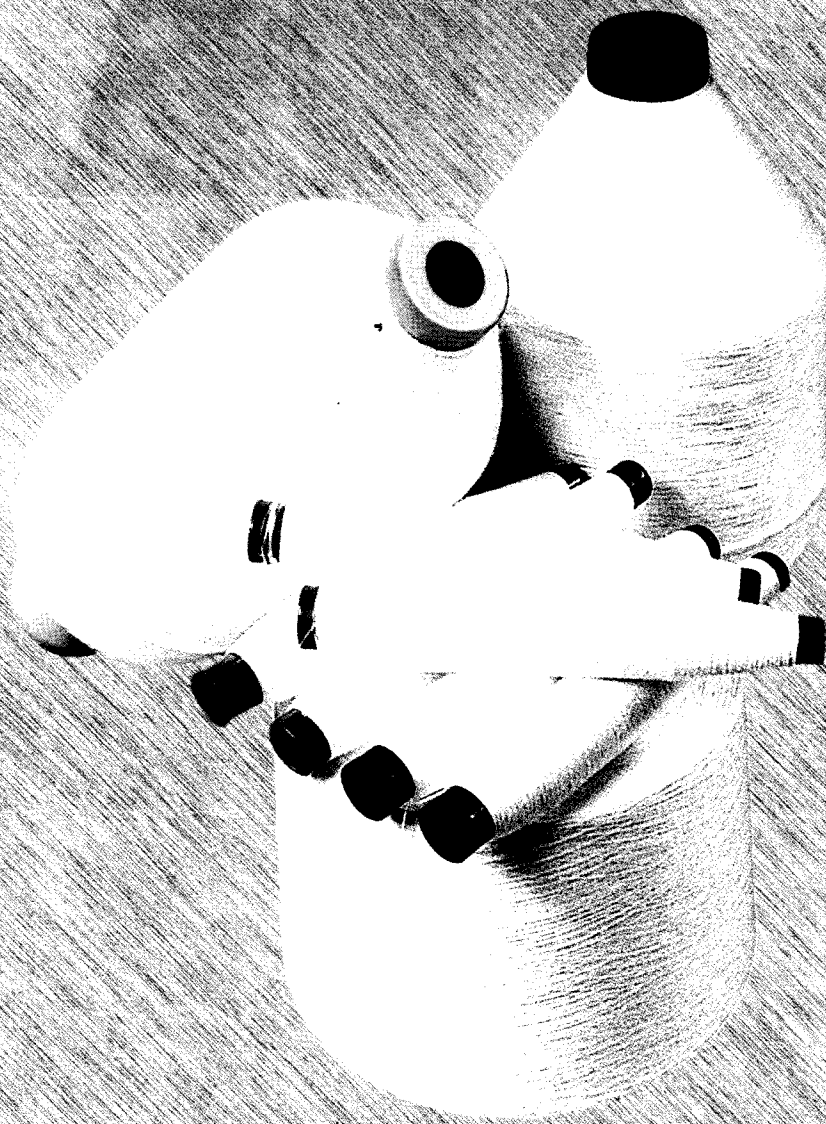
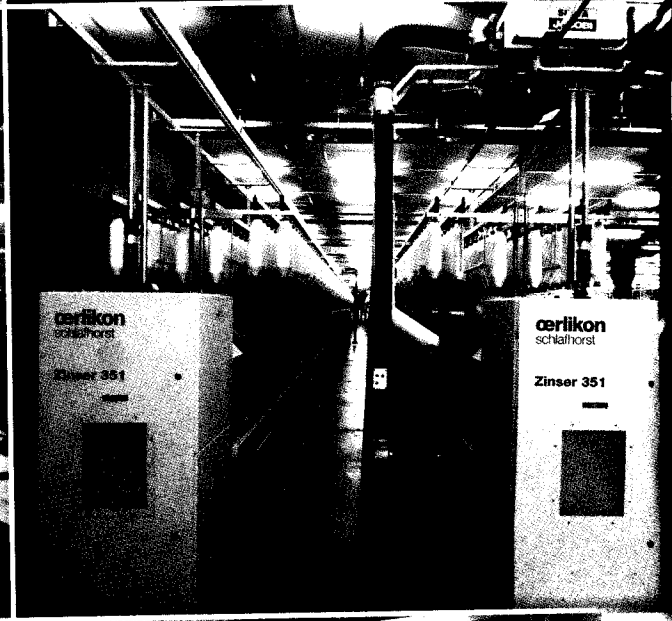
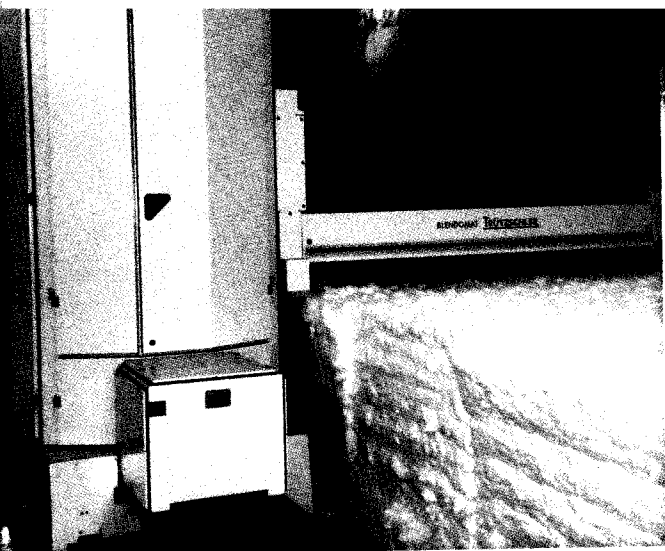


2012-13



**SURYALATA SPINNING MILLS LIMITED**



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**CORPORATE INFORMATION**

**BOARD OF DIRECTORS**

<b>Sri R Surender Reddy</b>	Chairman
<b>Sri Vithaidas Agarwal</b>	Managing Director
<b>Sri Mahender Kumar Agarwal</b>	Joint Managing Director
<b>Sri Yash Agarwal</b>	Executive Director
<b>Sri K Lakshmikanth Reddy</b>	Director
<b>Sri R S Agarwal</b>	Director
<b>Sri K R Suresh Reddy</b>	Director
<b>Sri K K Sinha</b>	Director (Operations)
<b>Sri K Nageswara Rao</b>	General Manager (Finance)

**COMMITTEES OF THE BOARD**

**AUDIT COMMITTEE**

Sri R Surender Reddy, Chairman  
Sri R S Agarwal, Member  
Sri K R Suresh Reddy, Member

**INVESTOR GRIEVANCE COMMITTEE**

Sri K R Suresh Reddy, Chairman  
Sri Vithaidas Agarwal, Member  
Sri Mahender Kumar Agarwal, Member

**AUDITORS**

M/s. Brahmayya & Co.,  
Flat No. 403 & 404,  
Golden Green Apartments,  
Irrum Manzil Colony, Hyderabad - 500 082

**REGISTERED OFFICE**

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

**FACTORIES**

Marchala Village  
Kalwakurthy Mandal  
Mahaboobnagar District  
Andhra Pradesh - 509 320

**REMUNERATION COMMITTEE**

Sri K R Suresh Reddy, Chairman  
Sri K Lakshmikanth Reddy, Member  
Sri R S Agarwal, Member

**REGISTRAR & TRANSFER AGENTS**

M/s.Karvy Computershare Private Limited  
Plot No.17 to 24, Vithai Rao Nagar  
Madhapur, Hyderabad- 500 081

**BANKERS**

State Bank of India, IFB, Hyderabad  
IDBI Bank Limited, Chennai

**ISIN:** INE132C01027 **CIN:** L18100AP1983PLC003962

Listed on **Bombay Stock Exchange Limited (BSE)**  
Stock code : **5 1 4 1 3 8**

**Book Closure Dates: 5th August, 2013 to 10th August, 2013 (Both days inclusive)**

## NOTICE

NOTICE is hereby given that the **30th Annual General Meeting** of the Members of **SURYALATA SPINNING MILLS LIMITED** will be held on **Saturday, 10<sup>th</sup> August, 2013 at 10.30 A.M. at Kamat Lingapur Hotel, 1-10-44/2, Chikoti Gardens, Begumpet, Hyderabad – 500 016** to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2013, the statement of Profit and Loss on that date and the reports of the Directors and Auditors thereon.
2. To declare dividend on Cumulative Redeemable Preference Shares.
3. To declare dividend on Equity Shares.
4. To appoint a Director in place of **Sri R Surender Reddy**, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of **Sri K R Suresh Reddy**, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint 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 Section 224 and other applicable provisions, if any, of the Companies Act, 1956, M/s. Brahmayya & Co., Chartered Accountants, Hyderabad (Registration No. 000513S) be and are hereby re-appointed as Statutory 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 as shall be fixed by the Board of Directors.

### SPECIAL BUSINESS

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

**“RESOLVED THAT** pursuant to the provisions of Sections 198, 269, 309, 311 and other applicable provisions, if any, of the Companies Act, 1956, read with schedule XIII thereof as amended upto date, approval of members of the Company be and is hereby accorded to revise the remuneration payable to **Sri Vithaldas Agarwal, Managing Director** with effect from 1<sup>st</sup> July, 2013 for a period of three years, subject to the re-appointment of Sri Vithaldas Agarwal, after his current tenure, on the following terms:

1. **Salary:** ₹. 2,75,000/- per month.
2. **Commission:** At the rate of 2% of the net profits of the Company with effect from the Financial year 2013-14.
3. **Perquisites:** In addition to the salary and commission as stated above Sri Vithaldas Agarwal, Managing Director shall provide a car with driver, telephone and other communication facilities at residence for use of Company's business.

**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 Vithaldas Agarwal, Managing Director subject to the provisions of section II of Part II of Schedule XIII of the Companies Act, 1956”.

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 Sections 198, 269, 309, 311 and

other applicable provisions, if any, of the Companies Act, 1956, read with Schedule XIII thereof as amended up to date, consent of the members of the Company be and is hereby accorded to revise the remuneration payable to **Sri Mahender Kumar Agarwal, Joint Managing Director** of the Company with effect from 1<sup>st</sup> July, 2013 for a period of three years, subject to the re-appointment of **Sri Mahender Kumar Agarwal**, after his current tenure, on the following terms:

1. **Salary:** ₹. 2,50,000 /- per month
2. **Commission:** At the rate of 2% of the net profits of the Company with effect from the Financial Year 2013-14.
3. **Perquisites and / or allowances:** In addition to the salary and commission as stated above, Sri Mahender Kumar Agarwal, Joint Managing Director shall be entitled to the following perquisites and / or allowances:

**CATEGORY 'A'**

Following perquisites and / or allowances given in Category A will be allowed to him in addition to the salary, restricted to an amount of ₹. 9,60,000/- (Rupees Nine Lakhs Sixty Thousand only) per annum.

1. **Medical Reimbursement:** Medical expenses incurred for self and family subject to a ceiling of one month's salary per year or three month's salary in a period of three years.
2. **Leave Travel Concession:** For self and family once in a year incurred in accordance with the rules of the Company.
3. **Club Fee:** Fee of clubs subject to a maximum of two clubs, admission and life (corporate) membership fee for any one club.

The following perquisites referred to in the Category B shall not be considered and

included for computation of the ceiling on perquisites.

**CATEGORY 'B'**

1. Contribution by the Company to 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.
3. The Company shall provide a car with driver, telephone and other communication facilities at residence for use of Company's business.

**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 Mahender Kumar Agarwal, Joint Managing Director subject to the provisions of Section II of Part II of Schedule XIII of the Companies Act, 1956".

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

**"RESOLVED THAT** pursuant to the provisions of Sections 198,269,309,311 and other applicable provisions, if any, of the Companies Act, 1956, read with Schedule XIII thereof as amended up to date, consent of the members of the Company be and is hereby accorded to revise the remuneration payable to **Sri Yash Agarwal, Executive Director** of the Company with effect from 24<sup>th</sup> July, 2013 for a period of three years, subject to the re-appointment of **Sri Yash Agarwal, Executive Director**, after his current tenure, on the following terms:

1. **Salary:** ₹. 1,50,000/- per month.
2. **Commission:** At the rate of 1% of the net profits of the company with effect from the Financial year 2013-14.

3. **Perquisites and / or Allowances:** in addition to the salary and commission as stated above Sri Yash Agarwal, Executive Director shall be entitled to the following perquisites and / or allowances:

**CATEGORY 'A'**

Following perquisites and / or allowances given in Category A will be allowed in addition to the salary, restricted to an amount of ₹. 6,50,000/- (Rupees Six Lakhs Fifty Thousand only) per annum.

1. **Medical Reimbursement:** Medical expenses incurred for self and family subject to a ceiling of one month's salary per year or three month's salary in a period of three years.
2. **Leave Travel Concession:** For self and family once in a year incurred in accordance with the rules of the Company.
3. **Club Fee:** Fee of clubs subject to a maximum of two clubs, admission and life (corporate) membership fee for any one club.

The following perquisites referred to in the Category B shall not be considered and included for computation of the ceiling on perquisites.

**CATEGORY 'B'**

1. Contribution by the Company to 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.
3. The Company shall provide a car with driver, telephone and other communication facilities at residence for use of Company's business.

**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 Yash Agarwal, Executive Director** subject to the provisions of Section II of Part II of Schedule XIII of the Companies Act, 1956".

For and on behalf of the Board  
For **Suryalata Spinning Mills Limited**

Place: Secunderabad  
Date : 22<sup>nd</sup> May 2013

**R. Surender Reddy**  
Chairman



**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 / herself and 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 commencement of the meeting.
2. Member / proxy should bring the attendance slip sent herewith, duly filed in, for attending the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from **5th August, 2013 to 10th August, 2013** for the purpose of payment of dividend, if approved by the members. (Both days inclusive).
4. Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, dividend for the financial year ended 31<sup>st</sup> March, 2006 and thereafter, which remain unclaimed for a period of 7 years will be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 205C of the Companies Act, 1956. Information in respect of such unclaimed dividend when due for transfer to the said fund is given below:

For the Financial year	Date of declaration	Un-claimed Dividend Amount (in ₹.)	Last Date of claiming un-paid Dividend/Due Date for transfer to IEPF Account
2005 - 06	08 <sup>th</sup> September, 2006	1,50,587/-	14 <sup>th</sup> November, 2013
2006 - 07	26 <sup>th</sup> September, 2007	1,82,847/-	01 <sup>st</sup> November, 2014
2007 - 08	Not Applicable (As Dividend was not declared)		
2008 - 09	Not Applicable (As Dividend was not declared)		
2009 - 10	23 <sup>rd</sup> September, 2010	1,15,506/-	29 <sup>th</sup> September, 2017
2010 - 11	15 <sup>th</sup> September, 2011	1,78,770/-	21 <sup>st</sup> October, 2018
2011 - 12	12 <sup>th</sup> September, 2012	95,715/-	18 <sup>th</sup> October, 2019

Members who have not en-cashed the dividend warrant(s) so far for the financial year ended 31<sup>st</sup> March, 2006 or any subsequent financial years are requested to make their claim to the Company at its Registered Office. It may also be noted that once the unclaimed dividend is transferred to the Investor Education and Protection Fund (IEPF) no claim shall lie in respect thereof with the Company.

5. Members are requested to address all their correspondence including change of address, mandates etc. to the registrars viz. M/s. Karvy Computershare Private Limited, Plot No.17 to 24, Vithai Rao Nagar, Madhapur, Hyderabad – 500 081.
6. The Company's Equity shares are listed at Bombay Stock Exchange Ltd., Phiroze Jeejeebhoy Towers, Dalai Street, Mumbai - 400 001 and the company has paid the Listing Fees to the said Stock Exchange.
7. Corporate Members intending to send their authorized 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 Clause 49 of the Listing Agreement, brief profile of the Directors appointed/ Re-appointed is given in the Corporate Governance Report.
9. Members are requested to bring their copy of the Annual Report to the meeting.

## **Explanatory Statement-Pursuant to Section 173(2) of Companies Act, 1956**

### **Item 7: Revision of the remuneration of Sri Vithaldas Agarwal, Managing Director of the Company.**

Sri Vithaldas Agarwal is Promoter and Managing Director of the Company. He has been associated with the Company since inception and taking care of the day to day operations of the Company. He has put in his total dedication and hard-work resulting into profitable growth of the Company.

It is proposed to revise the remuneration payable to Sri Vithaldas Agarwal, Managing Director, in line with the industry norms with effect from 1<sup>st</sup> July, 2013 for a period of three years.

The revision of remuneration to Sri Vithaldas Agarwal has been approved by the remuneration committee and further the revision requires, the approval of members in general meeting pursuant to Section 269, 311 read with Schedule XIII to the Companies Act, 1956.

### **I. Additional Disclosure about the appointee as per Schedule XIII Part II of the Companies Act, 1956:**

#### **1. Nature of industry:**

Suryalata Spinning Mills Limited is one of the largest producers of yarn. Company is basically into manufacturing of Synthetic blended yarns of Polyester / Viscose. Currently Company has two ISO certified manufacturing units with a total installed capacity of 89,376 spindles. Suryalata Spinning Mills Limited is one of the fast growing established Textile sector Company and Indian Textile Industry is one of the leading textile industries in the world.

#### **2. Date of commencement of commercial production :**

Commercial Operations of the Company have started during the year 1983.

#### **3. Financial performance:**

Performance of the Company for the last three years are as follows:

(₹. in Lakhs)

<b>Item</b>	<b>2011-12</b>	<b>2010-11</b>	<b>2009-10</b>
Income from Operations (Gross)	26314.30	24843.87	17028.64
Profit/Loss Before tax	655.64	3098.40	892.51
Profit/Loss after Tax	423.01	1979.28	572.24

#### **4. Export performance and net foreign exchange earnings:**

Export performance of the Company for the last three years is as follows:

(₹. in Lakhs)

<b>Item</b>	<b>2011-12</b>	<b>2010-11</b>	<b>2009-10</b>
FOB value of goods exported	8983.28	6125.43	148.11

#### **5. Foreign investments or collaborators, if any:**

Foreign investments in the Company as on 31<sup>st</sup> March 2013 are 14,569 equity shares. These shares are held by NRIs/OCBs.

At present the Company does not have any Collaboration, neither technical nor Financial.

### **II. Information about the appointee:**

#### **1. Background details**

Sri Vithaldas Agarwal has been associated with the Company since 1983. He is from the family experienced in textile industry over five decades. He is having vast experience in Textile Industry of about 30 years. He is the promoter director of the Company. He was