

SARA ELGI

SUPER



Super Spinning Mills Limited

**49th Annual Report
2010 - 2011**

SUPER



Super Spinning Mills Limited

Chairman

Managing Director

Board of Directors

Chief Operating Officer

Company Secretary

Auditors

Bankers

Registrar and Share Transfer Agent

Registered & Central Office

Contents

Notice to Members	1
Directors' Report and Management Discussion & Analysis	3
Report on Corporate Governance	6
Auditors' Report	14
Balance Sheet	17
Profit and Loss Account	18
Schedules	19
Notes Forming Part of Accounts	24
Cash Flow Statement	32
Consolidated Accounts	36
Consolidated Cash Flow Statement	52

Mr Vidyaprakash D

Mr Sumanth Ramamurthi

Mr C S K Prabhu

Mr D Sarath Chandran

Mr Sudarsan Varadaraj

Mr B Vijayakumar

Mr Vijay Venkataswamy

Mr A S Thirumoorthy

Mr R Srikanth

M/s Reddy, Goud & Janardhan

Union Bank of India

State Bank of India

Andhra Bank

IDBI Bank

ICICI Bank

Link Intime India Pvt Ltd

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E-mail : super@ssh.saraelgi.com

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Mills

A Unit : Kirikera, Andhra Pradesh

B Unit : Kotnur, Andhra Pradesh

C Unit : D-Gudalur, Tamilnadu

Super Sara : Beerapalli, Andhra Pradesh

SUPER



Notice to the Members

Notice is hereby given that the 49th Annual General Meeting of the Company will be held on **Friday, the 2nd September 2011 at 3.30 PM** at Ardra Convention Centre, "Kaanchan", No.9, North Huzur Road, Coimbatore - 641 018, to transact the following business:

Ordinary Business

- To receive, consider and adopt the following:
 - The audited Profit and Loss Account for the year ended 31st March 2011
 - The audited Balance Sheet as at 31st March 2011 and
 - The reports of the Directors' and the Auditors'.
- To appoint a Director in the place of Mr. D Sarath Chandran, who retires by rotation and being eligible, offers himself for re-appointment.
- To appoint a Director in the place of Mr. B Vijayakumar, who retires by rotation and being eligible, offers himself for re-appointment.
- To appoint Auditors and to fix their remuneration.

Special Business

- To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution.**
Resolved that pursuant to the provisions of Section(s) 198, 269, 309, 310, 316 and other applicable provisions, if any, read with Schedule XIII of the Companies Act, 1956, Mr. Vidyaprakash D be and is hereby reappointed as Executive Chairman of the Company for a period of three years with effect from 01.04.2011 on the following terms and conditions, whilst also noting his concurrent Managing Directorship in Coimbatore Pioneer Fertilizers Limited, with remuneration.

Remuneration

- Salary:** Rs.1,00,000/- per month with an annual increment of Rs.10,000/-
- Commission:** 1.5% of the net profit of the Company.
- Perquisites**

In addition to salary and commission, perquisites shall be allowed as detailed below

- Housing:** Unfurnished residential accommodation will be provided. In its absence, 60% of the salary will be paid as house rent allowance.
- The following perquisites shall be allowed subject to the maximum of 40% of the salary.

Medical: Reimbursement of expenses actually incurred for self and his family.

Leave Travel Concession: Leave Travel Concession for self and his family.

Gas, Water etc: Reimbursement of expenditure incurred on gas, electricity, water, furnishing and appliances.

Club fee: For self.

Insurance: Life, Health and personal accident insurance cover for self.

In any year, if the perquisites specified in Part-III, Sub-clause (2) above, are not availed in full, the unutilised portion of the limit shall be carried over for a period of three years.

- He shall also be eligible for the following benefits, which shall not be included in the computation of the ceiling on the remuneration.
 - PF:** Contribution to Provident Fund to the extent it is not taxable under the Income Tax Act, 1961.
 - Gratuity:** Gratuity payable at the rate not exceeding 15 days salary for each completed year of service.

Resolved Further that in the event of no profits or inadequacy of profits, the remuneration payable to Mr. Vidyaprakash D, executive

Chairman, in both companies shall not exceed the limits specified in Section II of Part II of Schedule XIII of the Companies Act, 1956 or such other limits as may be notified by the Government from time to time as minimum remuneration.

Resolved Further that the terms and conditions set out for appointment and/or agreements shall be altered and varied from time to time by the Board as it may, in its discretion, deem fit.

- To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution.**

Resolved that pursuant to the provisions of Section(s) 198, 269, 309, 310, 316 and other applicable provisions, if any, read with Schedule XIII of the Companies Act, 1956, Mr. Sumanth Ramamurthi be and is hereby reappointed as Managing Director of the Company for period of three years with effect from 01.04.2011, on the following terms and conditions, whilst also noting his concurrent Managing Directorship in Kakatiya Textiles Limited, without remuneration.

Remuneration

- Salary:** Rs.1,50,000/- per month with an annual increment of Rs.15,000/-
- Commission:** 1.5% of the net profit of the Company.
- Perquisites**

In addition to salary and commission, perquisites shall be allowed as detailed below

- Housing:** Unfurnished residential accommodation will be provided. In its absence, 60% of the salary will be paid as house rent allowance.
- The following perquisites shall be allowed subject to the maximum of 40% of the salary.

Medical: Reimbursement of expenses actually incurred for self and his family.

Leave Travel Concession: Leave Travel Concession for self and his family.

Gas, Water etc: Reimbursement of expenditure incurred on gas, electricity, water, furnishing and appliances.

Club fee: For self.

Insurance: Life, Health and personal accident insurance cover for self.

In any year, if the perquisites specified in Part-III, Sub-clause (2) above, are not availed in full, the unutilised portion of the limit shall be carried over for a period of three years.

- He shall also be eligible for the following benefits, which shall not be included in the computation of the ceiling on the remuneration.
 - PF:** Contribution to Provident Fund to the extent it is not taxable under the Income Tax Act, 1961.
 - Gratuity:** Gratuity payable at the rate not exceeding 15 days salary for each completed year of service.
- Free use of Company Car with driver and telephone at his residence.

Resolved Further that in the event of no profits or inadequacy of profits, the remuneration and perquisites payable to Mr. Sumanth Ramamurthi, Managing Director, shall not exceed the limits specified in Schedule XIII of the Companies Act, 1956 or such other limits as may be notified by the Government from time to time as minimum remuneration.

Resolved Further that the terms and conditions set out for appointment and/or agreements shall be altered and varied from time to time by the Board as it may, in its discretion, deem fit.

Coimbatore
26th May, 2011

For and on behalf of the Board
Vidyaprakash D
Chairman

**Notes:**

1. **Every member entitled to attend and vote at the meeting is entitled to appoint a proxy. Such a proxy need not be a member of the company.**
2. **Instrument appointing a proxy should be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.**
3. Members / Proxies should bring the attendance slips duly filled and signed for attending the meeting.
4. The explanatory statement in respect of the special business pursuant to Section 173 of the Companies Act, 1956 is annexed hereto.
5. The register of members and share transfer books of the company will remain closed from 27.08.2011 to 02.09.2011 (both days inclusive).
6. The brief profile and other information in respect of Non-Executive Directors seeking re-appointment are furnished in the notice.
7. The Company has transferred the unclaimed dividend to the General Revenue Account of the Central Government for and up to the financial year 1994-95. The concerned members may therefore submit their claims to the Registrar of Companies, Coimbatore (Tamilnadu), Stock Exchange Building, Singanallur, Coimbatore – 641 005.
8. The Company has transferred the amount of unclaimed dividends paid from 1995-96 to 2003-04 to the Investors Education and Protection Fund of the Central Government as required under Sections 205A and 205C of the Companies Act, 1956.
9. As per the amended provisions of the Companies Act, 1956 dividend remaining unclaimed for a period of 7 years has to be transferred to the Investors Education and Protection Fund established by the Central Government. Any claim relating to the unclaimed dividend for the financial years from 31.03.2005 to 31.03.2008 should be made at the earliest to the company. Once the unclaimed dividends are transferred to the Investors Education and Protection Fund, the shareholders cannot claim the dividend thereafter from the Company.
10. The members are requested to forward their share transfer deed(s) and other communications directly to the Registrar and share transfer agent of the company M/s Link Intime India Pvt Ltd.

