

annual **report**  
**2013**  
**2014**



**Suryaamba Spinning Mills Limited**



Plant & Machinaries

# Factory site at Nagpur (Nayakund)

# Factory site at Nagpur (Nayakund)



Shree Balaji Temple



## SURYAAMBA SPINNING MILLS LIMITED

### BOARD OF DIRECTORS

1. Sri Virender Kumar Agarwal
2. Smt. Seema Rani Agarwal
3. Sri Mayank Agarwal
4. Sri Pundlik Sampatrao Thakare
5. Sri Amit Goela
6. Sri Pujit Agarwal

Managing Director  
Joint Managing Director  
Executive Director  
Chairman & Independent Director  
Independent Director  
Non-Executive & Non-Independent Director

### MANAGER (FINANCE & ACCOUNTS)

Sri Milind M. Bangre

### REGISTERED OFFICE

Surya Towers, 1st Floor,  
105, Sardar Patel Road,  
Secunderabad - 500 003.

### AUDITORS

M/s. S.Venkatadri & Co., 1408,  
Babukhan Estate, Basheerbagh,  
Hyderabad-500001

### REGISTRAR & TRANSFER AGENTS

M/s. Karvy Computershare Private Limited.  
Plot No. 17-24, Vittal Rao Nagar, Madhapur,  
Hyderabad - 500 081  
Phone No: 040-23420814  
Fax No: 040-23420818  
E-mail: einward.ris@karvy.com

### BANKERS

State Bank of India  
Industrial Finance Branch,  
Hyderabad.

Axis Bank Limited  
M.G. House, Civil Lines,  
Nagpur.

### FACTORY

Mouza - Nayakund,  
Near Ramtek,  
Nagpur District,  
Maharashtra.

### LISTED ON

Bombay Stock Exchange Limited, Mumbai

**Book Closure Dates:** from 07th August, 2014 to 09th August, 2014 (Both days inclusive).

### COMMITTEES OF THE BOARD

#### AUDIT COMMITTEE

- |                                  |          |
|----------------------------------|----------|
| 1. Sri Pundlik Sampatrao Thakare | Chairman |
| 2. Sri Amit Goela                | Member   |
| 3. Smt. Seema Rani Agarwal       | Member   |

#### STAKEHOLDERS RELATIONSHIP COMMITTEE

(w.e.f. 30th May, 2014)

- |                                  |          |
|----------------------------------|----------|
| 1. Sri Pundlik Sampatrao Thakare | Chairman |
| 2. Sri Amit Goela                | Member   |
| 3. Smt. Seema Rani Agarwal       | Member   |

#### NOMINATION & REMUNERATION COMMITTEE

(w.e.f. 30th May, 2014)

- |                                  |          |
|----------------------------------|----------|
| 1. Sri Pundlik Sampatrao Thakare | Chairman |
| 2. Sri Amit Goela                | Member   |
| 3. Sri Pujit Agarwal             | Member   |

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**Green Initiative**

The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliance by the Companies. As per the Section 101 read with Rule 18 of Companies (Management and Administration) Rules, 2014 of Companies Act, 2013, A member of Company can receive notice in electronic mode via email. Your Company has decided to join the MCA in its environmental friendly initiative.

Henceforth, the Company proposes to send documents such as Notice of the General Meetings, Annual Report and other communication to its shareholders via electronic mode to the registered e- mail addresses of shareholders. To support this green initiative of the Government in full measure, shareholders are requested to register/update their latest e-mail addresses with their Depository Participant (D. P.) with whom they are having Demat A/c or send the same to the Company via e-mail at: [-mail@suryaamba.com](mailto:-mail@suryaamba.com)

We solicit your valuable co-operation and support in our endeavors to contribute our bit to the environment.



## NOTICE

Notice is hereby given that 7th Annual General Meeting of the members of M/s. Suryaamba Spinning Mills Limited will be held on 09th August, 2014 at 04.00 P.M. at Kamat Lingapur Hotel, 1-10-44/2, Chikoti Gardens, Begumpet, Hyderabad-500016 to transact the following business:

### Ordinary Business:

#### 1. Adoption of Accounts:

To receive, consider and adopt the Audited Statement of Profit & Loss for the year ended 31st March 2014 and Balance Sheet as on that date and the Reports of the Auditors and Directors thereon.

#### 2. To declare dividend on 8% Cumulative Redeemable Preference Shares (CRPS) for the financial year ended 31st March, 2014.

