

Siyaram's



37th Annual Report
2014-2015



वक्रतुंड महाकाय सूर्यकोटिसमप्रभ
निर्विघ्नं कुरु मे देव सर्वकार्येषु सर्वदा

NOTICE

Notice is hereby given that the 37th Annual General Meeting of the Members of Siyaram Silk Mills Limited will be held on Saturday, 18th July, 2015 at 11.00 a.m. at Plot No. G-4/1(A), MIDC, Tarapur, Boisar, Dist. Palghar – 401 506, Maharashtra, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date along with the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on the Equity Shares of the Company for the financial year ended 31st March, 2015.
3. To appoint a Director in place of Shri. Gaurav P. Poddar (DIN 03230539), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri. Ashok M. Jalan (DIN 00456869), who retires by rotation and being eligible, offers himself for re-appointment.
5. To ratify the appointment of the Statutory Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules framed thereunder as amended from time to time, the appointment of M/s. Jayantilal Thakkar & Co., Chartered Accountants (FRN 104133W), as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting (AGM) until the conclusion of the next AGM of the Company, be and is hereby ratified and that the Board of Directors of the Company be and is hereby authorized to fix the remuneration payable to them for the Financial Year ending 31st March, 2016, in consultation with the Statutory Auditors.”

SPECIAL BUSINESS:

6. 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 188 and other applicable provisions, if any, of the Companies Act, 2013, and the rules framed thereunder, and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company for entering into related party transactions by the Company with M/s. Balkrishna Synthetics Limited, for the Financial Year ending 31st March, 2016 up to a maximum amount of Rs. 75 crores and to decide from time to time the terms and conditions for the same as may be mutually agreed upon between the Board of Directors of the Company and M/s. Balkrishna Synthetics Limited.

RESOLVED FURTHER THAT the Board of Directors of the Company and / or any Committee thereof be and is hereby authorized to do all acts, deeds, things and to take all such steps as may be necessary, proper or expedient to give effect to this Resolution”

7. 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 148 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, framed thereunder, as amended from time to time and subject to such other permissions as may be necessary, Shri. Yogesh Bhuta, Proprietor of M/s. Bhuta & Associates, Cost Accountants, (FRN 100817), who are appointed as the Cost Auditors of the Company, by the Board of Directors, to conduct audit of the cost records of the Company, be paid remuneration for the Financial Year ending 31st March, 2016, of Rs.3,50,000/- (Rupees Three Lacs Fifty Thousand Only) plus service tax, travelling and other out-of-pocket expenses incurred by them in connection with the said Audit.

RESOLVED FURTHER THAT the Board of Directors of the Company and / or any Committee thereof be and is hereby authorized to do all acts, deeds, things and to take all such steps as may be necessary, proper or expedient to give effect to this Resolution”

By Order of the Board

(William Fernandes)
Company Secretary

Place : Mumbai

Date : 9th May, 2015.

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote at the meeting instead of himself/ herself. The proxy need not be a member of the Company. A person can act as proxy on behalf of members not exceeding 50(fifty) and holding in aggregate not more than 10% of the total share capital of the Company.
2. Proxy Forms, in order to be effective, should be duly completed, stamped and signed and must be lodged with the Company at its Registered Office not less than forty-eight hours before the commencement of the meeting. A blank proxy form is enclosed herewith.
3. The Explanatory Statement, as required by section 102(1) of the Companies Act, 2013 (“the Act”) in respect of special business is annexed hereto.
4. All documents referred to in the accompanying Notice and Explanatory Statement will be open for inspection at the Registered Office and Corporate Office of the Company between 11.00 a.m. to 1.00 p.m. on all working days except Saturdays up to the date of the Annual General Meeting (AGM).

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5. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 30th June, 2015 to Friday, 3rd July, 2015 (both days inclusive) for the purpose of payment of Dividend for the year ended 31st March, 2015.

6. Subject to the provisions of the Companies Act, 2013, dividend as recommended by the Board of Directors, if declared at the meeting, will be paid, to those members whose names appear on the Register of Members as of the close of business hours on 29th June, 2015.