Details of Directors seeking Appointment / Re-appointment at the forthcoming Annual General Meeting (in pursuance of Clause 49 of the Listing Agreement)

Name	Mr. D Sarath Chandran	Mr. B Vijayakumar
Date of Birth	12.05.1946	22.01.1953
Year of induction to the Board	1975	1984
Qualification	B.Sc.(Hons), MBA	B.Sc.
Expertise in functional areas	More than four decades of experience in textile industry	More than three decades of experience as an industrialist
Shareholding	5210	6670
Other Directorship held	Precot Meridian Ltd Pricol Ltd Vantex Ltd Suprem Textile Processing Ltd Multiflora Processing (Coimbatore) Ltd Precot Meridian Energy Ltd	L G Balakrishnan & Bros Ltd LGB Forge Ltd Elgi Equipments Ltd South Western Engineering India Ltd Rolon Fine Blank Ltd LGB Rolon Chain Ltd LG Sports Ltd LGB Fuel Systems P Ltd Elgi Automotive Services P Ltd LGB Auto Products P Ltd LG Farm Products P Ltd Super Speeds P Ltd Super Transports P Ltd BCW V Tech India P Ltd Renold Chain India P Ltd
Other Committee Membership	Member of Shareholders / Investors Relations Committee in Pricol Ltd Precot Meridian Ltd	Member of Shareholders & Investors Committee in L G Balakrishnan & Bros Ltd LGB Forge Ltd



Name	Mr. Vidyaprakash D	Mr. Sumanth Ramamurthi
Date of Birth	06.08.1945	12.08.1959
Year of induction to the Board	1982	1992
Qualification	B.Sc. (Maths)	B.S. (Electrical Engineering)
Expertise in functional areas	Four decades of experience in the field of engineering and more than three decades of experience in the field of textile and fertilizer industry	Three decades of experience in the textile and engineering industry.
Shareholding	76330	8055300
Other Directorship held	Coimbatore Pioneer Fertilizers Ltd Prashanth Textiles Ltd Effica Automation Ltd	Elgi Electric and Industries Ltd Elgi Ultra Industries Ltd Precot Meridian Ltd Sara Elgi Insurance Advisory Services P Ltd Elgi Software and Technologies Ltd Super Farm Products Ltd Elgi Building Products Ltd Sara Elgi Industrial Research & Development Ltd Super Sara Textiles Ltd Kakatiya Textiles Ltd Sara Trading and Industrial Services Ltd Sara Elgi Envirotech Ltd Sara Elgi Arteriors Ltd Renold Chain India P Ltd
Other Committee Membership	–	Member of Shareholders & Investors Committee in Kakatiya Textiles Ltd

Explanatory Statement pursuant to the provisions U/s 173(2) of the Companies Act, 1956

Item No. 5

The Board of Directors at their meeting held on 1st February 2011 appointed Mr. Vidyaprakash D, as Executive Chairman of the Company for a period of three years with effect from 01.04.2011, whose tenure of office ends on 31.03.2011 and also pay him the remuneration as approved by the Remuneration Committee at its meeting held on 01.02.2011 in accordance with the provisions of the Companies Act, 1956 on the terms and conditions set out in the resolution. As per Section 269 read with Schedule XIII of the Companies Act, 1956, the appointment and remuneration shall be subject to the approval of the shareholders of the Company in general meeting. Hence, the resolution is placed for your approval.

None of the Directors, except Mr. Sumanth Ramamurthi and Mr. Vidyaprakash D are interested in this resolution.

Item No. 6

The Board of Directors at their meeting held on 1st February 2011 appointed Mr. Sumanth Ramamurthi, as Managing Director of the Company for a period of three years with effect from 01.04.2011, whose tenure of office ends on 31.03.2011 and also pay him the remuneration as approved by the Remuneration Committee at its meeting held on 01.02.2011 in accordance with the provisions of the Companies Act, 1956 on the terms and conditions set out in the resolution. As per Section 269 read with Schedule XIII of the Companies Act, 1956, the appointment and remuneration shall be subject to the approval of the shareholders of the Company in general meeting. Hence, the resolution is placed for your approval.

None of the Directors, except Mr. Sumanth Ramamurthi and Mr. Vidyaprakash D are interested in this resolution.

Coimbatore
26th May, 2011

For and on behalf of the Board
Vidyaprakash D
Chairman

Directors' Report & Management Discussion and Analysis

To the Members,

Your Directors have pleasure in presenting the 49th Annual Report together with the audited statement of accounts for the financial year ended 31st March 2011.

	Rs. Lakhs	
	31.03.2011	31.03.2010
FINANCIAL RESULTS		
Particulars		
Sales	47690	38538
Total Income	49708	36811
Earnings before Interest, Depreciation & Tax	5740	4334
Less : Interest	2177	2158
Earnings before Depreciation & Tax	3563	2175
Less : Depreciation	2081	2352
Profit before tax	1482	(177)
Less : Provision for taxation	2	2
Less : Deferred tax	(21)	(305)
Profit after tax	1501	126
Less : Prior year expenses	-	1
Less : Taxes relating to earlier Years	110	93
Net Profit / (Loss)	1391	32
Add : Balance brought forward	(1551)	(1582)
Profit available for Appropriations	(160)	(1551)
Appropriations	-	-
Balance carried forward	(160)	(1551)

Dividend

Your Directors have not recommended any dividend for the financial year 2010-11 as the Company has a carry forward loss of Rs.160 Lakhs.

MANAGEMENT DISCUSSION AND ANALYSIS Industry Conditions and Review of Operations

The Indian textile and clothing industry witnessed noticeable improvement during the course of the year. The regulatory restrictions on export of cotton yarn had an adverse impact on the working during the last quarter of the year.

Eventhough, Cotton Production during the year was higher compared to the previous year prices were ruling high due to perceived shortage of cotton globally and increased yarn production. Added to this, Government allowed higher quantity of cotton exports from the month of October 2010. Issues like power shortage and non-availability of quality manpower continued to affect the industry and company's operations.

During the year under review your company was able to effect an improved performance through dedicated efforts aimed at improving operational efficiency, quality enhancement, focus on optimal product mix and effective cost saving practices, all of which resulted in improved sales and enhanced profitability. The remunerative prices and good demand for yarn for the most part of the year helped the company overcome the escalation in cost of raw material to a certain extent.

Company outlook

The demand for cotton yarn in the current year is on downward trend and uncertain. The cotton price have come down recently due to global price pressure and reduced domestic demand. Consequently, yarn prices have dropped steeply and will have an impact on profit.

With a normal monsoon forecast, the prospects of a good cotton crop in India in the ensuing season are bright. Global outlook is also good which will ensue moderation in cotton prices.

Opportunities, Risks and Concerns

The forecast of good monsoon gives hope for higher production and lower prices of market cotton. However, the cotton price is subject to climatic variations and market volatility.

Frequent changes in government policies will have an impact on cotton and yarn prices. Power shortage and shortage of labour are major concerns, which could lead to escalation in cost of production. Appreciation of Indian rupee against major currencies could impact on exports. Higher inflation and substantial increase in interest rates would have adverse impact on profit margins of the company.

