



SURYAAMBA SPINNING MILLS LIMITED



13th

**ANNUAL
REPORT 19-20**





SURYAAMBA SPINNING MILLS LIMITED

Spinning with Precision

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Reporting Principles

The Report is prepared in line with the Companies Act, 2013 (and the Rules made thereunder), Indian Accounting Standards, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Secretarial Standards.

Forward-Looking Statements

This Report may contain certain forward-looking statements relating to the future business, development and economic performance. Such Statements may be subject to a number of risks, uncertainties and other important factors which could cause actual developments and results to differ materially from the statements made in this Report. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those which expressed.



POWERFUL INSIGHTS, PROVEN SATISFACTION

Suryaamba Spinning Mills Limited (Suryaamba), is a leading manufacturer of speciality synthetic spun yarns, offering wide product range from 100% polyester and viscose spun yarns as well as blended synthetic yarns, used for weaving. We have capitalized on growing opportunities strengthening our market presence at domestic and in over 20 countries across the globe. We continuously strides and offers innovative product range, specifically tailor-made for the customers. We believe the right strategic insights complemented with technical advancement and superior quality is the foundation of our products. Suryaamba offers state-of-the-art manufacturing facility having modern & sophisticated technology and infrastructure, driven by best industry practices to provide the highest quality of products for maximum customer satisfaction. We with strong leadership personnel's have been consistently powering our business and desires to make an impactful difference to each of our stakeholders. Our sincere endeavours to maintain strong values amongst employees and successfully continue to foster our core values at work commitment.

OUR VISION



- ✦ Our rooted values enable us to envision to grow better.
- ✦ Remain at the forefront in high-quality textile products manufacturing.
- ✦ Create value for shareholders and allied industries.
- ✦ Remain efficient & positive in developing new markets and products.
- ✦ Endeavour for the ultimate customer satisfaction.
- ✦ Satisfy requirement with right use of technology and right Attitude.

OUR MISSION



- ✦ Provide superior quality products at competitive prices and establish a brand value in the international area.
- ✦ Exceed industry standards with exceptional customer and technical service.
- ✦ Maintain our competitive strategic position through leading edge technology.
- ✦ To be the most reliable supplier across textile value chain.
- ✦ Provide a safe, fulfilling and rewarding work environment for employees.



OUR CONTRIBUTION TO A GREENER TOMORROW

"He who plants a tree, plants a hope." - Lucy Larcom

Suryaamba abides by and believes in pursuing 'Green' and pledge to contribute towards a greener tomorrow. During the year, the company took this initiative for encouraging a greener environment by planting 500 numbers of tree saplings on the land of Nayakund village of Nagpur District and 300 numbers of tree saplings in our factory premises.



OUR PRODUCTS

Yarn

SPINNING QUALITY, INSPIRING CREATIVITY

The Company offers an extensive range of Synthetic Yarns, used for knitting, weaving and technical applications in single & multi fold varieties. Also produces specialized yarns as per market requirements.
ISO 9001:2015 Certified Product.



100%
Polyester
Spun Yarns

Fancy/
Specialized
Yarns

Polyester/
Viscose
Blended
Yarns

Melange
Yarns

100%
Viscose
Spun
Yarns

Polyester
Sewing
Threads

CHAIRMAN'S MESSAGE



Dear Shareholders,

Suryaamba is happy to present to you its 13th Annual Report pertaining to financial year 2019-20. On behalf of the Board of Directors and the Company, it is my pleasure to extend a warm welcome to you all to the 13th Annual General Meeting of the Company. The Company focused to play on its strengths and posted a stable financial performance. We take this opportunity to acknowledge the support, expertise and faith in us, demonstrated by you all.

While this was a year of extreme economic challenges for the world, never had we imagined an environment aggravated beyond measures by Covid-19 pandemic. According to the World Bank, the global economy decelerated to an estimated 2.4 percent in 2019, the slowest pace since the global financial crisis. The macro-economic factors that caused a slowdown in FY 2019-20 will continue in FY 2020-21, with the first half of calendar year 2020 completely dominated by the pandemic and the consequent lockdowns. The COVID-19 pandemic has created an extreme pressure on global economies and has severely hit many industries, the Indian Textile Industry not being immune to this slowdown and challenges.

Going forward, the Covid-19 pandemic may have an extended impact and despite the bleak macroeconomic scenario in the near term, we wish to remain optimistic and recalibrate growth strategy to address these challenges and to make use of the new opportunities.