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

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

8. Pursuant to the provisions of Section 205C of the Companies Act, 1956, the amount of dividend remaining unclaimed and unpaid for a period of seven years from the date of declaration, is required to be transferred to the Investor Education and Protection Fund (IEPF). Accordingly, the Company during the year has transferred the unclaimed and unpaid amount pertaining to the dividend for the financial year 2006-07 amounting to Rs.4,37,075/-. Members, who have not encashed their dividend warrants for the financial year 2007-08 and onwards are requested to make their claims to the Company immediately. Members may please note that no claim shall lie either against the Fund or the Company in respect of dividends which remain unclaimed and unpaid for a period of seven years from the date of declaration and no payment shall be made in respect of such claims.

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

Financial year ended	Date of Declaration of Dividend	Last date for claiming unpaid dividend	Due date for transfer to IEP Fund
31/03/2008	23/8/2008	28/08/2015	27/09/2015
31/03/2009	12/09/2009	17/09/2016	16/10/2016
31/03/2010	14/04/2010-interim	19/04/2017	18/05/2017
31/03/2011	06/08/2011	11/08/2018	10/09/2018
31/03/2012	25/08/2012	31/08/2019	30/09/2019
31/03/2013	10/08/2013	15/08/2020	14/09/2020
31/03/2014	27/09/2014	02/10/2021	01/11/2021

9. Corporate members intending to send their authorized representatives to attend the meeting are requested

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

10. The members are requested to:

- Quote Registered Folio/Client ID & DP ID in all their correspondence;
- Bring their copy of the Annual Report and Attendance Slip duly signed;
- Send queries related to accounts to the Company at least 15 days before the date of the meeting.

11. Members, who have not registered their e-mail addresses, so far, are requested to register their e-mail address, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register their email address by sending their details to the Registrar and Share Transfer Agents, M/s. TSR Darashaw Ltd., for receiving all communications including Annual Report, Notices, Circulars, etc., from the Company electronically.

12. Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide its members the facility of remote e-voting (e-voting from a place other than venue of the AGM) to exercise their right to vote at the 37th AGM on all the resolutions set forth in this Notice, through the e-voting services provided by National Securities Depository Limited (NSDL). The facility for voting through ballot/polling paper, will also be made available at the AGM and the members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right to vote at the AGM through ballot/ polling paper. Members who have cast votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again at the AGM.

The instructions for e-voting are as under :

A. In case a Member receives an e-mail from NSDL (for Members whose e-mail addresses are registered with the Company/ Depositories) :

- Open the e-mail and also open the PDF file namely "siyaram e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
- Open the internet browser and type the following URL: <https://www.e-voting.nsdl.com>.
- Click Shareholder- Login.
- If you are already registered with NSDL for e-voting then you can use your existing user ID and password.

