within 15 days from the date of this Annual General Meeting.

v) Pricing of the Issue:

As per SEBI (ICDR) Regulations, 2009, for preferential issue, the issue price of the equity shares to be issued to State Bank of India comes to Rs.4.42/-. Against this, the equity shares are proposed to be issued on preferential basis at a price of Rs.10/- per share (i.e. at par value).

The relevant date for the above purpose means 30 days prior to the date on which the general meeting is held to consider the proposed issue under section 81(1A) of the Companies Act, 1956. As the date of Annual General Meeting of Shareholders is 23rd September 2013, the relevant date is 24th August 2013. A copy of the Certificate from the Statutory Auditors, M/s CNGSN Associates as per SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009 shall be placed before the shareholders at the time of meeting.

vi) There will not be any change in the control of the Company on account of the proposed preferential issue of equity shares.

vii) The equity shares issued and allotted on a preferential basis hereunder will be subject to lock-in periods as per the provisions of SEBI (ICDR) Regulations, 2009. However, the Company will make an application to SEBI for exemption of lock-in period provisions post approval of DRS by BIFR.

The Board believes that the proposed offer will be in the best interest of the Company and its members. The Members are, therefore requested to accord their approvals to the proposed resolutions. None of the Directors of the Company are in any way, concerned or interested in the resolutions except Mr. V. Rajagopal, Chairman and Mrs. Rama Rajagopal, Director to the extent of their shareholding

Date : 09th August 2013 For and on behalf of the Board
Place : Chennai **V Rajagopal**
Chairman

Abstract of the terms of appointment and remuneration of Mr Charath Ram Narsimhan as Managing Director (Pursuant to Section 302 of the Companies Act, 1956)

1	Tenure	Five years effective from 13th February 2013
2	Salary	Nil
3	Medical Benefits	Nil
4	Telephone	Nil
5	Automobile	Nil
6	Reimbursement of expenses	Nil
7	Sitting Fess	Nil
8	Power to vary	The Board shall have power to fix, vary or enhance the remuneration from time to time at its discretion on the recommendation of the Remuneration Committee within the limits specified in Schedule XIII of the Companies Act, 1956.

Date : 09th August 2013 For and on behalf of the Board
Place : Chennai **V Rajagopal**
Chairman

Director's Report

Dear Shareholders,

Your Directors hereby present the 24th Annual Report along with the audited statements of the Company for the year ended 31st March 2013.

Financial Highlights – Rs. In Crs

	FY 2012-13	FY 2011-12
Revenue From operations	186.37	190.38
Gross Profit / (Loss) before interest and depreciation	6.26	9.85
Interest	4.35	16.36
Profit / (Loss) before depreciation and tax	1.91	(6.51)
Depreciation	6.59	7.16
Profit / (Loss) before Extra-Ordinary Income	(4.68)	(13.67)
Extra-Ordinary Income	-	-
Profit / (Loss) before tax	(4.68)	(13.67)
Provision for Taxation		
Profit / (Loss) after tax	(4.68)	(13.67)
Balance brought forward from previous year	(65.41)	(51.74)
Balance carried to Balance Sheet	(70.10)	(65.41)

India continue to be a major sourcing destination for buyers across the globe. India's share of the world's textile and apparel exports stands at 4.5 per cent. It is estimated that due to the increasing shift of textile and apparel production to Asian nations and the deteriorating export-competitiveness of China, this figure will grow to 8 per cent by 2020, with a total exports value of \$82 billion. This growth, from 4.5 per cent to 8 per cent of world trade, will open up huge potential for Indian players.

Although the Apparel Exports Market is looking up in the front end, the business and pricing conditions continue to remain tough. The competition from Indonesia, Bangladesh, Vietnam and Turkey is intense due to their low cost of manufacturing.

Your Company has recorded total revenues of Rs.186 crs for the financial year ending 31st March 2013 as compared to Rs.190 crs previous year. The operating margins are at Rs.6.25 crs as compared to Rs.9.85 crs last year. The increase in operating costs clubbed with reduction in turnover has contributed to lower margins for the current year.

Your Company was not able to gain on the fall in the Rupee against the USD until November 2012 on account of the USD-INR Option Contracts entered by the Company during 2007-08. With these contracts having come to an end in October 2012, your Company is expected to benefit by realising the full value of INR against USD.