#### 3. To declare dividend on Equity Shares for the financial year ended 31st March, 2014.

#### 4. Appointment of Statutory Auditors

To Consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution relating to appointment of Statutory Auditors of the Company:

**"RESOLVED THAT** pursuant to Section 139 and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Audit & Auditors) Rules, 2014 M/s. S.Venkatadri & Co., Hyderabad (Registration No. 004614s) be and are hereby re-appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company, at such remuneration plus service tax as applicable and reimbursement of actual out of pocket expenses as may be incurred in the performance of their duties as the Board of Directors may fix in this behalf".

### Special Business:

#### 5. 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 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Sri. Pundlik Sampatrao Thakare, (DIN 02066290), a non-executive Director of the Company and who retires by rotation and offered himself for reappointment and who has submitted a declaration that he meets the criteria for independence as provided in Section 149 (6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from 9th August, 2014 to 8th August, 2019."

#### 6. 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 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Sri. Amit Goela, (DIN 01754804), a non-executive Director of the Company and who retires by rotation and offered himself for reappointment who has submitted a declaration that he meets the criteria for independence as provided in Section 149 (6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from 9th August, 2014 to 8th August, 2019."

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

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V of the Companies Act, 2013 (corresponding to Sections 198, 269, 309 and any other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956) and consent of the Members be and is hereby accorded to ratify the re-appointment of Sri. Virender Kumar Agarwal (DIN: 00013314) as Managing Director of the Company made for a period of three years with effect from 1st March, 2014 by the Board of Directors on following existing terms and remuneration:

**Salary:** 1,40,000/- per month.

**Commission:** At the rate of 2% of the net profits of the Company or 50% of the Annual Salary whichever is less.

**Perquisites:** In addition to the salary and commission as stated above Sri Virender Kumar Agarwal (DIN: 00013314) shall be entitled to the following perquisites:

**Category A:**

1. **Housing:** Rent free furnished residential accommodation with all facilities and amenities including such service as gas, electricity, water, etc, or HRA to the extent of 50% of the salary.
2. **Medical Reimbursement:** Expenses incurred for self and his family subject to a ceiling of one month's salary per year or three months salary in a period of 3 years.
3. **Leave Travel Concession:** For self and family once in a year incurred in accordance with the rules of the Company.
4. **Club Fees:** Fees of clubs subject to a maximum of to clubs, admission and life membership fees not being allowed.

5. **Personal Accident Insurance:** of an amount the premium of which not to exceed Rs. 4,000/- per month.

**Category B:**

1. Contribution by the Company to the Provident Fund, Superannuation Fund or Annuity Fund as per the rules of the Company.
2. Payment of Gratuity subject to an amount equal to half a month's salary for each completed year of service.

**Category C:**

The Company shall provide a car with driver and a telephone at the residence. Car for use on Company's business and telephone and other communication facilities at residence will not be considered as perquisites.

**"RESOLVED FURTHER THAT** in the absence of or inadequacy of profits in any financial year during his tenure of office, the above remuneration will be paid as a minimum remuneration to Sri. Virender Kumar Agarwal, Managing Director (DIN: 00013314) subject to the provisions of section II of Part II of Schedule V of the Companies Act, 2013."

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

**"RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198, 203 and other applicable provisions, if any of the Companies Act, 2013 read with schedule V and rules made thereunder as amended up to date, consent of the Members be and is hereby accorded for re-appointment of Smt. Seema Rani Agarwal as the Joint Managing Director of the Company for a further period of 3 years with effect from 01st October 2014 on the following existing terms and conditions:

**Salary:** 1,20,000/- per month.

**Commission:** At the rate of 2% of the net

profits of the Company or 40% of the Annual Salary whichever is less.

**Perquisites:** In addition to the salary and commission as stated above Smt. Seema Rani Agarwal shall be entitled to the following perquisites:

**Category A:**

1. **Housing:** Rent free furnished residential accommodation with all facilities and amenities including such service as gas, electricity, water, etc, or HRA to the extent of 40 % of the salary.
2. **Medical Reimbursement:** Expenses incurred for self and his family subject to a ceiling of one month's salary per year or three months salary in a period of 3 years.
3. **Leave Travel Concession:** For self and family once in a year incurred in accordance with the rules of the Company.
4. **Club Fees:** Fees of clubs subject to a maximum of to clubs, admission and life membership fees not being allowed.
5. **Personal Accident Insurance:** of an amount the premium of which not to exceed Rs. 4,000/- per month.

**Category B:**

1. Contribution by the Company to the Provident Fund, Superannuation Fund or Annuity Fund as per the rules of the Company.
2. Payment of Gratuity subject to an amount equal to half a month's salary for each completed year of service.