- v. If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
 - vi. The password change menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
 - vii. Once the remote e-voting home page opens, click on remote e-votings>Active Cycles.
 - viii. Select "EVEN" (E-Voting Event Number) of Siyaram Silk Mills Limited, which is **101873**. Now you are ready for remote e-voting as Cast Vote page opens.
 - ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when promoted.
 - x. Upon confirmation, the message "Vote cast successfully" will be displayed.
 - xi. Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.
 - xii. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy(PDF/JPG format) of the relevant Board Resolution/ Authority letter, etc., together with attested specimen signature of the duly authorized signatory/ies who are authorized to vote, to the scrutinizer through e-mail to naithanipcs@gmail.com, with a copy marked to evoting@nsdl.co.in.
 - xiii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) – Shareholders and e-voting user manual-Shareholders, available in the downloads section of www.evoting.nsdl.com.
- B. In case a Member receives physical copy of the Notice of AGM (for Members whose email addresses are not registered with the Company/ Depositories).
- i. Initial password and other e-voting particulars are provided with the Notice of the AGM viz EVEN(E-Voting Event Number), user ID and password.
 - ii. Please follow all steps from SL.(ii) to (xiii) above, to cast vote.
- C. Other Instructions:
- i. The remote e-voting period commences on Wednesday, 15th July, 2015 (9.00 a.m. IST) and ends on Friday, 17th July, 2015 (5.00 p.m. IST). During the period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 11th July, 2015, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he/ she shall not be allowed to change it subsequently.
 - ii. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 11th July, 2015.
 - iii. Shri. Prasen Naithani, Practising Company Secretary (Membership No. FCS 3830) has been appointed as the scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner.
 - iv. The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
 - v. A Member can opt for only one mode of voting i.e. either through e-voting or by physically voting at the meeting.
 - vi. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.siyaram.com and on the website of NSDL www.evoting.nsdl.com within three days of the passing of the resolutions at the 37th AGM of the Company on 18th July, 2015 and communicated to the BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.
13. Appointment / Re-appointment of Directors:
- At the ensuing Annual General Meeting, Shri. Gaurav P. Poddar and Shri. Ashok M. Jalan, Directors of the Company, retire by rotation and being eligible, offer themselves for re-appointment, resolution for their re-appointment is proposed for approval of the Members at item nos. 3 and 4 respectively.
- ## ANNEXURE TO THE NOTICE
- ### Explanatory statement pursuant to Section 102 of the Companies Act, 2013 ("Act").
- Item No. 6.**
- In accordance with the provisions of section 188 (1)(d) of the Companies Act, 2013 and the rules framed there under related party transactions of a Company having a paid up share capital of not less than Rs.10 crores or transactions exceeding Rs.50 crores shall not be entered into except with the consent of the Board of Directors and prior approval of the members by way of an special resolution, provided no approvals shall be required if the transactions are in the ordinary course of business and are on an arm's length basis.
- The Audit Committee and Board of Directors at their respective meetings held on 9th May, 2015, have considered and approved the proposed transaction(s) with M/s. Balkrishna Synthetics Ltd. The Company's paid up share capital is less than Rs.10 crores but the aggregate annual value of the transaction with M/s. Balkrishna Synthetics Ltd., will exceed Rs.50 crores for the financial year 2015-16. The proposed transaction is in the ordinary course of business as well as on an arm's length basis. However, as a matter of good governance it is proposed to obtain prior approval of the members by way of a special resolution.

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All prescribed disclosures as required to be given under the provisions of the Act and the Companies (Meetings of Board and its Powers) Rules, 2014 are given below :-

a) Name of the related Party:

M/s. Balkrishna Synthetics Ltd.

b) Name of the director or key managerial personnel who is related, if any:

Shri. Harish N. Motiwalla, Independent Director.

c) Nature of relationship:

KMP's of the Company have significant influence in M/s. Balkrishna Synthetics Ltd.

d) Nature, material terms, monetary value and particulars of the contract or arrangement:

The Contract is for processing of Fabrics i.e. washing, dyeing and finishing of Fabrics. Estimated value of contract for the financial year 2015-16 is Rs. 75 crores.

e) Any other information relevant or important for the members to make a decision on the proposed transaction :

The transaction is in the ordinary course of business of the Company as well as on an arm's length basis and is in the interest of the Company. Though not legally required still approval of the members is being sought as a matter of good governance.

Members are hereby informed that pursuant to second proviso of section 188(1) of the Companies Act, 2013, no member of the Company shall vote on such resolution, to approve any contract or arrangement which may be entered into by the Company, if such member is a related party.

The Board of Directors of your Company has approved this item in the Board meeting held on 9th May, 2015 and recommends the resolution as set forth at item no. 6 of the accompanying notice for the approval of members of the Company as a Special Resolution.

Shri. Ramesh D. Poddar, Chairman and Managing Director, Shri. Pawan D. Poddar, Joint Managing

Director, Shri. Shrikishan D. Poddar, Executive Director, Shri. Gaurav P. Poddar, Executive Director, Smt. Ashadevi R. Poddar, Executive Director and Shri. Arvind M. Poddar, Director and their relatives are deemed to be concerned or interested, financial or otherwise in the proposed resolution to the extent of their shareholding and interest mentioned hereinabove in the Company.

Save and except the above, none of the other Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in the resolution.

Item No. 7.

In accordance with the provisions of section 148 of the Companies Act, 2013(the Act) and the Companies (Audit and Auditors) Rules, 2014 (the Rules), the Company is required to appoint a cost auditor to audit the cost records of the Company.

On recommendation of the Audit Committee, the Board at its meeting held on 9th May, 2015, has approved the appointment of Shri. Yogesh Bhuta, Proprietor of M/s. Bhuta & Associates, Cost Accountants as the Cost Auditor of the Company for the Financial Year 2015-16 at a remuneration of Rs.3,50,000/- plus reimbursement of service tax and all out of pocket expenses incurred, if any, in connection with the cost audit. The remuneration of the cost auditor is to be ratified by the members in accordance with the provisions of the Act and Rule 14 of the Rules.