The Young Management Team in place constantly strives to mitigate the problems, improve the financial health of the Company by controlling the losses and the Company foresees strong signs of revival.

Finance and Accounts

There is no provision for Income Tax, due to the loss incurred by the Company during the year. The Company has recognized Deferred Tax Asset in unabsorbed depreciation and accumulated losses to the extent of corresponding deferred tax liability on the difference between the book balance and written down value of fixed assets under Income Tax.

The Company has not accepted any deposits within the meaning of Section 58A and 58AA of the Companies Act 1956.

The Company's network was eroded as on 31st March 2010 under the provisions of Sick Industrial Companies Act (SICA). Accordingly the company filed for reference with the Board for Industrial and Financial Reconstruction (BIFR) under section 15(1) of SICA. The reference was considered by BIFR and upon submissions made and material on record, BIFR has declared the Company as Sick Industrial Company u/s 3(1)(o) of SICA vide its order dated 19th April 2011. BIFR appointed State Bank of India (SBI) as the Operating Agency (OA) and issued directions to submit a Rehabilitation Scheme as per section 18 of SICA.

State Bank of India has sanctioned a Re-structuring Package to the Company vide its Sanction Letter dated 16th November 2012. The package includes Conversion of portion of Term loans into Equity and 1% Cumulative Redeemable Preference Shares, re-schedulement of Term loan repayments and interest concessions. SBI has submitted the Package for approval before Hon'ble BIFR. The approval from HDFC Bank on the Re-structuring Package is awaited.

The Term loan obligations of State Bank of India in accordance with the Sanction letter dated 16th November 2012 have been met in full. However the interest commitments of Rs.4.01 crs against Working Capital Loans and Term loans is pending to be serviced from August 2012.

With HDFC Bank yet to approve the re-structuring package, the Company has defaulted in repayment of Term loans amounting to Rs.2.51 crs and Interest commitments of Rs.2.57 crs. The term loan repayment is pending from February 2012, while the interest commitment remains unpaid since February 2011.

The Accounts of the Company have been prepared on the basis of 'going concern concept' despite negative network as on 31st March 2013 in view of the various strategic initiatives that the Company is exploring and also considering the Rehabilitation Scheme submitted to Banks / BIFR. The Management is confident of being able to continue and operate the business and bring positive results in future.

Share Capital

State Bank of India, in its Sanction letter dated 16th November 2012 has stipulated that Promoters should cause equity infusion of Rs.7 crs in phases toward their contribution. Accordingly your Company was in receipt of Rs.3.50 crs as first tranche of the equity infusion during October / November 2012.

The Company made preferential allotment of 14,00,000 Equity Shares at the face value of Rs.10/- per share to M/s Celebrity Connections, a partnership firm wherein the promoters Mr. V. Rajagopal and Mrs. Rama Rajagopal are the only partners and 21,00,000 Equity Shares at the face value of Rs.10/- per share to M/s Davos International Fund, a Foreign Institutional Investor during January 2013 towards their contribution to Equity. The allotment was approved by the Shareholders in the Extra-Ordinary General Meeting held in October 2012.

Consequent to the above, the Share Capital of the Company has increased by Rs.3.50 crs.

Dividend

In view of the business loss for the year, no dividend is being recommended.

Personnel

The Board wishes to place on record its appreciation to all the employees in the Company for their sustained efforts and contributions during these tough times.

Directors

During the year under review, Mr. S. Surya Narayanan has resigned from the post of Managing Director. The Board places on record its appreciation for his tremendous contribution during his tenure.

Consequent to his resignation, Mr. Charath Ram Narasimhan, the group Chief Executive Officer has been elevated to the post of Managing Director.

Pursuant to Section 255 of the Companies Act 1956, Mr. N.K. Ranganath and Mrs. Nidhi Reddy retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

Auditors

M/s Anil Nair & Associates, Chartered Accountants, Chennai and M/s CNGSN & Associates, Chartered Accountants, Chennai, the Joint Auditors of the Company, retire at the ensuing Annual General Meeting and are eligible for reappointment.

Cost Auditor

Pursuant to the provisions under Section 233B of the Companies Act, 1956 your Company has appointed M/s. Rafiq & Associates, as Cost Auditor of your Company for the financial year 2013-14.