**Category C:**

The Company shall provide a car with driver and a telephone at the residence. Car for use on Company's business and telephone and other communication facilities at residence will not be considered as perquisites.

**"RESOLVED FURTHER THAT** in the absence of or inadequacy of profits in any financial year during his tenure of office, the above remuneration will be paid as a minimum remuneration to Smt Seema Rani Agarwal, Joint Managing Director subject to the provisions of section II of Part II of Schedule V of the Companies Act, 2013".

9. **To consider and if thought fit to pass with or without modification (s) the following resolution as an Special resolution:**

**"RESOLVED THAT** in supersession to the Ordinary Resolution adopted at the Extra Ordinary General Meeting held on 28th February 2008 and pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the members be and is hereby accorded to the Board of Directors to borrow moneys in excess of the aggregate of the paid up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained/to be obtained from the Company's Bankers in the ordinary course of business, shall not be in excess of Rs 200 Crores (Rupees Two Hundred Crores) over and above the aggregate of the paid up share capital and free reserves of the Company".

**For and behalf of the Board  
For Suryaamba Spinning Mills Ltd.**

**Virender Kumar Agarwal  
Managing Director  
(DIN : 00013314)**

**Place : Nagpur  
Date : 04.07.2014**



## NOTES

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and on a poll to vote instead of himself. Such proxy need not be a member. The instrument appointing a proxy should however be deposited at the registered office of the Company not less than 48 Hours before the Meeting.
2. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
3. An explanatory statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto in respect of business set out under item no. 5, 6, 7, 8 & 9.
4. The Registers of Members and Share transfer books will remain closed from Thursday, 7th August, 2014 to Saturday, 9th August, 2014 (both days Inclusive) for the purpose of Annual General Meeting.
5. Members are requested to notify immediately any change of address to their depository participants in respect of their holding in Electronic Form and to M/s Karvy Computershare (P) Ltd. Unit Suryaamba Spinning Mills Ltd. in respect of their Physical Folio, if any. Kindly update or provide your email id on mail@suryaamba.com in order to receive notice, Annual Reports of General Meetings in electronic Form.
6. Members desiring any further information as regards the Accounts or Operations of the Company are requested to write to the Company so as to reach at least one week prior to the date of Meeting for consideration of the management to deal at the meeting.
7. Pursuant to Section 113 of Companies Act, 2013, Corporate Members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
8. Pursuant to the requirement of the Listing Agreement of the Stock Exchange on Corporate Governance, relating to appointment of the Directors / reappointment of the retiring Directors, a statement containing the required details of the concerned Directors forms part of the Report on Corporate Governance.
9. In terms of circulars issued by Securities and Exchange Board of India (SEBI), it is now mandatory to furnish a copy of PAN card to the Company or its RTA in the following cases viz. Transfer of shares, Deletion of name, Transmission of shares and Transposition of shares. Shareholders are requested to furnish copy of PAN card for all the above mentioned transactions.
10. The Notice of the AGM along with the Annual Report 2013-14 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
11. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with Karvy Computershare Private Limited.



12. The Annual report of the Company for the year 2013-14, is also uploaded on the Company's website: [www.suryaamba.com](http://www.suryaamba.com).
13. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
14. In compliance with the provisions of Section 108 of the Companies Act, 2013 and the rules framed there under, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Karvy Computershare Private Limited (KCPL), on all the resolutions set forth in the Notice.

**The Instructions and other information relating to e-voting are as under:**

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

- i. Launch internet browser by typing the URL: <https://evoting.karvy.com>
- ii. Enter the login credentials (i.e User Id and password mentioned overleaf). Your Folio No/DP -Client Id will be your User Id. However if you are already registered with the karvy for e-voting, you can use your existing User Id and password for casting your vote.
- iii. After entering these details appropriately, click on Login
- iv. You will now reach to password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum

of 8 characters with at least 1 upper case (A-Z), one lower case (a-z), one numeric (0-9), and a special character (@, #, \$ etc). The system will prompt you to change your password and update your contact details like mobile number, e-mail Id etc on first login. You may also enter a secret question and answer of your choice and retrieve your password. in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

- v. You need to login with the new credentials
- vi. On successful login, the system will prompt you to select the e-voting Event Number for Suryaamba Spinning Mills Limited.
- vii. On the voting page, enter the number of shares (which represents the number of votes) as on the cut off date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as mentioned overleaf. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.
- viii. Members holding multiple folios/ demat accounts shall choose the voting process separately for each of the folios / demat accounts
- ix. Voting has to be done for each item of the Notice Separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained
- x. You may then cast your vote by selecting an appropriate option and click on "Submit"
- xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to