Accordingly, the Directors recommend the Ordinary Resolution as set out at item no. 7 of the Notice for approval of the Members.

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested in the Resolution at item no. 7 of the Notice.

By Order of the Board

(William Fernandes)
Company Secretary

Place : Mumbai

Date : 9th May, 2015.

Annexure to Item 3 and 4 of the Notice

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

Name of the Director and number of shares held in the Company	Date of Birth	Date of Appointment on the Board	Qualifications	Expertise in specific functional area	List of other Companies (excluding Private Companies) in which directorships and committee memberships, if any.
Shri. Gaurav P. Poddar 1,78,500 Equity Shares	04/02/1985	01/08/2012	B. Sc., MBA	Sales and Marketing	Directorship None
Shri. Ashok M. Jalan 50 Equity Shares	02/10/1959	30/01/2007	B. Com	Administration, Commercial and Operations .	Directorship None.

DHARAPRASAD R. PODDAR
Chairman Emeritus

BOARD OF DIRECTORS

RAMESH D. PODDAR
Chairman and Managing Director

BRIJMOHAN L. SARDA
(upto 12th May, 2014)

Prof. (Dr.) MANGESH D. TELI

SHAILESH S. VAIDYA

ASHOK N. GARODIA

DILEEP H. SHINDE

PRAMOD S. JALAN

HARISH N. MOTIWALLA

ARVIND M. PODDAR

TARUN KUMAR GOVIL
(w.e.f. 30th July, 2014)

PAWAN D. PODDAR
Joint Managing Director

SHRIKISHAN D. PODDAR
Executive Director

GAURAV P. PODDAR
Executive Director

ASHADEVI R. PODDAR
Executive Director
(w.e.f. 1st August, 2014)

ASHOK M. JALAN
Senior President cum Director

SURENDRA S. SHETTY
Chief Financial Officer

WILLIAM V. FERNANDES
Company Secretary

BANKERS

Bank of Baroda
Central Bank of India
Corporation Bank

STATUTORY AUDITORS

Jayantilal Thakkar & Co.
Chartered Accountants

CORPORATE OFFICE

B-5, Trade World,
Kamala City,
Senapati Bapat Marg,
Lower Parel, Mumbai - 400013.
Tel. : (91-22) 30400500 / 501
Fax : (91-22) 30400599

REGISTERED OFFICE

H-3/2, MIDC, A-Road, Tarapur,
Boisar,
Dist. Palghar - 401 506.
Maharashtra.

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DIRECTORS' REPORT:

To the Members,

Your Directors have pleasure in presenting the 37th Annual Report along with Audited Financial Statements for the year ended 31st March, 2015.

FINANCIAL RESULTS:

(₹ in Lacs)

	2014-15	2013-14
Net Turnover and other Income	1,52,653	1,31,920
Profit before Depreciation & Tax	15,985	12,717
Less: Depreciation	4,090	2,915
Profit before Tax	11,895	9,802
Less: Provision for Taxation		
Current Tax	4,278	3,130
Deferred Tax	(262)	315
	4,016	3,445
Profit after Tax	7,879	6,357
Add/(Less): Adjustments relating to earlier year	(8)	72
	7,871	6,429
Add: Surplus brought forward from previous year	16,156	12,604
Surplus available for appropriation	24,027	19,033
Less: Transfer to General Reserves	17,500	2,000
Adjustment relating to Fixed Assets	211	–
Proposed Dividend	937	750
Tax on Dividend	191	127
	18,839	2,877
Balance Carried Forward to Balance Sheet	5,188	16,156

OPERATIONS:

During the year under review, the Total Income of your Company rose to ₹1,52,653 Lacs from ₹1,31,920 Lacs in the previous year, reflecting a growth of 15.72%.

The net profit after tax stood at ₹7,879 Lacs against ₹6,357 Lacs in the previous year, recording a growth of 23.94%.

DIVIDEND:

Your Directors are pleased to recommend a Dividend of ₹10/- (previous year ₹8/-) per Equity Share of ₹10/- each for the year 2014-15, with a total payout of ₹ 1,128 Lacs including Tax on Dividend as against ₹877 Lacs including Tax on Dividend in the previous year.