Corporate Governance Report and Management Discussion and Analysis Statement

A report on Corporate Governance is attached to this Report as also a Management Discussion and Analysis statement.

Particulars as per Section 217 of the Companies Act, 1956

- A) Pursuant to the requirement of Section 217 (2AA) of the Companies Act, 1956 and based on the representations received, your Directors hereby confirm that:
 - i. In the preparation of the Annual Accounts for the year ended 31st March 2013, the applicable Accounting Standards have been followed and there are no material departures;
 - ii. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
 - iii. The Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
 - iv. The Directors have prepared the Annual Accounts on a going concern basis.
- B) During the year under review, there were no employees covered under the provisions of Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Amendment Rules, 2011.
- C) The information pursuant to Section 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is given below:
 - i. Conservation of Energy:
The operations of the Company are not energy-intensive. However, wherever

possible, the Company strives to curtail the consumption of energy on a continuing basis.

- ii. Technology absorption:

Not applicable.

- iii. Foreign Exchange Earning and Outgo:

Total Foreign exchange earned (FOB Value)	Rs.165.44 crs
Total Foreign exchange outgo	Rs. 48.40 crs

Appreciation

The Directors are sincerely thankful to you – the esteemed shareholders, customers, business partners and commercial banks for the faith reposed and valuable support provided by them in the Company and its Management. The Directors wish to place on record the co-operation extended and the solidarity shown by the employees in assisting the organization to control its losses and contributing for a good turnaround. The Directors thank the Banks, particularly State Bank of India for all their sustained support throughout the journey of the Company.

For and on Behalf of the Board

Dated : 3rd May 2013
Place : Chennai,

V.Rajagopal
Chairman

“GROUP COMING WITHIN THE DEFINITION OF GROUP AS DEFINED IN THE MONOPOLIES AND RESTRICTIVE TRADE PRACTICES ACT 1969”

1. Mr. Venkatesh Rajagopal
2. Mrs. Rama Rajagopal
3. Mr. Suresh Rajagopal
4. Mr. K. A. Rajagopal
5. Ms. Anjali Rajagopal
6. Mr. Vidyuth Rajagopal
7. Celebrity Connections (Partnership Firm)
8. Indian Terrain Fashions Limited
9. Celebrity Clothing Limited

The above disclosure has been made inter alia for the purpose of Regulation 3 (1) (e) of the securities Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

For Celebrity Fashions Limited

Date : 3rd May 2013
Place : Chennai,

Charath Ram Narasimhan
Managing Director

Management Discussion and Analysis – 31st March 2013

This Management Discussion and Analysis Report is prepared in adherence to the spirit enunciated in the Code of Corporate Governance, approved by the Securities and Exchange Board of India and in compliance with the provisions of the Listing Agreement.

Global Overview

The year 2012 has been a year of weak growth for most developed countries, and one of slowing economic growth for developing nations. The sovereign debt crisis in Europe and policy uncertainty in the U.S. have constrained investment and hiring in those regions, causing subsequent declines in the demand for manufactured goods from developing nations, most notably China and India. This has resulted in lower commodity prices, which could have major ramifications for Canada, Australia and other resource-rich economies if sustained for an extended period.

Europe has spent the better part of the last two years fighting to contain sovereign debt problems that have emerged in Greece, Portugal, Ireland, Spain and Italy. So far, austerity measures, combined with euro area commitments to bail out troubled national governments and to reform banking regulations, have mostly contained the borrowing costs of the troubled nations.

However, Europe is starting to experience the side effects of the austerity measures implemented to rein in government spending. In the third quarter of 2012, real GDP growth in the European Union (EU) was essentially flat, following three consecutive quarters of negative growth. Spain and Italy have experienced five quarters of negative real GDP growth through the third quarter of 2012, while Portugal had seen four straight quarters of falling real GDP through the second quarter. Unemployment is reaching unprecedented levels. In the 27 EU member states the unemployment rate

hit the highest mark on record in September 2012, at 10.6%. In Greece and Spain the unemployment rate has surpassed 25%.