Consolidated Financial Statements of Subsidiaries

The Consolidated Financial Statements of the Company and its subsidiary companies, prepared in accordance with the Accounting Standard 21 (AS – 21) prescribed by the Institute of Chartered Accountants of India are attached and form part of the Annual Report and Accounts

Subsidiary Companies

The Company has the following two profit making subsidiaries:

Sara Elgi Arteriors Limited

During the year the Company has invested a sum of Rs. 5 lakhs to acquire 100% of the paid up equity share capital of M/s Sara Elgi Arteriors Limited and additional investment of Rs. 200 lakhs in the paid up equity share capital of M/s Sara Elgi Arteriors Limited, wherein the total investment aggregates Rs.350 Lakhs, comprising of 25 Lakhs fully paid up equity shares of face value Rs.10 each (premium of Rs. 10).

Elgi Building Products Limited

M/s. Sara Elgi Arteriors Limited, the wholly owned subsidiary of the Company, has on March 29, 2011 acquired 58.32% of the equity share capital of M/s. Elgi Building Products Limited, a leading manufacturer of PVC extrusions used in the manufacture of UPVC doors and windows, resulting in the said Company becoming a subsidiary of M/s. Sara Elgi Arteriors Limited and thereby, of M/s. Super Spinning Mills Limited, which also directly holds the balance of 41.68% of the equity share capital of M/s. Elgi Building Products Limited.

The above said subsidiaries are non – material unlisted Indian subsidiary of the Company in terms of the Companies Act, 1956 and the Listing Agreement.

The Central Government vide General Circular No. 2/2011 dt. 8th February 2011 has granted a general exemption pursuant to Section 212(8) of the Companies Act, 1956 from attaching a copy of the Balance Sheet, Profit & Loss Account, Report of the Board of Directors and the Report of the Auditors of the subsidiary companies along with holding company and hence the same have not been attached herein.

However, the Statement as required under Section 212 of the Companies Act, 1956, in respect of the Subsidiaries of the Company is annexed and forms an integral part of this Report. The Annual Accounts of the subsidiary companies will be made available to the shareholder seeking such information at any point of time. The annual accounts of the Subsidiary Companies will also be kept for inspection by any shareholder at its Registered / Corporate Office.



Directors

Mr. D Sarath Chandran, Director retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Mr. B Vijayakumar, Director retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

The particulars of the Directors proposed to be appointed or re-appointed are given in the Notice of this Annual Report.

Mr. K R Seethapathy, Executive Director, resigned from the Board with effect from 4th November 2010. The Board wishes to place on record its sincere appreciation for the valuable services rendered by Mr. K R Seethapathy during his tenure as Director of the Company.

Internal Control System

The Company has an effective Internal control system that is commensurate to the size and nature of its business and ensures timely and accurate financial reporting in accordance with applicable accounting standards; compliance with applicable laws, management policies, listing agreements and regulations; optimum utilization, timely maintenance and safety of assets, and an effective management information system based on the SAP – ERP system, the efficacy of which is constantly reviewed and improved to ensure reliability of the processes. The Internal Auditor appointed by the Board conducts regular audit of the internal control systems and reports to the Audit Committee of the Board of Directors, which periodically reviews the performance and adequacy of internal control systems and tracks compliance status of Audit observations.

Recognition and Reward

Your Directors are glad to inform that Super - B unit of the company has received "Silver" Award - 2010 from "Innovative Quality Circle" in International level competition from "International Convention On Quality Concepts".

Foreign Exchange earnings

Total Foreign exchange earned and used:

Earned :	Rs. 8946 Lakhs
Used :	Rs. 1330 Lakhs

Fixed Deposits

During the year the Company did not accept or renew any Fixed Deposits and no Fixed Deposits remained unclaimed with the Company as on 31st March 2011.

Auditors

M/s. Reddy, Goud & Janardhan, the Auditors of the Company retire at the ensuing Annual General Meeting and have given their consent for re-appointment.