SHARE CAPITAL:

The paid up Share Capital of the Company as on 31st March, 2015 was ₹ 937.40 Lacs. During the year under review the Company has not issued shares with deferential voting rights nor granted stock options nor sweat equity. As on 31st March, 2015, none of the Directors of the Company hold convertible instruments.

RESERVES:

The Company proposes to transfer ₹17,500 Lacs to General Reserves.

MANAGEMENT DISCUSSION AND ANALYSIS:

Current Year Review

During the year under review, macro economic fundamentals were set to improve under the stable government at the Centre. Inflation continued to haunt the economy forcing Reserve Bank of India (RBI) to follow tighter monetary policy. Government continued its path towards putting economy on the path of growth trajectory. But the results have yet not percolated to the grass root level and will require some more time for the off-shoots of growth to appear on the economic ground.

World economies continue to face the vagaries of VUCA (Volatility, Uncertainty, Complexity and Ambiguity) world. Pull back of quantitative easing (QE III) and issues in European economies veiled the economic prospects all over the world at large. On the other hand, downward commodity and energy prices provided boosts and banes to different economies. Falling crude prices is a case to the point. While providing a boost to the developing power hungry economies like that of India, it played devastating effect on economies like Russia's. While service sector grew, manufacturing did not.

Against this backdrop, your Company continued its path on growth trajectory. Revenue increased by 15.72% and net profit by 23.94%. largely through the excellent support provided by all its stakeholders.

Future Outlook

Make in India campaign is expected to benefit the textile sector as the government undertakes sector specific initiatives and implement policies and programs to improve overall business climate and investments. This measure is likely to increase, thanks to reduced competition from China. Revival of economy will also boost domestic consumption, leading to widening growth prospects for this industry.

However, intensifying competition from neighbouring countries like Bangladesh, Pakistan, Vietnam, etc., may be challenging. Vagaries of commodity prices, exchange rate fluctuations and delayed economic revival may act as negatives to the growth prospects for this industry.

Your Company is geared up to exploit the opportunities and challenges that arise in such conditions. Its strong distribution network, wider product range, responsiveness to the changing market conditions and resilient work force, all this can help your Company to pursue its path of future growth. On an overall basis, your Company expects a better performance in the ensuing year as well.

Forward Looking Statements

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

VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company has framed a Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The details of the Policy are given in the Corporate Governance Report and the Policy is posted on the Company's website.

CORPORATE GOVERNANCE:

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

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

EXTRACT OF ANNUAL RETURN:

Extract of the Annual Return in Form MGT-9 is annexed herewith as Annexure-I to this Report.

NUMBER OF BOARD MEETING:

The Board of Directors met 4(four) times in the year, the details of which are provided in the Corporate Governance Report.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

During the year under review, the Company has not made any loans, guarantees and investments which are governed by the provisions of section 186 of the Companies Act, 2013. Details of outstanding Loans granted under the provisions of the Companies Act, 1956, are provided in the notes to the Financial Statements.

RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year were in the ordinary course of business and were on an arm's length basis. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other related parties which may have a potential conflict with the interest of the Company at large.

All related party transactions for the year are placed before the Audit Committee as well as before the Board for approval. The transactions entered into with related parties are reviewed on a quarterly basis by the Audit Committee.

The policy on Related Party Transactions as approved by the Audit Committee and Board is uploaded on the Company's website at the link <http://www.siyaram.com/Communications.html>.

The details of the transactions with Related Parties to be provided in Form AOC-2 is annexed herewith as Annexure-II.

Members can refer to Note No. 32 to the Financial Statements which set out related party disclosures.

RISK MANAGEMENT:

In line with the regulatory requirements, the Company has framed a Risk Management Policy to identify and access the key business risk areas and a risk mitigation process. A detailed exercise is being carried out at regular intervals to identify, evaluate, manage and monitor all business risks. The Board periodically reviews the risks and suggests steps to be taken to control and mitigate the same through a properly defined framework.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no significant and material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

INTERNAL CONTROL SYSTEM:

Your Company has adequate system of internal controls to ensure that all the assets are safeguarded and are productive. Necessary checks and controls are in place to ensure that transactions are properly verified, adequately authorized, correctly recorded and properly reported. The Internal Auditors of the Company conducts Audit of various departments to ensure that internal controls are in place and submit quarterly and yearly Reports to the Audit Committee. The Audit Committee regularly reviews these Reports and the Company when needed takes corrective actions.