The impacts of the recession in Europe and tepid growth in the U.S. are beginning to be felt in other regions of the world, most significantly Asia. Year-over-year growth in the value of exported goods out of China has slowed from a post-recession high of 48.4% in May 2010 to 9.9% in September 2012. The picture is worse in India, where year-over-year growth in the export of goods has been negative for six of the last seven months. This slowdown has been reflected in prices for major commodities. Brent crude oil prices, the benchmark for globally traded oil, have fallen from US\$125.45/barrel in March 2012 to US\$111.71/barrel in October 2012, even with civil unrest in Syria and Israeli-Iranian tensions on the rise in the Middle East. Meanwhile, iron ore prices, as of early November 2012, have fallen roughly 20% from April highs. Likewise, the Bank of Canada's commodity price index was down 3.0% from March to October. China's quarterly year-over-year real GDP growth has slowed for at least 10 consecutive quarters, coming in at 7.7% for the third quarter of 2012. In India, annualized quarterly real GDP growth was 3.1% in the second quarter of 2012, having fallen from 7.7% in the same quarter of 2011. The International Monetary Fund (IMF) is projecting China's real GDP growth to be 8.2% in 2013. India is forecast to record 6.0% in 2013. Globally, the IMF is forecasting real GDP to grow by 3.6% in 2013, down from growth of 3.8% in 2011 and 5.1% in 2010.

Indian Industrial overview

Garment exporters continue to face order slowdown with order sizes becoming smaller from existing clients in US and EU coupled with selling price pressure. To combat this, companies are venturing into newer markets such as Africa, Russia, Korea, Japan and Eastern EU. Demand is weakened further by tough competition from Asian peers such as China, Bangladesh and Vietnam who are lower cost manufacturers of apparel and also enjoy more favourable duty structure on exports.

In the financial year 2012-13, India's exports have crossed US\$ 300 billion reaching at US\$ 300.60 billion but compared to previous year, it fell by 1.76%. However, it is a matter of concern that the trade deficit which was US\$ 183.4 billion last year has increased to US\$ 190.91 billion. If we look at the direction of Indian exports, we are able to discern a shifting trend as Indian exports to Asia, Africa and Latin America during 2012-13 touched US\$ 195.27 billion, accounting for 65% of our total export basket. This is indeed a development with significant import as South-South trade is assuming a new dynamics. Apart from this, value added exports have got a centrality in our export basket as engineering exports accounted for US\$ 57 billion, textiles accounted for US\$ 26 billion and pharmaceuticals at US\$ 15 billion.

Opportunities and Threats

Strength

Our Strength lies in optimizing our efficiency to deliver improved business results to meet the customer satisfaction, commitment to quality and process execution and long standing client relationship.

Weakness

We operate in highly competitive market. High dependence on Government reforms.

Risks and Concerns

Our revenues and expenses are difficult to predict and can vary significantly from period to period, which could cause decline in our performance.

The economic environment, pricing pressure and decreased capacity utilization rates could negatively impact our revenues and operating results.

Our revenues are highly dependant on clients primarily located in US & EU. An economic slowdown or other factors that affect the economic health of the US & EU may affect our business.

Our net income may get reduced if Government of India slashes the subsidies given. Changes in the policies of the Government of India or political instability could delay the further liberalization of Indian economy, which could impact our business prospects.

Our failure to complete the orders in agreed time frame may negatively affect our profitability. Our client contracts are often conditioned on our performance, which, if unsatisfactory, could result in lesser revenues.

Outlook

Given the challenging operating environment led by the uncertainty over demand growth, volatility in raw-material prices and persistent increases in other operating costs coupled with the stress on liquidity, it is unlikely that the sector's Outlook will turn Positive.

The country's apparel exports are anticipated to be flat at \$14 billion in the current fiscal. However, if falling cotton prices translate into revival of demand and capacity utilisation, the Outlook on garment sector could turn Stable in 2014. Selling prices are likely to remain lower depending on companies' bargaining power which is very low for small exporters or for low value added products.

A reduced cost competitiveness in China due to significant wage increases and a reduction in capacities in China for exports offers an advantage to India as a Apparel Manufacturing Destination.

Futhermore, the recent events and incidents of unrest, safety and non compliance issues in Bangladesh has significantly increased the country risk and may see a lot if customers change their sourcing strategy to increase India exposure given the stability of the country and the strict adherence to social compliance issues.

Internal Control Systems and their Adequacy

The Company has developed adequate internal control system commensurate to its size and business to ensure that all assets are safeguarded and protected against any loss from unauthorized use or disposition and that all transactions are authorized, recorded and reported correctly. The internal audit reports are periodically reviewed by the Management together with the Audit Committee of the Board. The Company has a strong Management Information System as a part of Control Mechanism.