Personnel Relations

Staff and Labour relations during the year at all units of the company continued to be cordial.

Statutory Information

A statement showing particulars of technology absorption under Section 217(1) (e) of the Companies Act, 1956 and a report on corporate governance are enclosed and form part of this report. As regards, information pursuant to Section 217(2A) of the Companies Act, 1956, there are no employees covered by the said provisions.

Directors Responsibility Statement u/s. 217 (2AA)

Your Directors have taken necessary steps to ensure that :

- All applicable accounting standards have been followed in the preparation of annual accounts.
- All the necessary accounting policies have been adhered to and all necessary adjustments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at the end of financial year and of the profit of the company for the period.
- Proper and significant care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for the preventing and detecting fraud and other irregularities.
- The annual accounts have been prepared on a going concern basis.

Acknowledgement

Your Directors wish to thank the Company's Bankers, Financial Institutions, Customers and Suppliers for their unstinted support and co-operation.

Your Directors wish to place on record their appreciation of the confidence reposed by the shareholders in the Company at all times.

The Board of Directors also wishes to thank the employees at all levels for their excellent support and contribution made by them.

For and on behalf of the Board

Coimbatore
26th May, 2011

Vidyaprakash D
Chairman

Annexure to the Directors Report and Management discussion and Analysis

A. Conservation of Energy

Energy Saving fans installed in Waste Recovery system of A and B mills which proves 25% energy saving. Lighting stabilizers installed in all mills.

Monitoring of Air Leakage and Air pressure by arresting leakages in Air distribution lines from preparatory machineries to Autoconers by 'energy conservation cells' established in each mill, helped the company effect significant savings in energy consumption. (Form-A enclosed)

B. Research and Development

Research and Development activities are currently focused on modified carding system for effective carding process. Investigations have shown improved results. The number of Carding machines with modification is being increased to channelise the process for effective monitoring.

C. Technology Absorption, Adaptation and Innovation

- Chinese Auto doffer for ring frames installed and being studied for improving labour productivity
- Battery driven vehicle provided to machine sidars for improving the productivity
- Production monitoring device like Ring Data and Prowin installed in units

**FORM - A – CONSERVATION OF ENERGY (CONSOLIDATED FOR ALL SPINNING UNITS)
AS PRESCRIBED IN FORM A**

A. Power & Fuel Consumption	31.03.2011	31.03.2010
1. Electricity		
(a) Purchased		
Units in Lakhs	1002.4	955.0
Total amount in Rs. Lakhs	4178.4	2987.2
Rate per unit in Rs.	4.2	3.1
(b) Own generation		
(i) Through Diesel Generator		
Units in Lakhs	24.8	37.8
Units per litre of diesel oil	3.5	3.3
Total amount in Rs. Lakhs	265.8	409.0
Cost per unit in Rs.	10.7	10.8
(ii) Through Windmill generation		
Units in Lakhs	66.4	66.9
Total amount in Rs. Lakhs	179.2	180.6
Rate per unit in Rs.	2.7	2.7
B. Consumption per unit of production		
(Production of various counts has been converted to the standard count of 40s)		
Electricity (in units) per kg.	6.1	5.9



Report on Corporate Governance

Company's philosophy on code of governance

The company's philosophy on Corporate Governance finds expression in a self governing model of voluntary adherence of all statutory rules and regulations, timely disclosures, transparent accounting policies and practices, maintenance of the highest degree of integrity and ethical conduct towards all the stakeholders namely shareholders, employees, financial institutions, suppliers and business partners.

Board of Directors - Composition, Category and Attendance

The Board comprises of Seven Directors including two Executives and five Non-Executive Independent Directors. During the year 2010-11, five Board Meetings were held at the Registered Office on 29.05.2010, 30.07.2010, 04.11.2010, 01.02.2011 and 29.03.2011.