I wish to thank all our stakeholders who are standing by us through this difficult time and express my sincere gratitude to our shareholders, bankers, customers, Board of Directors and our committed employees. These are challenging and uncertain times, as a company and community, we can get through this and rise together.

Regards,

Virender Kumar Agarwal.



CORPORATE INFORMATION

SURYAAMBA SPINNING MILLS LIMITED

CIN: L18100TG2007PLC053831

ISIN: INE360J01011, GSTN: 27AALCS4199Q1Z8

Website: www.suryaamba.com, Email id: samba.ngp@gmail.com

BOARD OF DIRECTORS

Mr. Virender Kumar Agarwal
Chairman & Managing Director

Mrs. Seema Agarwal
Joint Managing Director

Mr. Mayank Agarwal
Whole-time Director

Mr. Amit Goela
Independent Director

Mr. Sushil Kapadia
Independent Director

Mr. Nilesh Panpaliya
Independent Director
(w.e.f 03.07.2019)

CHIEF FINANCIAL OFFICER

Mr. Gajanan N. Chhawsaria

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Deepa Dudani

BANKERS

State Bank of India
Industrial Finance Branch,
Bharat Nagar, Nagpur-
440 033.

LISTED on BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400001.
BSE Scrip Code: 533101

AUDIT COMMITTEE

Mr. Amit Goela (Chairman)

Mr. Sushil Kapadia
(Member)

Mrs. Seema Agarwal
(Member)

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Mr. Amit Goela (Chairman)

Mr. Sushil Kapadia
(Member)

Mrs. Seema Agarwal
(Member)

NOMINATION AND REMUNERATION COMMITTEE

Mr. Amit Goela (Chairman)

Mr. Sushil Kapadia
(Member)

Mr. Nilesh Panpaliya
(Member) (w.e.f 03.07.2019)

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mrs. Seema Agarwal
(Chairperson)

Mr. Mayank Agarwal (Member)

Mr. Amit Goela (Member)

REGISTRAR & SHARE TRANSFER AGENTS

KFin Technologies Private Limited
Karvy Selenium Tower B, Plot No 31 & 32 Financial District, Nanakramguda, Serilingampally, Mandal, Hyderabad 500 032.

STATUTORY AUDITORS

M/s. S. Venkatadri & Co.,
1408, Babukhan Estate,
Basheer Bagh, Hyderabad-
500 001.

REGISTERED OFFICE

1st Floor, Suryatowers, 105,
S P Road, Secunderabad
TG- 500 003

CORPORATE OFFICE

A-101, Kanha Apartment,
128, Chhaoni, Katol Road
Nagpur 440013, Maharashtra.

FACTORY

Survey No. 300, Nayakund,
Parseoni Road, Dist. Nagpur,
MH- 441 105.



NOTICE

NOTICE IS HEREBY GIVEN THAT THE 13TH ANNUAL GENERAL MEETING OF THE MEMBERS OF SURYAAMBA SPINNING MILLS LIMITED will be held on Thursday, the 13th day of August, 2020 at 12:30 P.M. Indian Standard Time ("IST"), through Video Conferencing / Other Audio Visual Means ("VC/OAVM") facility to transact following business:

ORDINARY BUSINESS:

1. Adoption of Audited Financial Statements.

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2020, together with the Reports of the Board of Directors and Auditors thereon.

2. Declaration of Dividend on Equity Shares.

To declare dividend @ ₹0.60/- per equity share of face value of ₹10/- each (being 6%) for the financial year ended March 31, 2020.

3. Confirmation of Dividend paid on Preference Shares.

To confirm the payment of Preference Dividend on 8% Cumulative Redeemable Preference Shares (CRPS) of the Company of ₹100/- each for the financial year ended March 31, 2020, for the period from April 1, 2019 up to the date of redemption i.e. March 12, 2020 (being 7.58%).

4. Appointment of Mrs. Seema Agarwal (DIN: 01430206) Joint Managing Director of the Company, liable to retire by rotation.

To appoint Mrs. Seema Agarwal (DIN: 01430206) Joint Managing Director of the Company, who retires by rotation and being eligible, offers herself for re-appointment.