Risk Management

In an interdependent, fast-moving world, organizations are increasingly confronted by risks that are complex in nature and global in consequence. Such risks can be difficult to anticipate and respond to, even for the most seasoned business leaders.

The Company is exposed to the following risks:

Foreign Exchange Risk

The Company's policy is to systematically hedge its long term foreign exchange risks as well as short term exposures in line with its hedging policy. In addition to this, the company also has a natural hedge on the imports of the company which is almost 50% of its Exports.

Interest Rate Risk

The Interest rate regime was continuously on the hike mode for the past several quarters. Now the interest rates are expected to soften. The Company's Banks have sanctioned a re-structuring package wherein the interest rates on term loans are at concessional levels. However the Banks reserves the right of recompense and the compensation will cover the entire amount of sacrifice and concessions in rates of interest of all facilities.

Apart from the above, the Company is also exposed to certain operating business risks in the form of government regulations and the same is taken care through regular monitoring and corrective mechanisms.

Financial Performance

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956, and Generally Accepted Accounting Principles (GAAP) in India.

The management accepts responsibility for the integrity and objectivity of these financial statements, as well as for various estimates and judgments used therein. The estimates and judgment relating to the financial statements have been made on a prudent and reasonable basis, in order that the financial statements reflect in a true and fair manner the form and substance of transactions, and reasonably present our state of affairs and profits /(losses) for the year.

Highlights
Rs. In Crores

	2012-2013	2011-2012
Income From operations	187.24	191.77
PBIDT	6.26	9.85
Interest	4.35	16.36
PBDT	1.91	(6.51)
Depreciation	6.59	7.16
Profit/ (Loss) Before Tax	(4.68)	(13.67)
Provision for Taxation	-	-
Net Profit / (Loss) after Tax	(4.68)	(13.67)

Your Company is proud to inform that the Company was awarded the Highest Exporter among Textile and Readymade Garment Units and Largest Employment (Manufacturing) provider for the year 2011-12 by MEPZ-Special Economic Zone.

Human Resources/Industrial Relations

Industrial relations have continued to be harmonious at all units throughout the year. No man-days were lost due to strike, lock out etc.

Measures for employees' safety, their welfare and development receives top priorities. The Company had over 4000 employees as on 31st March 2013.

Cautionary Statement

Statement in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities, laws and regulations. Actual results could materially differ from those expressed or implied. Important factors that could make a difference to the Company's operations include raw material availability and prices, global demand-supply conditions, changes in governmental regulations and tax structure, economic structure within India and the countries with which the Company has business contacts and other incidental factors.

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE
To the Members,
Celebrity Fashions Limited

We have examined the compliance of conditions of Corporate Governance by Celebrity Fashions Limited for the year ended on 31st March 2013, as stipulated in clause 49 of the Listing Agreement of the said company with Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the condition of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement 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.

Dated: 25th April 2013

Place: Chennai

FOR CNGSN & ASSOCIATES

Chartered Accountants

F.R.No.004915S

C.N. Gangadaran

Partner

Memb.No.11205

REPORT ON CORPORATE GOVERNANCE
Company's Philosophy on Code of Corporate Governance

Celebrity Fashions Limited focuses Corporate Governance as a key driver of

sustainable corporate growth and a powerful medium to achieve the company's goal of maximizing value for all its stakeholders. A sound corporate governance strengthens investors' trust and enables the company to fulfill its commitment towards the customers, employees and the society in general. Celebrity Fashions Limited believes that the primary objective is to create and adhere to a corporate culture of conscience and consciousness, empowerment, accountability and independent monitoring.

The company philosophy is based on the key elements in corporate governance viz., transparency, disclosure, supervision and internal controls, risk management, internal and external communications, high standard of safety, health, accounting fidelity, product and service quality. The company has a strong legacy of fair and ethical governance practices.

BOARD OF DIRECTORS

The Board of Directors of the Company possess highest personal and professional ethics, integrity and values, and provides leadership, strategic guidance and objective judgement on the affairs of the company. The Board is fully aware of its fiduciary responsibilities and is committed to represent the long-term interest of the Stakeholders. The Board adopted the principles of corporate governance and remains informed, participative, and independent to implement its broad policies and guidelines and has set up adequate review procedures.

The Key to good corporate governance is the optimum combination of the executive and non-executive directors on the board and the extent of their independence. The Board consists of six members with knowledge and experience in diverse fields and professionally acclaimed to understand their role in addressing the issues raised by the management. The day-to-day affairs of the company are managed by the Managing Director and Chairman under the supervision of the Board.

Composition of the Board

The Board has constituted in the manner, which will result in an appropriate mix of Executive / non executive independent directors to ensure proper governance and Management.

During the financial year ended 2012-13, the Board consisted of Six Directors. Mr.V.Rajagopal is the Chairman and Mr. Charath Ram Narsihman is a Managing Director and Mrs. Rama Rajgopal, Director. Three Directors viz., Mr. N.K. Ranganath, Mr. P.S. Raman and Mrs.Nidhi Reddy are non executive Independent Directors.

Board Meetings

During the financial year 2012-13, the Board met 5 times on **15.05.2012, 09.08.2012, 09.11.2012, 23.01.2013 and 11.02.2013**

Details of attendance of each director at the Board Meetings and in the last Annual General Meeting and number of directorships / committee memberships held by them as on 31st March 2013 are as follows:

Name of the Director	Category	Attendance at the Board Meetings	Attendance at the Last AGM	Number of other Directorships held	Other Committee Membership ***	
					Member	Chairman
Mr. V. Rajagopal Chairman	Executive / Promoter	6/6	Yes	2	-	-
Mrs.Rama Rajagopal Executive Director	Executive / Promoter	4/6	No	2	-	-
Mr. S. Surya Narayanan Managing Director ^A	Executive	5/6	Yes	2	2	-
Mr. Charath Ram Narsimhan Managing Director ^A	Executive	1/1	No	1	2	-
Mr.P.S.Raman Director	Independent Non Executive	0/1	No	1	1	-
Mr.N.K.Ranganath Director	Independent Non Executive	4/6	No	3	1	2
Mrs.Nidhi Reddy Director	Independent Non Executive	2/6	No	-	2	1

Notes:

****** The Directorship held by the Directors, as mentioned above, includes the directorship held in Private Limited Companies

******* Only membership of audit committee, shareholders / investors grievance committee and remuneration committee has been taken into consideration.

* Appointed as an Managing Director w.e.f 13th February, 2013

^ Ceased to be the Director and Managing Director w.e.f 11th February, 2013

Access to information and updation to Directors

The required information as enumerated in Annexure 1A to Clause 49 of the Listing Agreement is made available to the Board of Directors for discussions and consideration at Board Meetings. The Board also reviews significant strategic, financial, operational and compliance matters in the meeting.

COMMITTEES OF THE BOARD

The Board in order to be effective had constituted an Audit Committee, a Shareholder / Investor Grievance Committee and a Remuneration and Compensation Committee.

AUDIT COMMITTEE

The Audit Committee plays an important role in financial reporting of performance and review of internal control procedure.

The Company consists of qualified and independent Audit Committee. The committee consists of three members Mr. N. K. Ranganath, Non-executive independent director as its Chairman, Mr. Charath Ram Narsimhan and Ms. Nidhi Reddy as its members. All the members of the Committee have excellent financial and accounting knowledge.

The role of the Audit Committee, in brief, is to review financial statements, internal controls, accounting policies and internal audit. The quarterly financial results are placed before the audit committee for its review, suggestions and recommendation(s), before taking the same to the Board. The Committee also reviews the management discussion and analysis of financial conditions and results of operations, related party transactions.

The Committee met 5 times on 15.05.2012, 09.08.2012, 09.11.2012, 23.01.2013 and 11.02.2013 during the financial year ended 31st March 2013.

Mr. S. Surya Narayanan Ceased to be a member of the Committee and Mr. Charath Ram Narsimhan has been appointed as a member of the committee with effect from 11th February, 2013.

REMUNERATION AND COMPENSATION COMMITTEE

The Board has set up Remuneration and Compensation Committee with a role to determine the remuneration payable to whole time directors and key managerial personnel of the Company, to recommend to the Board the appointment / reappointment of the Executive / Non-executive directors, to grant stock options and for framing of policies to attract, motivate and retain personnel.