Name	Category	No. of Directorships in others Companies #	Committee of other Board's in which he is a member / Chairman*	No. of Board Meetings attended	Whether attended the AGM held on 13.09.2010
Mr Vidyaprakash D Executive Chairman	Promoter's Relative and Executive	3	Nil/Nil	5	Y
Mr Sumanth Ramamurthi Managing Director	Promoter and Executive	12	1/Nil	5	Y
Mr K R Seethapathy** Executive Director	Non-promoter and Executive	6	Nil/Nil	3	Y
Mr C S K Prabhu	Independent and Non-Executive	3	4/2	4	Y
Mr D Sarath Chandran	Independent and Non-Executive	6	2/Nil	5	N
Mr Sudarsan Varadaraj	Independent and Non-Executive	7	3/Nil	1	N
Mr B Vijayakumar	Independent and Non-Executive	7	2/Nil	4	Y
Mr Vijay Venkataswamy	Independent and Non-Executive	4	Nil/1	5	Y

Excluding Directorships in Private and Foreign Companies

* Excluding membership in Administrative Committees.

** Resigned w.e.f. 04.11.2010

Relationship of Directors inter-se

Director	Related Director(s)	Relationship inter-se
Mr Sumanth Ramamurthi	Mr Vidyaprakash D	Sister's Husband

Committees of the Board

Audit Committee

The role and the terms of reference of Audit Committee cover the matters specified for Audit Committees under Clause 49 of the Listing Agreement as well as in Section 292A of the Companies Act, 1956 also interalia include-

- Overseeing financial reporting processes
- Reviewing periodic financial results, financial statements and adequacy of internal control systems
- Discussion with the Auditors about the scope of Audit including their observations
- Approving internal audit plans, reviewing the functions and periodic audit reports.

All the members of the Audit Committee are independent and have knowledge of finance, accounts and the textile industry. The quorum for audit committee meeting is two independent directors.

The audit Committee meetings were held at the Registered Office of the Company.

During the year the committee met four times on 25.05.2010, 28.07.2010, 01.11.2010 and 27.01.2011. The composition of the Audit Committee and particulars of meetings attended by the members of the Audit Committee are given below:

Name	Catagory	No. of Meetings Attended
Mr C S K Prabhu, Chairman	Non Execuitve Independent	3
Mr Sudarsan Varadaraj	Non Execuitve Independent	1
Mr B Vijayakumar	Non Execuitve Independent	3
Mr Vijay Venkataswamy	Non Execuitve Independent	4

The Statutory Auditors, Internal Auditors and Executives of the Company also attended the meetings. The minutes of the Audit Committee Meetings were placed at the Board Meeting. The Company Secretary acts as the Secretary of the Committee.

Remuneration Committee

The composition of the Remuneration Committee and particulars of meetings attended by the members.

Name	Catagory	No. of Meetings Attended
Mr C S K Prabhu, Chairman	Non Execuitve Independent	1
Mr Sudarsan Varadaraj	Non Execuitve Independent	0
Mr B Vijayakumar	Non Execuitve Independent	1
Mr Vijay Venkataswamy	Non Execuitve Independent	1

The terms of reference of the Remuneration Committee include:

- Recommendation for fixation and periodic revision of compensation of the Managing Director and Executive Directors to the Board for approval and
- Review the sitting fees payable to the Directors.

The committee met on 01.02.2011 to reappoint and revise the remuneration of Mr. Vidyaprakash D, Executive Chairman and Mr. Sumanth Ramamurthi, Managing Director of the Company.

Remuneration of Directors

Remuneration of the whole-time Directors are decided by the Board based on the recommendations and approval of the Remuneration Committee as per the remuneration policy of the company, within the ceiling fixed by the shareholders. Remuneration of the whole-time Directors for the year ended 2010-11 is as follows.

Rs. Lakhs

Mr. Vidyaprakash D, Executive Chairman	-	38.91
Mr. Sumanth Ramamurthi, Managing Director	-	47.76
Mr. K R Seethapathy, Executive Director	-	21.40