HUMAN RESOURCES:

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

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

SUBSIDIARY COMPANIES:

The Company has no subsidiaries.

FIXED DEPOSITS:

During the year under review, your Company has not accepted any fixed deposits and there were no unclaimed deposits or interest thereon as on 31st March, 2015.

DIRECTORS:

Directors retiring by rotation

Shri. Gaurav P. Poddar and Shri. Ashok M. Jalan, Directors, retire by rotation and being eligible, offer themselves for re-appointment. Necessary resolution for their re-appointment is placed before the shareholders for approval. Your Directors commend the resolutions.

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

Declaration from Independent Directors

All Independent Directors have given declarations that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

Company's Policy on appointment and remuneration of Directors

Appointment of Independent Directors

With the coming into force of the Companies Act, 2013, the Board on the recommendation of the Nomination

SIYARAM SILK MILLS LIMITED

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and Remuneration Committee appointed all the existing Independent Directors viz. Shri. Harish Motiwalla, Shri. Mangesh Teli, Shri. Dileep Shinde, Shri. Pramod Jalan, Shri. Shailesh Vaidya and Shri. Ashok Garodia for a period of 5 years upto 31st July, 2019 and Shri. Tarun Kumar Govil upto 29th July, 2019, as Independent Directors under section 149 of the Companies Act, 2013, subject to approval of the shareholders. The shareholders at the 36th AGM held on 27th September, 2014, approved their appointment.

Criteria for appointment of Independent Directors

The Independent Directors shall be of high integrity with relevant expertise and experience with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management, so as to have a diverse Board.

Criteria for appointment of Managing Directors/ Whole Time Directors

The Nomination and Remuneration Committee shall identify persons of integrity who possess relevant expertise and experience particularly in the Textile Industry, leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

Remuneration Policy

The Company follows a policy on remuneration of Directors and Senior Management Employees, details of the same are given in the Corporate Governance Report.

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Nomination and Remuneration Committee has laid down the criteria for evaluation of the performance of individual Directors, the Board as a whole and also the Secretarial Department. Based on the criteria the exercise of evaluation was carried out through a structured process covering various aspects of the Board functioning such as composition of the Board and committees, experience & expertise, performance of specific duties & obligations, governance & compliance issues, attendance, contribution at meetings, etc.

The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Director at a separately convened meeting at which the performance of the Board as a whole was also evaluated and the performance of the Secretarial Department was also reviewed. The performance of the Independent Directors was carried out by the entire Board (excluding the Director being evaluated).

The Directors expressed their satisfaction with the evaluation process.

DIRECTORS' RESPONSIBILITY STATEMENT:

As stipulated under Section 134(3)(c) of the Companies Act, 2013, your Directors confirm as under:-

- i) that in the preparation of the accounts for the financial year ended 31st March 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures;

- ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;
- iii) that the Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that the Directors have prepared the accounts for the financial year on going concern basis.
- v) the Directors have laid down internal financial controls, which are adequate and were operating effectively.
- vi) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

INDUSTRIAL RELATIONS:

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

PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197(12) of the Companies Act, 2013, read with rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of the Company, will be provided upon request in terms of section 136 of the Act, the Report is being sent to all the shareholders of the Company and others entitled thereto, excluding the information. The said information is available for inspection by the Members at the corporate office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. Members interested in obtaining a copy thereof, may write to the Company Secretary in this regard.

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

Information pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, is given in Annexure –III to this report.

AUDITORS:

a. Statutory Auditors.

In the last AGM held on 27th September, 2014, M/s. Jayantilal Thakkar & Co., Chartered Accountants, have been appointed Statutory Auditors of the Company for a period of 3(three) years. Resolution for the ratification, of their appointment, to hold office from the conclusion of this AGM till the conclusion of the next AGM, is placed before the members of the Company at the ensuing AGM. As required under section 139 of the Companies Act, 2013, the Company has obtained written confirmation from M/s. Jayantilal Thakkar & Co., Chartered Accountants, that their appointment, if