5. Appointment of Statutory Auditors.

To appoint and if thought fit to pass, with or without modifications, pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139 and 142 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, as amended from time to time, M/s Manish N. Jain & Co., Chartered Accountants, (Firm Registration No: 138430W) be and are hereby appointed as the Statutory Auditors of the Company for a term of 5 (Five) consecutive years, i.e. to hold office commencing from the conclusion of this 13th Annual General Meeting till the conclusion of the 18th Annual General Meeting of the Company, at such professional fees and re-imbursement of out of pocket expenses, if any, in each financial year, as recommended by the Audit Committee and mutually agreed to between the Board of Directors and the Statutory Auditors of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."



SPECIAL BUSINESS:

6. Ratification of Cost Auditor's remuneration.

To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2021 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 Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, as amended from time to time, the Company hereby ratifies the remuneration of ₹ 50,000 plus applicable taxes and out-of-pocket expenses, if any, incurred in connection with the cost audit, payable to M /s G. R. Paliwal & Co. (Firm Registration No. 100058), who is appointed as Cost Auditor of the Company to conduct the audit of the cost records maintained by the Company for the financial year ending March 31, 2021.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

7. Re-appointment of Mr. Mayank Agarwal as Whole-Time Director of the Company.

To re-appoint Mr. Mayank Agarwal (DIN: 02749089) as a Whole-time Director 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 196, 197, 198, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 ('Act') and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment thereof for the time being in force, the approval of the Members be and is hereby accorded for the re-appointment of Mr. Mayank Agarwal (DIN: 02749089), as Whole-Time Director of the Company for a period of 5 (five) consecutive years as per the following terms:

- i. **Term of Appointment:** The term of Appointment of Mr. Mayank Agarwal as Whole-Time Director shall be for a period of 5 years i.e. with effect from August 01, 2020 till July 31, 2025. Though he shall be liable to retire by rotation whilst he continues to hold office of Whole-Time Director; however, his re-appointment on retirement by rotation will not break his length of service as Whole-Time Director.

ii. Remuneration, benefits and perquisites:

Salary: ₹ 95,000/- per month.

Commission: Commission not exceeding @ 2% on the net profits of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013, may be paid to the Whole-Time Director subject to the condition that the total remuneration for each year shall not exceed the overall limit as provided under Section 197 of the Companies Act, 2013 read with schedule V of the Companies Act, 2013.

Perquisites: In addition to the salary and commission as stated above Mr. Mayank Agarwal shall be entitled for the following perquisites:

Category A

The following perquisites and/or allowances given in Category A will be allowed in addition to the salary:



- a) **Housing:** Rent free accommodation including facilities or services such as Gas, Electricity, water, etc. or Housing Allowance to the extent of 50% of the salary.
- b) **Medical Re-imbursement:** Medical expenses incurred for self & family subject to a ceiling of one month's salary per year or 3 months' salary in a period of 3 years.
- c) **Club Fee:** Fee of club subject to a maximum of two clubs, admission and life (corporate) membership fee for any one club.
- d) **Leave Travel Concession:** For self and family once in a year incurred in accordance with the rules of the company.
- e) **Personal Accident Insurance:** Premium of a sum not exceeding ₹ 4000/- per month towards personal accident insurance policy of Mr. Mayank Agarwal.

Category B

- a) Contribution by the Company to Provident Fund, Superannuation Fund or Annuity Fund as per the rules of the Company.
- b) Payment of Gratuity subject to an amount equal to half a month's salary for each completed year of service.
- c) Free use of Car with Driver, telephone and other communication facilities at residence for use of Company's business and the same shall not form part of remuneration.
- d) Reimbursement of travelling, boarding and lodging expenses and other amenities as may be incurred by them from time to time, in connection with the Company's business as per Company rules and the same shall not form part of remuneration.

Minimum Remuneration:

Where in any financial year during the currency of tenure of a Whole time Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration to the Whole time Director by way of salary and perquisites as specified supra as minimum remuneration subject to the provisions of Schedule V and such approvals as may be necessary and any other applicable provisions of the Companies Act, 2013, including any amendment thereto from time to time.

- iii. **Increments:** Increments may be given subject to the overall limits specified under Section 197 read with Schedule - V of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter and vary the terms and conditions of appointment and /or remuneration including annual increments based on the performance appraisal and recommendation of the Nomination & Remuneration Committee, provided the same are not exceeding the limits specified under Section 197 and other applicable provisions of the Companies Act, 2013 read with Schedule - V thereto.

RESOLVED FURTHER THAT the Board of Directors (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorised 'Committee' thereof) be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution."