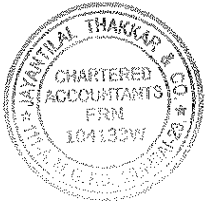


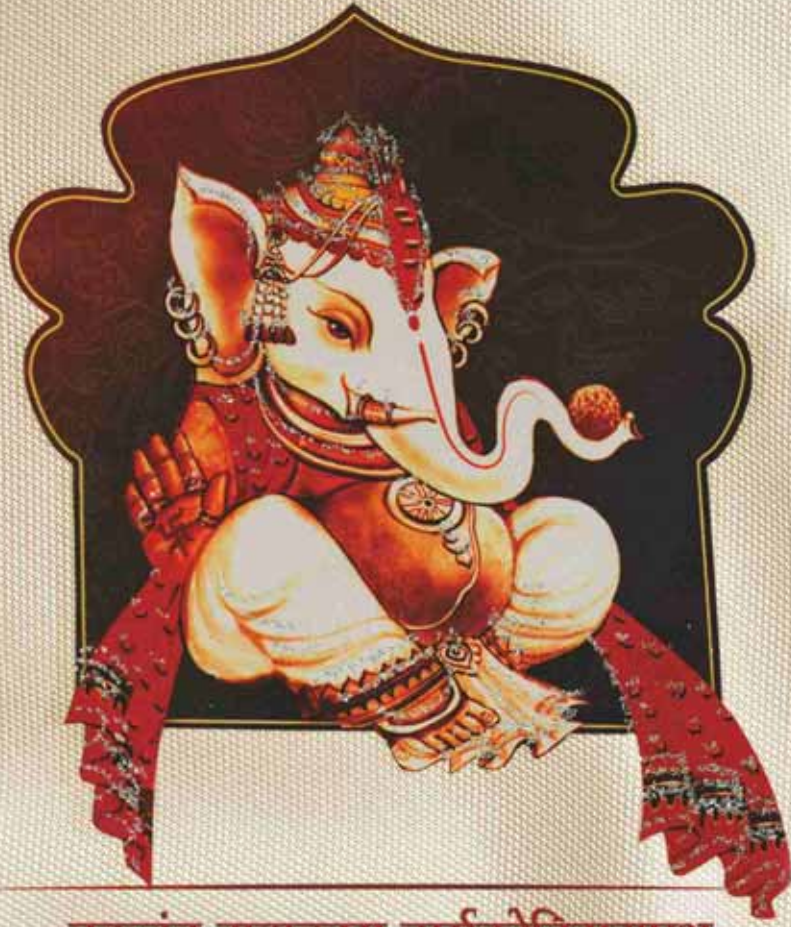
**FORM A**  
**(Pursuant to Clause 31(a) of Listing Agreement)**

Sr. No.	Particulars	Details
1.	Name of the Company	Siyaram Silk Mills Limited
2.	Annual Financial Statements for the year ended	31 <sup>st</sup> March, 2014
3.	Type of Audit observation	Unqualified
4.	Frequency of observation	Not applicable
5.	<p>To be signed by:</p> <ul style="list-style-type: none"> <li>• Chairman and Managing Director</li> <li>• Chief Financial Officer</li> <li>• Audit Committee Chairman</li> <li>• Auditor of the Company</li> </ul>	<p>For Siyaram Silk Mills Limited  RKE <i>Ramesh D. Poddar</i>  Chairman and Managing Director  <b>Shri. Ramesh D. Poddar</b></p> <hr/> <p>For Siyaram Silk Mills Limited  <i>Surendra S. Shetty</i>  <b>Surendra S. Shetty</b>  Chief Financial Officer  <b>Shri. Surendra S. Shetty</b></p> <hr/> <p>For SIYARAM SILK MILLS LTD.  <i>Harish N. Motiwalla</i>  Director/Authorised Signatory  <b>Shri. Harish N. Motiwalla</b></p> <hr/> <p>Refer our Audit Report dated 12<sup>th</sup> May, 2014 on the Financial Statements of the Company for year ended 31<sup>st</sup> March, 2014.</p> <p><b>For Jayantilal Thakkar &amp; Co.,</b>  Chartered Accountants  (Firm Registration No. 104133W)</p> <p><i>C.V. Thakkar</i>  <b>C.V. Thakkar</b>  (Partner)  (Membership No.006205)</p> <p>Mumbai,  Date: 30<sup>th</sup> August, 2014.</p> 



**Siyaram's**

**ANNUAL REPORT**  
2013 - 14



वक्रतुंड महाकाय सूर्यकोटिसमप्रभ  
निर्विघ्नं कुरु मे देव सर्वकार्येषु सर्वदा

**ATTENDANCE SLIP**

Only Shareholders or the Proxies will be allowed to attend the meeting.

Name of Member (s)	_____
Folio No	_____
DP ID/ Client ID	_____
No. of Shares held	_____

I / We hereby record my/our presence at the 36th Annual General Meeting of the Company held on Saturday, the 27th day of September, 2014, at 11.00 a.m., at Plot No. G-4/1(A), MIDC, Tarapur, Boisar Dist. Thane 401 506.

Signature of the Attending Member / Proxy \_\_\_\_\_

**ELECTRONIC VOTING PARTICULARS**

Electronic Voting Event Number (EVEN)	User ID	Password

**Note:** (1) A Member / Proxy holder attending the meeting must bring the attendance slip to the meeting and hand it over at the entrance duly signed. (2) A Member/Proxy holder attending the meeting should bring copy of the Annual Report for reference at the meeting. (3) Please refer to the instructions printed under the notes to the Notice of the 36th AGM. The voting period starts at 9.00 a.m. on Wednesday, the 17th September, 2014 and ends at 9.00 p.m. on Friday, the 19th September, 2014. The voting portal shall be disabled for voting thereafter.

**PROXY FORM**

Name of the Member (s)	_____
Registered Address	_____
Email ID	_____
Folio No. / DP-Client ID	_____

I/We being the member(s) of SIYARAM SILK MILLS LTD. holding ..... Shares, hereby appoint :

1. Name : \_\_\_\_\_  
Address: \_\_\_\_\_  
Email ID \_\_\_\_\_  
Signature \_\_\_\_\_ or failing him
2. Name : \_\_\_\_\_  
Address: \_\_\_\_\_  
Email ID \_\_\_\_\_  
Signature \_\_\_\_\_ or failing him
2. Name : \_\_\_\_\_  
Address: \_\_\_\_\_  
Email ID \_\_\_\_\_  
Signature \_\_\_\_\_

as my/our proxy attend and vote (on poll) for me /us on my/our behalf at the 36th Annual General Meeting of the Company to be held on Saturday, the 27th day of September, 2014, at 11.00 a.m., at Plot No. G-4/1(A), MIDC, Tarapur, Boisar Dist. Thane 401 506 and at any adjournment thereof in respect of such Resolutions as are indicated below:

1. Adoption of Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss Account, Cash Flow Statement for the year ended on that date along with the Reports of the Board of Directors and Auditors thereon.
2. Declaration of Dividend on Equity Shares for the financial year ended 31st March, 2014.
3. Re-appointment of Shri Shrikishan D. Poddar, who retires by rotation.
4. Re-appointment of Messrs. Jayantilal Thakkar & Co., Chartered Accountants as Statutory Auditors and fixing their remuneration.
5. Appointment of Shri. Tarun Kumar Govil as a Director and Independent Director.
6. Appointment of Smt. Ashadevi R. Poddar as a Director liable to retire by rotation and Executive Director.
7. Appointment of Shri.(Prof.) Mangesh D. Teli as an Independent Director.
8. Appointment of Shri. Shailesh S. Vaidya as an Independent Director.
9. Appointment of Shri. Ashok N. Garodia as an Independent Director.
10. Appointment of Shri. Dileep H. Shinde as an Independent Director.
11. Appointment of Shri. Pramod S. Jalan as an Independent Director.
12. Appointment of Shri. Harish N. Motiwalla as an Independent Director.
13. Special Resolution authorizing the Board to borrow money in excess of the Paid up Capital and Free Reserves but not exceeding the limit of Rs.500 crores.
14. Special Resolution authorizing the Board to create charges, mortgages and hypothecations to secure the borrowing of the Company not exceeding the limit of Rs.500 crores.
15. Special Resolution approving entering into related party transactions upto a maximum limit of Rs. 60 crores with M/s. Balkrishna Synthetics Ltd. for the F. Y. 2014-15.

Signed this ..... Day of..... 2014.

Signature of the share holder : \_\_\_\_\_

Signature of the Proxy holder(s) : \_\_\_\_\_

Affix Re. 1.00 Revenue Stamp
---------------------------------------

Signature across the stamp

**Notes:** (1) This form in order to be effective should be duly completed and deposited at the Registered Office of the Company at H-3/2 MIDC, A. Road, Tarapur, Boisar, Dist. Thane – 401 506, India, not less than 48 hours before the commencement of the Meeting. (2) For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 36th Annual General Meeting.

## NOTICE

Notice is hereby given that the 36<sup>th</sup> Annual General Meeting of the Members of Siyaram Silk Mills Limited will be held on Saturday, 27<sup>th</sup> September, 2014 at 11.00 a.m at Plot No. G-4/1(A), MIDC, Tarapur, Boisar, Dist. Thane – 401 506, Maharashtra, to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2014 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 31<sup>st</sup> March, 2014.
3. To appoint a Director in place of Shri. Shrikishan D. Poddar (DIN 00160323), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint 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 section 139 and all other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules framed thereunder as amended from time to time, M/s. Jayantilal Thakkar & Co., Chartered Accountants (FRN 104133W), be and are hereby re-appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting (AGM) until the conclusion of the 39<sup>th</sup> AGM of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM), on such remuneration as may be fixed by the Board of Directors of the Company.”

### 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, read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri. Tarun Kumar Govil (DIN 06924673), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 30<sup>th</sup> July, 2014 and who holds office up to the date of this Annual General Meeting, in terms with section 161 of the Act and in respect of whom the Company has received a notice in writing under section 160 of the

Act, from a member proposing his candidature for the office of Director of the Company 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 Independent Director of the Company, to hold office for a term of five consecutive years with effect from 30<sup>th</sup> July, 2014 to 29<sup>th</sup> July, 2019 and whose office shall not be liable to retire by rotation.”

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 all other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules framed thereunder, Smt. Ashadevi R. Poddar (DIN 00169841), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 1<sup>st</sup> August, 2014 and who holds office up to the date of this Annual General Meeting, in terms with section 161 of the Act and in respect of whom the Company has received a notice in writing under section 160 of the Act, from a member proposing her candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company, liable to retire by rotation.

**RESOLVED FURTHER THAT** pursuant to the provisions of sections 196, 197, read with Schedule V and other applicable provisions, if any, of the Act, and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the approval of the Company be and is hereby accorded for the appointment of Smt. Ashadevi R. Poddar, as a Whole Time Director designated as Executive Director for a period of 5 years, with effect from 1<sup>st</sup> August, 2014 on the terms and conditions and on the remuneration, which is as follows : -

1. **Salary:** In the range of Rs.1,97,500/- p.m. to Rs.5,00,000/- p.m.  
The same is bifurcated as under : -
  - (i) Present Basic Salary : Rs. 1,25,000/- p.m.
  - (ii) House Rent Allowance: 50% of the Basic Salary i.e. Rs.62,500/-p.m.
  - (iii) Special Allowance : Rs.10,000/- p.m.
2. **Commission:**  
Commission will be fixed by the Board of Directors of the Company, subject to overall ceiling stipulated under the provisions of the Act. The amount of commission will be payable after the annual accounts are approved by the Board of Directors and adopted by the shareholders.

# SIYARAM SILK MILLS LIMITED

## 36<sup>TH</sup> ANNUAL REPORT 2013-14

### 3. Perquisites:

In addition to the salary and commission, the following perquisites shall also be allowed:

#### a) Medical Reimbursement:

Reimbursement of medical expenses incurred in India or abroad including hospitalization, nursing home and surgical charges and premium for medical insurance incurred for self and family. In case of any medical treatment abroad, the traveling, boarding and lodging expenses for the patient and the attendant will also be paid by the Company.

#### b) Leave Travel Concession:

Reimbursement of actual traveling expenses for proceeding on leave once in a year in respect for self and family, whether in India or abroad.

#### c) Club Membership Fees:

Fees of Clubs including admission and life membership.

#### d) Personal Accident Insurance:

The actual premium paid.

#### e) Provident Fund, Superannuation Fund and Annuity Fund:

Contributions to Provident Fund, Superannuation and Annuity Fund shall be payable as per rules of the Company.

#### f) Gratuity:

Gratuity shall be payable at half month's salary for each completed year of service.

#### g) Leave and encashment of Leave:

The Executive Director shall be entitled to leave with full pay as per the rules of the Company and will be entitled to encash the accumulated leave at the end of the tenure / retirement.

#### h) Use of Car with driver:

The Company shall provide fully maintained car with driver.

#### i) Free telephone, facsimile and other communication facilities:

The Company shall provide free telephone, facsimile and other communication facilities at the appointees' residence.

### Explanation

For the purpose of the perquisites, family shall mean the spouse, dependent children and dependent parents of the appointee.

For the purpose of leave, provident fund, superannuation, gratuity and other retiring benefits to which

she may be entitled, account shall be taken of her service with the Company prior to her appointment as Executive Director.

**RESOLVED FURTHER THAT** notwithstanding anything herein above stated where in any financial year closing on or after 31<sup>st</sup> March, 2015, during the tenure of Smt. Ashadevi R. Poddar, as an Executive Director of the Company, the Company incurs a loss or its profits are inadequate, the Company shall pay to Smt. Ashadevi R. Poddar, the above remuneration by way of Salary and allowances as a minimum remuneration but not exceeding the limits specified under section II of Part II of Schedule V to the Act or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration.

**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, subject to the same not exceeding the limits specified under section 197, read with Schedule V of the Act.

**RESOLVED FURTHER THAT** the Board of Directors (which expression shall mean and include Committee thereof) be and are hereby authorized to do all acts, deeds and things as it may in its absolute discretion deem necessary, expedient and proper to give effect to the above 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 sections 149, 152, read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri.(Prof.) Mangesh D. Teli (DIN 00218899), a Non Executive Director of the Company, 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, in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a member proposing his candidature for the office of Director, be and is hereby appointed as Independent Director of the Company to hold office for a term of five consecutive years with effect from 1<sup>st</sup> August, 2014 to 31<sup>st</sup> July, 2019 and whose office shall not be liable to retire by rotation."

### 8. 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, read with Schedule IV and

all other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri. Shailesh S. Vaidya (DIN 00002273), a Non Executive Director of the Company, 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, in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a member proposing his candidature for the office of Director, be and is hereby appointed as Independent Director of the Company to hold office for a term of five consecutive years with effect from 1<sup>st</sup> August, 2014 to 31<sup>st</sup> July, 2019 and whose office shall not be liable to retire by rotation."

9. 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, read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri. Ashok N. Garodia (DIN 00206017), a Non Executive Director of the Company, 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, in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a member proposing his candidature for the office of Director, be and is hereby appointed as Independent Director of the Company to hold office for a term of five consecutive years with effect from 1<sup>st</sup> August, 2014 to 31<sup>st</sup> July, 2019 and whose office shall not be liable to retire by rotation."

10. 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, read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri. Dileep H. Shinde (DIN 00270687), a Non Executive Director of the Company, 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, in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a

member proposing his candidature for the office of Director, be and is hereby appointed as Independent Director of the Company to hold office for a term of five consecutive years with effect from 1<sup>st</sup> August, 2014 to 31<sup>st</sup> July, 2019 and whose office shall not be liable to retire by rotation."

11. 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, read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri.Pramod S. Jalan (DIN 00215144), a Non Executive Director of the Company, 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, in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a member proposing his candidature for the office of Director, be and is hereby appointed as Independent Director of the Company to hold office for a term of five consecutive years with effect from 1<sup>st</sup> August, 2014 to 31<sup>st</sup> July, 2019 and whose office shall not be liable to retire by rotation."

12. 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, read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri. Harish N. Motiwalla (DIN 00029835), a Non Executive Director of the Company, 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, in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a member proposing his candidature for the office of Director, be and is hereby appointed as Independent Director of the Company to hold office for a term of five consecutive years with effect from 1<sup>st</sup> August, 2014 to 31<sup>st</sup> July, 2019 and whose office shall not be liable to retire by rotation."

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

"RESOLVED THAT in supersession of the ordinary resolution passed by the members at the 28<sup>th</sup> Annual

## SIYARAM SILK MILLS LIMITED

36<sup>TH</sup> ANNUAL REPORT 2013-14

General Meeting held on 16<sup>th</sup> September, 2006 under section 293(1)(d) of the Companies Act, 1956 and pursuant to the provisions of section 180(1)(c) of the Companies Act, 2013 ("Act") and all other applicable provisions, if any, of the Act, and the rules framed thereunder (including any statutory modification(s) or amendment(s) thereto or re-enactment thereof for the time being in force), the consent of the members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may constitute for this purpose) of the Company, for borrowing from time to time, such sum or sums of monies in any manner as may be required for the purpose of the business of the Company, with or without security and upon such terms and conditions as they may deem fit, notwithstanding that the monies to be borrowed which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount so borrowed by the Board shall not at any time exceed the limit of Rs.500 Crores (Rupees Five Hundred Crores Only).

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution the Board be and is hereby authorized to execute all documents and writings as may be necessary and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) aforesaid and generally to do all such acts, deeds and things as it may in its absolute discretion deem fit, necessary, proper, desirable or expedient to give effect to this resolution."

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

**"RESOLVED THAT** in supersession of the ordinary resolution passed by the members at the 28<sup>th</sup> Annual General Meeting held on 16<sup>th</sup> September, 2006 under section 293(1)(a) of the Companies Act, 1956 and pursuant to the provisions of section 180(1)(a) of the Companies Act, 2013 ("Act") and all other applicable provisions, if any, of the Act, and rules framed thereunder (including any statutory modification(s) or amendment(s) thereto or re-enactment thereof for the time being in force), the consent of the members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may constitute for this purpose) of the Company, to create such charges,

mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movables and immovable properties, both present and future and in such manner as the Board may deem fit, together with power to take over management and concern of the Company in certain events in favour of Banks/ Financial Institutions, other investing agencies and trustees for the holders of debentures/ bonds/ other instruments to secure rupee/ foreign currency loans and/ or the issue of debentures whether partly/ fully convertible or non convertible and / or securities linked to ordinary shares and / or rupee / foreign currency convertible bonds and/ or bonds with share warrants, attached (hereinafter collectively referred to as "Loans") provided that the total amount of loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premia on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by the Company in respect of the said Loans for which the charge is to be created, shall not, at any time exceed the limit of Rs.500 Crores (Rupees Five Hundred Crores Only).

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution the Board be and is hereby authorized to finalise with the Lenders, agreements and other documents, necessary for creating the mortgage(s) and/ or charge(s), hypothecation(s) as aforesaid and to accept any modification(s), alteration(s) or variation(s) to the terms and conditions of the aforesaid documents and to settle any question, difficulty, doubt that may arise in respect thereof and generally to do all such acts, deeds and things as it may in its absolute discretion deem fit, necessary, proper, desirable or expedient to give effect to this resolution."

15. 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 ended 31<sup>st</sup> March, 2015 up to a maximum amount of Rs. 60 crores and to decided 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** for the purpose of giving effect to the above resolution the Board of Directors of the Company and / or any Committee thereof be and is hereby authorized to settle any question, difficulty or doubt that may arise in respect thereof and generally to do all such acts, deeds and things as it may in its absolute discretion deem fit, necessary, proper, desirable or expedient to give effect to this resolution."

By Order of the Board

(William Fernandes)  
Company Secretary

Place: Mumbai  
Date : 30<sup>th</sup> July, 2014.

## 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 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 of the Company between 11.00 am to 1.00 pm on all working days except Saturdays up to the date of the AGM.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 10<sup>th</sup> September, 2014 to Friday, 12<sup>th</sup> September, 2014 (both days inclusive) for the purpose of payment of Dividend for the year ended 31<sup>st</sup> March, 2014.
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 9<sup>th</sup> September, 2014.
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 2005-06 amounting to Rs.1,10,766/-. Members who have not encashed their dividend warrants for the financial year 2006-07 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
31/03/2007	11/08/2007	16/08/2014	15/09/2014
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

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:
  - (i) Quote Registered Folio/Client ID & DP ID in all their correspondence;
  - (ii) Bring their copy of the Annual Report and Attendance Slip duly signed;

## SIYARAM SILK MILLS LIMITED

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- (iii) Send queries related to accounts to the Company at least 15 days before the date of the meeting.
11. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating the service of notice/ documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, 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 Pvt. Ltd.
12. In compliance with the provisions of section 108 of the Act and the Rules framed thereunder, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by National Securities Depository Limited (NSDL), on all the resolutions set forth in this Notice.

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) :
- i. 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.
  - ii. Open the internet browser and type the following URL: <https://www.e-voting.nsdl.com>.
  - iii. Click Shareholder- Login.
  - iv. If you are already registered with 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 e-voting home page opens, click on e-votings>Active Cycles.

- viii. Select "EVEN" (E-Voting Event Number) of Siyaram Silk Mills Limited which is 100795. Now you are ready for 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](mailto:naithanipcs@gmail.com), with a copy marked to [evoting@nsdl.co.in](mailto: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](http://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 e-voting period commences on Wednesday, 17<sup>th</sup> September, 2014 (9.00 a.m. IST) and ends on Friday, 19<sup>th</sup> September, 2014 (9.00 p.m. IST). During the period, members of the Company, holding shares either in physical form or in dematerialized form, as on 15<sup>th</sup> August, 2014, 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 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 15<sup>th</sup> August, 2014.

- iii. Shri. Prasen Naithani, Practicing Company Secretary (Membership No. FCS 3830) has been appointed as the scrutinizer to scrutinize the 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. If a Member casts votes by both modes, then voting done through e-voting shall prevail.
- vi. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.siyaram.com](http://www.siyaram.com) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) within two days of the passing of the resolutions at the 36<sup>th</sup> AGM of the Company on 27<sup>th</sup> September, 2014 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. Shrikishan D. Poddar, Director of the Company, retires by rotation and being eligible, offers himself for re-appointment, resolution for his re-appointment is proposed for approval of the Members at item no. 3. Shri. Tarun Kumar Govil, Additional Director, seeks appointment as Director as well as Independent Director and resolution at item no. 5 is proposed for approval of the Members. Smt. Ashadevi R. Poddar, seeks appointment as Director and Executive Director for a period of 5 years and resolution at item no. 6 is proposed for approval of the members. In terms with the provisions of section 149 of the Companies Act, 2013 Shri. (Prof) Mangesh D. Teli, Shri. Shailesh S. Vaidya, Shri. Ashok N. Garodia, Shri. Dileep H. Shinde, Shri. Pramod S. Jalan and Shri. Harish N. Motiwalla, Non Executive Directors, their appointment as Independent Directors for a period of 5(five) years w.e.f. 1<sup>st</sup> August, 2014 to 31<sup>st</sup> July, 2019, is proposed for the approval of the Members at item nos. 7 to 12.

## ANNEXURE TO THE NOTICE

Explanatory statement pursuant to Section 102 of the Companies Act, 2013 ("Act").

### Item No. 5.

Shri. Tarun Kumar Govil was as recommended by the Nomination and Remuneration Committee appointed as an Additional Director and Independent Director of the Company by the Board of Directors at its meeting held on 30<sup>th</sup> July, 2014 pursuant to the provisions of section 161 of the Act and holds office up to the date of the ensuing AGM. The Company has received notice in writing under the provisions of section 160 of the Act, from a member along with a deposit of Rs.1,00,000/- proposing his candidature for the office of Director of the Company.

The Company has received from Shri. Tarun Kumar Govil

- (i) consent in writing to act as Director in Form DIR-2, pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014.
- (ii) Intimation in Form DIR-8 in terms of Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of section 164 of the Act, and
- (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act.

Information about the appointee as required under clause 49 of the Listing Agreement is given in Annexure hereto.

Shri. Tarun Kumar Govil, aged 53 years, holds a Bachelor's degree in Commerce (Hons), and is also a Law Graduate. He also holds a Post Graduate Diploma in Business Management from IIM, Ahmedabad and is a member of the Institute of Cost and Works Accountants of India. He is a practicing advocate and deals in matters related with Indirect Taxes, Foreign Trade Laws and FEMA. Shri. Govil has been a member of Indian Revenue Service (Customs and Central Excise, Group A) and brings with him over 25 years of rich experience in the field of Indirect Taxes, Foreign Trade Laws and FEMA.

The resolution proposed at item 5 of the notice seeks the approval of the members for the appointment of Shri. Tarun Kumar Govil as Director of the Company not liable to retire by rotation and Independent Director w.e.f. 30<sup>th</sup> July, 2014 to 29<sup>th</sup> July, 2019.

No Director, Key Managerial Personnel or their relatives, except Shri. Tarun Kumar Govil, to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution set forth in item no. 5 for approval of the members.

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### Item No. 6.

As per the provisions of Section 149(1) of the Act, and clause 49(as amended) of the Listing Agreement, the Company should have at least one woman director.

Smt. Ashadevi R. Poddar is a co-promoter and is associated with the Company as an Executive w.e.f. 27<sup>th</sup> May, 2006. She looks after designing and marketing of Fabrics and has played an important role in the growth in the Sales of Shirting Fabrics.

Keeping in view the above and the legal requirements, the Board of Directors have at their meeting held on 30<sup>th</sup> July, 2014, as considered and recommended by the Nomination and Remuneration Committee, appointed Smt. Ashadevi R. Poddar as an Additional Director and Executive Director of the Company for a period of 5(five) years with effect from 1<sup>st</sup> August, 2014, subject to approval of the members.

Pursuant to the provisions of section 161 of the Act, Smt. Ashadevi R. Poddar will hold office up to the date of the ensuing AGM. The Company has received notice in writing under the provisions of section 160 of the Companies Act, 2013, from a member along with a deposit of Rs.1,00,000/- proposing the candidature of Smt. Ashadevi R. Poddar for the office of Director of the Company.

The Company has received from Smt. Ashadevi R. Poddar

- (iv) consent in writing to act as Director in Form DIR-2, pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014.
- (v) Intimation inform DIR-8 in terms of Companies (appointment and Qualifications of Directors) Rules, 2014, to the effect that she is not disqualified under sub-section (2) of section 164 of the Act.

Information about the appointee as required under clause 49 of the Listing Agreement is given in Annexure hereto.

The resolution proposed at item 6 of the notice seeks the approval of members for the appointment of Smt. Ashadevi R. Poddar as Director of the Company liable to retire by rotation and as an Executive Director for a period of 5(five) years w.e.f. 1<sup>st</sup> August, 2014 to 31<sup>st</sup> July, 2019 on terms, conditions and remuneration as mentioned in the resolution.

Shri. Ramesh D. Poddar, Chairman and Managing Director, Shri. Pawan D. Poddar, Joint Managing Director, Shri. Shrikishan D. Poddar, Executive Director and Shri. Gaurav P. Poddar, Executive Director, being related to Smt. Ashadevi R. Poddar and Smt. Ashadevi R. Poddar, to whom the resolution relates, are interested or concerned in the resolution.

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.

The Board recommends the resolution set forth in item no. 6 for approval of the members.

### Item 7 to 12.

The Company had pursuant to the provisions of Clause 49 of the Listing Agreement entered into with the Stock Exchanges, appointed Shri. (Prof.) Mangesh D. Teli, Shri. Shailesh S. Vaidya, Shri. Ashok N. Garodia, Shri. Dileep H. Shinde. Shri. Pramod S. Jalan and Shri. Harish N. Motiwalla, as Independent Directors at various times, in compliance with the requirements of the said clause.

Pursuant to the provisions of section 149 of the Act, every listed public company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation. However in terms with Clause 49 of the Listing Agreement, as the Company has an Executive Chairman, at least half of the Board should comprise independent directors. Further the said section as well as clause 49 of the listing agreement have stipulated the criteria for determining the independence of director.

Shri. (Prof.) Mangesh D. Teli, Shri. Shailesh S. Vaidya, Shri. Ashok N. Garodia, Shri. Dileep H. Shinde. Shri. Pramod S. Jalan and Shri. Harish N. Motiwalla, non executive directors of the Company, have given a declaration to the Board that they meet the criteria of independence as provided under section 149(6) of the Act.

The Company has received notice in writing under the provisions of section 160 of the Companies Act, 2013, from members along with a deposit of Rs. 1 Lacs each proposing their candidature for the office of Director of the Company.

The Board of Directors at their meeting held on 30<sup>th</sup> July, 2014 as considered and recommended by Nomination and Remuneration Committee have appointed these directors as Independent Directors of the Company for a term of 5(five) consecutive years w.e.f. 1<sup>st</sup> August, 2014 to 31<sup>st</sup> July, 2019.

In the opinion of the Board, each of these directors fulfill the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and they are independent of the management.

In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of these directors as Independent Directors is now being placed before the Members for approval.

A brief profile of the Independent Directors to be appointed is given below :

Shri. (Prof.) Mangesh D. Teli, aged 62 years, holds a Bachelor's degree in Science (Hons) as well a Bachelor's degree in Science(Tech) and a Ph. D (Tech). He is

currently a Senior Professor and Member of the Board of Management Institute of Chemical Technology. He possesses expertise in Textile Chemical processing. Shri. Teli is a member of the Audit Committee and Nomination and Remuneration Committee of the Company.

Shri. Shailesh S. Vaidya, aged 56 years, holds a Bachelor's degree in Commerce and also a Bachelor's degree in Law. He is a practicing Advocate and Solicitor and is a partner in Kanga & Company, Advocates and Solicitors. He was the President of the Indian Merchants' Chamber and has been a member of its Managing Committee since the past eight years. He has vast experience in the field of law and is specialized in Property/ Real Estate matters.

Shri. Ashok N. Garodia, aged 57 years, holds a Bachelor's degree in Engineering (Mech). He is an Industrialist with vast experience in the field of manufacturing, operation management, supply chain management and purchase/ Import.

Shri. Dileep H. Shinde, aged 64 years, holds a Bachelor's degree in Textile Engineering and a Post Graduation Degree in Management. He has been associated with IFCI Ltd and was on the Board of the Company as Nominee Director. He has rich experience in Project Finance and Investment Banking. Shri. Shinde is a member of the Audit Committee and Stakeholders Relationship Committee of the Company.

Shri. Pramod S. Jalan, aged 60 years, holds a Bachelor's degree in Commerce and is a Fellow member of the Institute of Chartered Accountants of India. He is a businessman with experience in Finance and securities market. Shri. Jalan is a member of the Nomination and Remuneration Committee of the Company.

Shri. Harish N. Motiwalla, aged 69 years, holds a Bachelor's degree in Commerce and also a Bachelor's degree in Law. He is a Fellow member of the Institute of Chartered Accountants of India and is a former President of Bombay Chartered Accountants Society and past Chairman of the Western Regional Council of the Institute of Chartered Accountants of India (ICAI). He was also Central Council Member of ICAI for 9 years. He has an expertise in specific functional areas of Accounting, Audit, Finance, Taxation, Corporate Governance and Company Law. Shri. Motiwalla is the Chairman of the Audit Committee as well as the Nomination and Remuneration Committee of the Company. He is also a member of the Corporate Social Responsibility Committee of the Company.

Other details of the Independent Directors whose appointment is proposed at items Nos. 7 to 12 of the accompanying Notice, have been given in the annexure hereto.

Shri. (Prof.) Mangesh D. Teli, Shri. Shailesh S. Vaidya, Shri. Ashok N. Garodia, Shri. Dileep H. Shinde. Shri. Pramod S. Jalan and Shri. Harish N. Motiwalla, are

concerned or interested in the respective resolutions of the accompanying Notice for their appointment.

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 resolutions at items nos. 7 to 12 of the accompanying Notice.

The Board recommends the resolutions set forth in item nos. 7 to 12 for approval of the members.

#### **Item Nos. 13 & 14.**

At the 28<sup>th</sup> AGM of the Company held on 16<sup>th</sup> September, 2006, the members by ordinary resolution passed pursuant to section 293(1)(d) and 293(1)(a) of the Companies Act, 1956 had authorized the Board of Directors of the Company borrow any sum or sums of money not exceeding Rs.500 crores (Rupees Five Hundred Crores Only) and to create necessary security in favour of the Lenders on the properties of the Company.

However under the corresponding provisions of section 180(1)(c) and 180(1)(a) of the Act, the approval of the members is required to be obtained by way of special resolution.

Accordingly, the consent of the members is being sought by way special resolution at item no. 13 authorising the Board of Directors of the Company to borrow any sum or sums of money not exceeding Rs.500 crores (Rupees Five Hundred Crores Only). Further, the consent of the members is being sought by way of a special resolution at item no. 14 to secure amounts borrowed by way of charge / mortgage/ hypothecation on the Company's assets in favour of the Lenders/ security holders/ trustees for the holders of the said securities. As the documents to be executed between the Lenders/security holders/ trustees for the holders of the securities and the Company may contain the power to take over the management of the Company in certain events, it is necessary to pass a resolution under section 180(1)(a) of the Companies Act, 2013 for creation of charges/ mortgages/ hypothecations for an amount not exceeding the borrowing limit of Rs.500 crores.

None of the Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in the resolutions at item nos 13 and 14.

The Board recommends the resolutions set forth in item nos. 13 and 14 for approval of the members.

#### **Item No.15.**

In accordance with the provisions of section 188 of the Companies Act, 2013, related party transactions of a Company having a paid up share capital of not less than Rs. 10 crores or transactions exceeding prescribed amounts shall not be entered into except with the consent and of the Board of Directors and prior approval

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of the members by way of a special resolution, provided no approvals shall be required if the transactions are in the ordinary course of business and are at an arm's length basis.

The Audit Committee and Board of Directors at their respective meetings held on 30<sup>th</sup> July, 2014 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 10% of the net worth of the Company as at 31<sup>st</sup> March, 2014. 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.

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. Shrikishan D. Poddar, Executive Director of the Company and 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 2014-15 is Rs. 60 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 special 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 30<sup>th</sup> July, 2014 and recommends the resolution as set forth in item no. 15 of the accompanying notice for the approval of members of the Company as 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, Shri. Arvind M. Poddar, Director and their relatives are deemed to be concerned or interested, financial or otherwise in the proposed special 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.

By Order of the Board

(William Fernandes)  
Company Secretary

Place: Mumbai

Date : 30<sup>th</sup> July, 2014.

## Annexure to Items 3, 5 to 12 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 directorship and committee membership, if any.
Shri. Shrikishan D. Poddar 25500 Equity Shares	09/08/1963	27/10/1989	B.Com	Industrialist with vast experience in Textile Industry.	<b>Directorship</b> Balkrishna Synthetics Ltd. Futuristic Concept Media Ltd. <b>Chairperson of Board Committee</b> None <b>Member of Committee</b> None
Shri. Tarun Kumar Govil Nil	08/03/1961	30/07/2014	B.Com (Hons), LLB, PGDBM, ICWA,	Rich experience in Indirect Taxes, Foreign Trade Laws and FEMA.	<b>Directorship</b> Grauer and Weil (India) Ltd. <b>Chairperson of Board Committee</b> Stakeholders Relationship Committee <b>Member of Committee</b> CSR Committee
Smt. Ashadevi R. Poddar 362661 Equity Shares	15/09/1951	01/08/2014	B.A.	Vast experience in Textile Industry.	<b>Directorship</b> S. P. Finance and Trading Ltd. Vishal Furnishing Ltd. SPG Infrastructure Ltd. SPG Power Ltd. <b>Chairperson of Board Committee</b> None <b>Member of Committee</b> None
Shri. (Prof.) Mangesh D. Teli Nil	10/07/1952	08/06/2004	B.Sc.(H), B.Sc. (Tech) Ph. D. (Tech), FTA	Textile Chemical Processing	<b>Directorship</b> None <b>Chairperson of Board Committee</b> None <b>Member of Committee</b> None
Shri. Shailesh S. Vaidya Nil	03/11/1957	31/10/2005	B.Com, LLB.	Legal matters	<b>Directorship</b> Prabhukripa Overseas Ltd. Avigha India Ltd. Apcotex Industries Ltd. Premium Ltd. <b>Chairperson of Board Committee</b> None <b>Member of Committee</b> None
Shri. Ashok N. Garodia Nil	01/10/1956	29/05/2008	B. E. (Mech)	Experience of 34 years in the field of manufacturing, operation management, supply chain management and purchase/ Import.	<b>Directorship</b> None <b>Chairperson of Board Committee</b> None <b>Member of Committee</b> None

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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 directorship and committee membership, if any.
Shri. Dileep H. Shinde Nil	23/09/1950	30/01/2009	Bachelor of Textile Engg., PGDM.	Project Finance and Investment Banking	<b>Directorship</b> Ankur Drugs & Pharma Ltd. <b>Chairperson of Board Committee</b> None <b>Member of Committee</b> None
Shri. Pramod S. Jalan Nil	15/02/1954	30/01/2009	B.Com, FCA	Accounts and Finance	<b>Directorship</b> Basant Securities Ltd. <b>Chairperson of Board Committee</b> None <b>Member of Committee</b> None
Shri. Harish N. Motiwalla Nil	24/03/1945	21/05/2011	B. Com., LLB,FCA.	Accounts, Audit, Company Law, Finance and Taxation	<b>Directorship</b> Balkrishna Synthetics Ltd. Excel Industries Ltd. Hitech Plast Ltd. Multibase India Ltd. Ashapura Mine Chem Ltd. Gujarat Organics Ltd. <b>Chairperson of Board Committee</b> <b>Excel Industries Ltd.</b> Audit Committee Remuneration Committee <b>Multibase India Ltd.</b> Audit Committee <b>Member of Committee</b> <b>Excel Industries Ltd.</b> Investment Committee <b>Hi-Tech Plast Ltd</b> Audit Committee Remuneration Committee <b>Balkrishna Synthetics Ltd</b> Remuneration Committee



**DHARAPRASAD R. PODDAR**  
Chairman Emeritus

## BOARD OF DIRECTORS

**RAMESH D. PODDAR**  
Chairman and Managing Director

**BRIJMOHAN L. SARDA**  
(upto 12<sup>th</sup> 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. 30<sup>th</sup> July, 2014)

**PAWAN D. PODDAR**  
Joint Managing Director

**SHRIKISHAN D. PODDAR**  
Executive Director

**GAURAV P. PODDAR**  
Executive Director

**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  
State Bank of India

## STATUTORY AUDITORS

Jayantilal Thakkar & Co.  
Chartered Accountants

## COST AUDITORS

Bhuta & Associates  
Cost Accountants

## INTERNAL AUDITORS

K. M. Garg & 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. Thane - 401 506.  
Maharashtra.

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## DIRECTORS' REPORT:

To the Members,

Your Directors have pleasure in presenting the 36<sup>th</sup> Annual Report along with Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2014.

### Financial Results:

(` in Lacs)

	2013-14	2012-13
Net Turnover and other Income	1,31,920	1,05,982
Profit before Depreciation & Tax	12,717	10,361
Less: Depreciation	2,915	2,182
Profit before Tax	9,802	8,179
Less: Provision for Taxation		
Current Tax	3,130	2,360
Deferred Tax	315	318
	3,445	2,678
Profit after Tax	6,357	5,501
Add/(Less): Adjustments relating to earlier year	72	15
	6,429	5,516
Add: Surplus brought forward from previous year	12,604	8,910
Surplus available for appropriation	19,033	14,426
Less: Transfer to General Reserve	2,000	1,000
Proposed Dividend	750	703
Tax on Dividend	127	119
	2,877	1,822
Balance Carried Forward to Balance Sheet	16,156	12,604

### Operations:

During the year under review, the Total Income of your Company rose to ` 1,31,920 Lacs from ` 1,05,982 Lacs in the previous year, reflecting a significant growth of 24.47%. The topline growth can be attributed to strong brand image of the Company's products, innovative product mix, introduction of new products and aggressive marketing. It is heartening to report that all our divisions have contributed to the increase in the turnover of your Company.

The net profit after tax stood at ` 6,357 Lacs against ` 5,501 Lacs in the previous year, recording a growth of 15.56%.

### Re-issue of Forfeited Shares:

During the year under review, your Company has re-issued and allotted 1968 Forfeited Equity Shares of the Company of ` 10/- at a premium of ` 249.76 per share to the promoters/ promoter group on a Preferential basis in accordance with the SEBI (ICDR) Regulations, 2009 and in terms with the special resolution passed by the members of the Company at the 35<sup>th</sup> AGM held on 10<sup>th</sup> August, 2013.

### Expansion:

During the year under review, the Company has installed 48 Looms and 117 Readymade Garment Machines with balancing equipments. The total capital outlay for the said

expansion was ` 6,481 Lacs, which has been financed by way of Term Loan under the TUF Scheme of Government of India and internal accruals of the Company.

### Dividend:

Your Directors are pleased to recommend a Dividend of ` 8/- per Equity Share of ` 10/- each for the year 2013-14, with a total payout of ` 877 Lacs including Tax on Dividend.

### Management Discussion and Analysis:

#### Current Year Review

During the year under review, the global economic recovery that was visible in the beginning of the year strengthened as the year progressed. Much of the impetus coming mainly from advanced economies, though their recoveries remained uneven. Activity in many emerging economies has disappointed in a less favourable external environment, although they continue to contribute more than two-thirds of global growth. Even though we were far short of a full recovery.

On the domestic front, the Economic slowdown bottomed out. A spell of global financial turbulence caused capital outflows and put pressure on the exchange rate but strong policy measures stabilized the currency, rebuilt reserves and narrowed the excessive current account deficit. Weakness remains, however, and includes persistent inflation, fiscal imbalances, bottlenecks to investment and inefficiencies that require structural reforms. The political situation only compounded the difficulties.

Under this back drop, your Company's performance can be termed as nothing short of excellent as it touched an all time high in its topline as well as bottomline.

#### Future Outlook

Global activity is expected to improve further in 2014-15. The dynamics imply a changing environment for emerging and developing economies as stronger growth in advanced economies implies increased demand for their exports.

Indian Economy growth is expected to improve in the coming quarters but the pace is likely to be gradual due to persistent challenges such as elevated inflation and the structural bottlenecks. Growth forecast is premised on normal monsoon, continuation of the recent reforms process, widely anticipated global recovery and good governance from a stable government. This together with improved private consumption demand will trigger a mild revival in industrial growth. Sectors such as consumer durables, automobiles and textiles will especially gain from this revival.

Your Company, with the increase in production capacities from the completion of the expansion project, its well-known brands, wide distribution network, establishing of newly introduced brands, introduction of value added products, innovative marketing and improved operational efficiency, your Company expects to perform better in the year 2014-15.

#### 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 outside.*

#### **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 conduct Audit of various departments to ensure that internal controls are in place and submit monthly 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.

#### **Subsidiary Companies:**

The Company has no subsidiary.

#### **Directors:**

Shri Shrikishan D. Poddar, Director, retires by rotation and being eligible, offers himself for re-appointment. Necessary resolution for his re-appointment is placed before the shareholders for approval. Your Directors commend the resolution.

Shri Tarun Kumar Govil was appointed as an Additional Director and Independent Director of the Company w.e.f. 30<sup>th</sup> July, 2014 and holds office till the date of the ensuing Annual General Meeting. Notice under section 160 of the Companies Act, 2013 along with deposit has been received from a member proposing Shri Tarun Kumar Govil as a Director of the Company, not liable to retire by rotation. Necessary resolution has been put up in the Notice to the ensuing Annual General Meeting for his appointment as Independent Director for a term of five consecutive years w.e.f. 30<sup>th</sup> July, 2014. Your Directors commend the resolution.

Smt. Ashadevi R. Poddar was appointed as Additional and Whole Time Director designated as Executive Director of the Company w.e.f. 1<sup>st</sup> August, 2014 and holds office till the date of the ensuing Annual General Meeting. Notice under section 160 of the Companies Act, 2013 along with deposit has been received from a member proposing Smt. Ashadevi R. Poddar as a Director of the Company, liable to

retire by rotation. Necessary resolution has been put up in the Notice to the ensuing Annual General Meeting for her appointment as Director liable to retire by rotation and as Executive Director for five years w.e.f. 1<sup>st</sup> August, 2014. Your Directors commend the resolution.

In terms with the provisions of section 149 of the Companies Act, 2013 and clause 49 of the Listing Agreement, Shri (Prof) Mangesh D. Teli, Shri Shailesh S. Vaidya, Shri Ashok N. Garodia, Shri Dileep H. Shinde, Shri Pramod S. Jalan and Shri Harish N. Motiwalla, Non Executive Directors, are appointed as Independent Directors for a period of 5(five) years w.e.f. 1<sup>st</sup> August, 2014 to 31<sup>st</sup> July, 2019, not liable to retire by rotation. Necessary resolutions for their appointment have been put up in the Notice to the ensuing Annual General Meeting. 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.

Shri Brijmohan L. Sarda, resigned as Director from the Board of the Company and the same was accepted by the Board with effect from 12<sup>th</sup> May, 2014. Your Directors place on record their deep appreciation for the guidance given and services rendered by Shri Brijmohan L. Sarda as Director of the Company.

#### **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.

#### **Fixed Deposits:**

During the year under review, your Company has not accepted any fixed deposits and there were no unclaimed deposits or interest as on 31<sup>st</sup> March, 2014.

#### **Directors' Responsibility Statement:**

As stipulated under Section 217 (2AA) of the Companies Act, 1956, your Directors confirm as under:-

- i) that in the preparation of the accounts for the financial year ended 31<sup>st</sup> March 2014, 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, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

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iv) that the Directors have prepared the accounts for the financial year on going concern basis.

### Industrial Relations:

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

### Particulars of Employees:

In accordance with the provisions of Section 217 (2A) of the Companies Act, 1956 and the rules framed thereunder, the names and other particulars of employees are set out in the Annexure to the Directors' Report. In terms of the provisions of Section 219(1) (b) (iv) of the Companies Act, 1956, the Directors' Report is being sent to all the shareholders of the Company excluding the aforesaid Annexure. The Annexure is available for inspection at the Corporate Office of the Company. Any shareholder interested in obtaining a copy of the said Annexure may write to the Company Secretary at the Corporate Office of the Company.

### Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

Information pursuant to Section 217 (1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is given in Annexure -I to this report.

### Auditors:

The Auditors, M/s. Jayantilal Thakkar & Co., Chartered Accountants, Mumbai, retire at the conclusion of the ensuing Annual General Meeting and are eligible for re-appointments. Pursuant to section 139 of the Companies Act, 2013 and rules framed thereunder it is proposed to re-appoint M/s. Jayantilal Thakkar & Co., as Statutory Auditors of the Company from the conclusion of the ensuing AGM till the conclusion of the 39<sup>th</sup> AGM to be held in the year 2017, subject to annual ratification by the members at the AGM, Members are requested to re-appoint them as Auditors and to fix their remuneration.

### Cost Auditors:

The Board of Directors at their Meeting held on 25<sup>th</sup> May, 2013 appointed M/s. Bhuta & Associates, as Cost Auditor of the Company for the financial year 2013-14, which was approved by the Central Government.

The Cost Audit Report for the financial year 2012-13 in XBRL format was submitted within due date on 6<sup>th</sup> September, 2013.

### Appreciation:

Your Company is grateful for the continued co-operation and support extended to it by the Government and Semi-Government Authorities, Shareholders, Financial Institutions and Banks. Your Directors also express their warm appreciation for the dedicated and sincere services rendered by the Employees of the Company.

For and on behalf of the Board of Directors

**RAMESH D. PODDAR**  
Chairman and Managing Director

Place: Mumbai

Dated: 30<sup>th</sup> July, 2014.

## ANNEXURE - I

Additional Information as required under the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.

### A) CONSERVATION OF ENERGY

- a) Energy conservation measures taken by the Company
- (i) Electrical Energy:
- (a) Reducing the maximum demand by evenly distributing the loads throughout the day and increasing efficiency of plant and equipments.
- (b) Improving power factor by optimum choice of power factor improvement capacitors.
- (c) Monitoring the overall energy consumption, by reducing losses and improvement of efficiency of all Class A utilities.
- (ii) Fuel Oil Consumption:
- The Company is carrying out at all its plants, regular maintenance of steam lines/stem traps and user equipments to ensure high efficiency levels throughout the year. The new improvements are reviewed regularly and implemented wherever found suitable.
- b) Additional Investments and proposals, if any, being implemented for reduction of consumption of energy:
- The Company is reviewing various proposals for reduction in consumption of energy, mainly by way of replacement of existing equipments by modern and energy efficient equipments.
- c) Impact of the measures (a) and (b) above for reduction of energy consumption and consequent impact on cost of production of goods: As per Form "A".
- d) Total energy consumption per unit of production: As per Form "A".

### Form 'A'

Particulars	Current Year	Previous Year
<b>A. Power &amp; Fuel Consumption</b>		
1 Electricity		
a) Purchased (units)	4,08,35,882	3,70,14,627
Total Amount ( ` )	23,60,33,921	16,37,59,523
Rate / unit	5.78	4.42
b) Own generation		
From Diesel Generators (units)	4,20,339	5,72,667
Diesel oil consumption (Ltrs)	1,20,641	1,71,289
Units per ltr of Diesel oil	3.48	3.34
Cost / unit ( ` )	15.98	14.91
2 Coal / Pet Coke		
Quantity (Kgs)	26,25,206	18,93,233
Total Cost ( ` )	1,83,57,260	1,64,27,211
Average rate per tonne	6,993	8,677

Particulars	Current Year	Previous Year
3 Furnace Oil / L.S.H.S.		
Quantity in Ltrs	1,59,089	1,29,875
Total Cost ( ` )	73,20,690	61,49,735
Average rate ( in '000 ltrs)	46,016	47,351
Total Value	26,84,30,434	19,48,76,119
<b>B. Consumption per unit of Production</b>		
1 Electricity ( KWH)		
Cloth / Mtr	0.80	0.87
Yarn / kg	1.69	1.82
Garment / Nos.	0.45	0.51
2 Furnace oil / L.S.H.S.		
Dyed Yarn / Kg	-	-
Garments / Nos.	0.04	0.05
3 Coal & Fuel Wood		
Dyed Yarn/Kg	0.59	0.49
Garment Nos	-	-

Note: - The Company manufactures a wide range of products and the consumption of Energy will vary significantly depending upon the actual product-mix

#### B) TECHNOLOGY ABSORPTION:

Efforts made in technology absorption as per Form "B"

##### FORM 'B'

#### I. Research and Development (R & D):

- Specific Areas in which R & D carried out by the Company:

Product and quality Improvement, development of new designs, products, cost control and energy conservation.

- Benefits derived as a result of the above R & D:

The R & D activities have resulted into development of new designs and Products.

- Future plan of Action: Development of new varieties and Product mix.

#### 4. Expenditure on R & D.

Capital	- ` Nil-
Recurring	- ` 313.91 Lacs
<b>Total</b>	<b>- ` 313.91 Lacs</b>

#### II. Technology absorption, adoption and innovation:-

- The Company has been developing in-house modifications/improvements in process technology in its various manufacturing sections which, when found suitable, are integrated into the regular manufacturing operation.
- Benefits derived as a result of the above efforts:
  - Quality improvement
  - Energy Conservation
- In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year) following information may be furnished: Not Applicable.

#### C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

- Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans:

The Company is exporting Suitings, Shirts, Readymade Garments and Furnishing items. The Company is continuously upgrading its product mix to sell the products as per the requirements of the various markets. The Company is confident that its efforts would fetch encouraging results and the Company's export turnover would improve gradually.

- Total Foreign Exchange Used and Earned ( ` in lacs)

Used	- ` 5146.14
Earned	- ` 8083.90

For and on behalf of Board of Directors

**Ramesh D. Poddar**  
Chairman and Managing Director

Place: Mumbai

Date: 30<sup>th</sup> July, 2014.

## For The Kind Attention of the Members

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that the service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, 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 e-mail address by sending their details to the Registrar and Share Transfer Agents, M/s. TSR Darashaw Pvt. Ltd.

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## CORPORATE GOVERNANCE REPORT

(As required under Clause 49 of the Listing Agreement entered into with Stock Exchanges)

### I. Company's Philosophy

Siyaram's philosophy on Corporate Governance is to attain the highest level of transparency, accountability and equity in all facets of its operations with the objective to enhance the long term shareholders value, while at the same time protect the interest of other stakeholders. The Company believes that proper Corporate Governance facilitates effective management and control of business. The Company endeavours to adopt best practices of Corporate Governance and adherence of the same in a spirit which goes beyond mere regulatory compliance.

The Company recognizes that good Corporate Governance is a continuing exercise and is committed to follow the best practices in the overall interest of the stakeholders. The Company has a strong legacy of fair, transparent and ethical governance practices.

### II. Board of Directors

#### Composition:

The Board of Directors of the Company has an optimum combination of Executive, Non-Executive and Independent Directors. As on 31<sup>st</sup> March, 2014, the Board comprises of 13 Directors, out of which 5(five) are Executive and Non Independent Directors, 1(one) is Non Executive and Non Independent Director and 7(seven) are Non-Executive and Independent Directors. The Chairman is an Executive Director as well as a Promoter of the Company.

The names and categories of the Directors on the Board, their attendance at Board Meetings during the year and at the last Annual General Meeting, as also the number of Directorships and Committee Memberships held by them in other companies are given below:

Name of Director	Category of Director	Attendance		Directorship in other Public Companies*	Committee Positions**	
		Board	Last AGM		Chairman	Member
Shri Ramesh D. Poddar	Chairman & Managing Director	4	Yes	1	-	1
Shri Pawan D. Poddar	Joint Managing Director	3	Yes	-	-	-
Shri Shrikishan D. Poddar	Executive Director	3	No	2	-	-
Shri Arvind M. Poddar	Non-Executive & Non Independent Director	1	No	6	-	1
Shri Brijmohan L. Sarda***	Non-Executive & Independent Director	4	Yes	-	-	-
Prof. (Dr.) Mangesh. D. Teli	Non-Executive & Independent Director	4	No	-	-	-
Shri Shailesh S. Vaidya	Non-Executive & Independent Director	4	No	4	-	-
Shri Ashok M. Jalan	Senior President cum Director	4	Yes	-	-	-
Shri Ashok N. Garodia	Non-Executive & Independent Director	3	Yes	-	-	-
Shri Dileep H. Shinde	Non-Executive & Independent Director	4	Yes	1	-	-
Shri Pramod S. Jalan	Non-Executive & Independent Director	3	No	1	-	-
Shri Harish N. Motiwalla.	Non-Executive & Independent Director	4	No	6	2	3
Shri Gaurav P. Poddar	Executive Director	4	Yes	-	-	-

\* The Directorship held by Directors as mentioned above, do not include Alternate Directorships and Directorships in foreign companies, companies registered under section of the Companies Act, 1956 and private limited Companies.

\*\* In accordance with Clause 49, memberships/ chairmanships of only Audit Committee and Shareholders' /Investors' Grievance Committee in all public limited companies have been considered.

\*\*\* resigned w.e.f. 12<sup>th</sup> May, 2014.

#### Board Meetings:

During the year, 4 (Four) Board Meetings were held on 25<sup>th</sup> May, 2013, 20<sup>th</sup> July, 2013, 6<sup>th</sup> November, 2013 and 25<sup>th</sup> January, 2014. The Annual General Meeting was held on 10<sup>th</sup> August, 2013.