The Committee consists of three non-executive independent directors, Ms. Nidhi Reddy as its Chairman, Mr. N.K. Ranganath and Mr. P.S. Raman as its members.

During the year ended 31st March 2013, the Remuneration and Compensation Committee met once on 11th February, 2013

Remuneration Policy

The Remuneration policy of the company has been structured to match the market trends of the industry, qualifications and experience of the employee and responsibilities handled by them.

Remuneration to Directors

The Non executive directors do not draw any remuneration from the Company other than the sitting fees for attending each meeting of the Board and committees thereof. The Company pays sitting fees of Rs. 2,500/- to all the non-executive directors for attending each meeting of the Board and Rs.1,500/- for each meeting of its committee thereof which is within the limits prescribed under the Companies Act, 1956.

During the financial year 2012-13, the sitting fee paid to Non - Executive Directors were as under:

Name of the Director	Sitting Fees (includes the fees paid for Committee Meetings) Rs.
Mr. P.S.Raman	Nil
Mr. N.K.Ranganath	21,500
Mrs. Nidhi Reddy	13,500

There are no other particular pecuniary relationships or transactions of the non-executive directors' vis-à-vis of the Company.

The Company pays remuneration by way of Salary, perquisites and allowances to the Chairman and Managing Director. Details of the remuneration and perquisites paid to the whole time directors are as under:

Name of the Director	Salary (Rs. in Lakhs)	Retirement Benefits	Total (Rs. in Lakhs)
Mr.S.Surya Narayanan Managing Director ^	20.73	Nil	20.73
Mr. Charath Ram Narsimhan*	Nil	Nil	Nil

^ Ceased to be Director and Managing Director w.e.f 11th February, 2013

* No Salary paid Since appointment (Appointed w.e.f 13th February, 2013).

In addition to the above, the whole time directors shall be entitled to suitable mediclaim policy for hospitalization and reimbursement of all actual medical expenses for themselves and their family to the extent not reimbursed under Mediclaim policy. They shall be entitled to telephone, fax and other communication facilities at their residence at company's cost. They are entitled to a fully maintained company car for company's business and the company shall pay the cost of vehicle, inclusive of driver. They shall also be entitled to reimbursement of all actual expenses or charges, including travel, entertainment and other out of pocket expenses incurred by them for and on behalf of the Company, in furtherance of its business and objects.

Shareholders/Investors Grievance Committee

The Committee oversees and reviews all matters connected with share transfers, issue of duplicate share certificates, etc. The Committee also looks into the redressal of investors' grievances pertaining to transfer of shares and dematerialization, non-receipt of balance sheet, non-receipt of declared dividends, etc.

The Committee consists of three members Mr. Ranganath, Non executive independent director as its Chairman, Ms. Nidhi Reddy and Mr. Charath Ram Narsimhan as its members. During the year, there was no meeting held.

The Company received no complaint during the year and no complaints pending to be resolved as on 31st March 2013.

Mr. S. Surya Narayanan Ceased to be a member of the Committee and Mr. Charath Ram Narsimhan has been appointed as a member of the committee with effect from 11th February, 2013.

General Body Meetings

The details of the last three Annual General Meetings (AGMs) held were as under:

Financial year	Day and Date	Time	Venue
2011-12	Monday, 17 th September 2012	3.00 P.M	Registered Office, SDF- IV & C 2,3 rd Main Road, MEPZ - SEZ, Tambaram, Chennai 600 045.
2010- 11	Wednesday, 28 th September, 2011	10.30 A.M	Registered Office, SDF- IV & C 2,3 rd Main Road, MEPZ - SEZ, Tambaram, Chennai 600 045.
2009 - 10	Friday, 24 th September 2010	10.30 A.M	Registered Office, SDF- IV & C 2,3 rd Main Road, MEPZ - SEZ, Tambaram, Chennai 600 045.

The following special resolutions were passed by the members during the last 3 annual general meetings:

AGM held on 17.09.2012

No Special resolution passed

EGM held on 10th October 2012

Preferential allotment of Equity Shares to the Promoters, Mr. V. Rajagopal, and Mrs. Rama Rajagopal in accordance with SEBI (ICDR) guidelines.

Code of conduct

The Company has adopted a Code of Conduct for all board members and senior management of the Company. The Code has been communicated to the directors and