#### Board procedures:

The Agenda is circulated well in advance to the Board members. The items in the Agenda are backed by comprehensive background information to enable the Board to take appropriate decisions. In addition to the information required under Annexure IA to Clause 49 of the Listing Agreement, the Board is also kept informed of major events/items and approvals taken wherever necessary. The Managing Director(s)/Executive Director(s), at the Board Meetings, keep the Board apprised of the overall performance of the Company.

### III. Audit Committee

#### Terms of Reference:

The scope of activities of the Audit Committee is as set out in Clause 49 of the Listing Agreement with the Stock Exchanges read with Section 292A of the Companies Act, 1956. These broadly include review reports of the Internal Auditors and to discuss the same with them periodically, to meet Statutory Auditors to discuss their findings/ suggestions, to review weaknesses in internal

controls reported by Internal and Statutory Auditors, to review financial reporting systems and internal control systems, to review quarterly/half yearly/annual financial results and other matters.

**Audit Committee Composition:**

The Audit Committee consists wholly of Independent Directors having requisite knowledge of Finance, Accounts and Company Law. The composition of the Audit Committee meets with the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement. The Company Secretary, Shri William V. Fernandes, acts as the Secretary of the Committee. The Chairman of the Committee was present at the last Annual General Meeting.

**Audit Committee Meetings:**

During the year under review, the Committee met 4 times on 25<sup>th</sup> May, 2013, 20<sup>th</sup> July, 2013, 6<sup>th</sup> November, 2013 and 25<sup>th</sup> January, 2014.

Name of the Committee Members along with their attendance is given below:

Name of the Member	Designation	No. of meeting attended
Shri Brijmohan L. Sarda*	Chairman	4
Prof. (Dr.) Mangesh. D. Teli	Member	4
Shri Harish N. Motiwalla	Member	4
Shri Dileep H. Shinde**	Member	N.A.

\* Resigned w.e.f. 12<sup>th</sup> May, 2014.

\*\* Appointed as member w.e.f. 12<sup>th</sup> May, 2014.

**IV. Remuneration Committee:**

**Terms of Reference :**

Terms of reference of the Remuneration Committee, includes considering the matters relating to the Company's Policies on remuneration payable and determining the package to the Managing Directors, Executive Directors and Whole-time Directors, and commission to be paid to the Directors.

**Remuneration Committee Composition:**

Name of the Committee Members is given below:

Name of the Member	Designation
Shri Brijmohan L. Sarda*	Chairman
Prof. (Dr.) Mangesh. D. Teli	Member
Shri Harish N. Motiwalla	Member
Shri Pramod S. Jalan**	Member

\* Resigned w.e.f. 12<sup>th</sup> May, 2014.

\*\* Appointed as member w.e.f. 12<sup>th</sup> May, 2014.

**Remuneration Committee Meetings:**

During the year the Remuneration Committee met once on 6<sup>th</sup> November, 2013 at which all the members were present.

Details of Directors' Remuneration \* for the year 2013-14 are given below:- (` in Lacs)

Name of Director	Salary & Other Perquisites	Sitting Fees	Commission	Total Remuneration
Shri Ramesh D. Poddar	224.90	Nil	70.20	295.10
Shri Pawan D. Poddar	194.36	Nil	62.40	256.76
Shri Shrikishan D. Poddar	193.80	Nil	62.40	256.20
Shri Arvind M. Poddar	Nil	0.15	Nil	0.15
Shri Brijmohan L. Sarda	Nil	1.90	Nil	1.90
Prof. (Dr.) Mangesh D. Teli	Nil	1.35	Nil	1.35
Shri Shailesh S. Vaidya	Nil	0.60	Nil	0.60
Shri Ashok M. Jalan	60.58	Nil	10.25	70.83
Shri Ashok N. Garodia	Nil	0.45	Nil	0.45
Shri Dileep H. Shinde	Nil	0.60	Nil	0.60
Shri Pramod S. Jalan	Nil	0.45	Nil	0.45
Shri Harish N. Motiwalla	Nil	1.40	Nil	1.40
Shri Gaurav P. Poddar	153.92	Nil	50.70	204.62
<b>Total</b>	<b>827.56</b>	<b>6.90</b>	<b>255.95</b>	<b>1090.41</b>

\* Remuneration includes Salary, Allowance, Commission, Perquisites, Company's contribution to Provident Fund, Superannuation Fund, Gratuity Fund, Provision for Gratuity and Leave Salary.

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### V. Share Transfer and Shareholders'/ Investors' Grievance Committee:

#### Terms of Reference:

The Shareholders'/Investors' Grievance Committee deals with all matters relating to transfer of Shares, issue of duplicate/ new shares, sub-divided and consolidated share certificates, demat / remat, Shareholders'/Investors Grievance and its redressal.

#### Share Transfer and Shareholders'/ Investors' Grievance Committee Meetings :

The above said Committee has met 14 times during the financial year ended 31<sup>st</sup> March, 2014.

Name of the Committee Members along with their attendance is given below-

Name of the Member	Designation	No. of Meetings attended
Shri Brijmohan L. Sarda*	Chairman	11
Shri Pawan D. Poddar**	Member	13
Shri Ramesh D. Poddar	Member	13
Shri Arvind M. Poddar	Member	0
Shri Shrikishan D. Poddar	Member	14

\* Appointed as Chairman and Member w.e.f. 25<sup>th</sup> May, 2013. Resigned w.e.f. 12<sup>th</sup> May, 2014.

\*\* Chairman upto 25<sup>th</sup> May, 2013.

The Company Secretary, Shri William V. Fernandes, has been designated as Compliance Officer.

#### Investor Grievance Redressal:

During the year ended 31<sup>st</sup> March, 2014, 2(two) Shareholders' Complaints were received both were resolved. There were no outstanding complaints at the end of the year. For effective and efficient grievance management, the Company has dedicated E-mail ID, sharedept@siyaram.com.

### VI. Information on Annual General Meeting:

Financial Year	Date	Time	Venue
2010-2011	6 <sup>th</sup> Aug., 2011	11.00 a.m	Plot No.G-4/1(A),MIDC, Tarapur, Boisar, Dist.Thane-401506.
2011-2012	25 <sup>th</sup> Aug., 2012	11.00 a.m	Plot No.G-4/1(A),MIDC, Tarapur, Boisar, Dist.Thane-401506.
2012-2013	10 <sup>th</sup> Aug., 2013	11.00 a.m	Plot No.G-4/1(A),MIDC, Tarapur, Boisar, Dist.Thane-401506.

No Extra-ordinary General Meeting was held in the last 3 financial years.

#### Details of Special Resolutions passed at the last three AGMs/ by Postal Ballot:

**2010-2011 :** Re-appointment and remuneration of Shri Pawan D. Poddar as Joint Managing Director for a further period of 5 years w.e.f. 1<sup>st</sup> August, 2011

Authority to Board to increase the remuneration payable to Smt. Ashadevi R. Poddar, Smt. Vibhadevi S. Poddar and Shri Abhishek S. Poddar, Executives upto a limit of ` 2,50,000/-p.m. in terms with section 314 of the Companies Act, 1956.

**2011-2012 :** Re-appointment and remuneration of Shri Ashok M. Jalan as Senior President cum Director for a further period of 5 years w.e.f. 30<sup>th</sup> January, 2012.

Increase in remuneration payable to Shri Pawan D. Poddar, Joint Managing Director, during the remaining period of his tenure.

Appointment and remuneration of Smt. Megha A. Poddar, Smt. Smriti G. Poddar and Smt. Sangeeta P. Poddar, relative of a Director to hold an office or place of profit in the Company.

Appointment and remuneration of Shri Gaurav P. Poddar as an Executive Director for a period of 5 years w.e.f. 1<sup>st</sup> August, 2012.

**2012-2013 :** Re-appointment and remuneration of Shri Ramesh D. Poddar as Chairman and Managing Director and Shri Shrikishan D. Poddar for a further period of 5 years w.e.f. 1<sup>st</sup> November, 2012.

Appointment and remuneration of Shri Avnish P. Poddar, relative of a Director to hold an office or place of profit in the Company.

Re-issue of 1968 Forfeited Equity Shares to the Promoters on a Preferential Basis.

No Postal Ballot was conducted in the last 3 financial years.

### VII. Code of Conduct

The code of conduct for the Directors and the Employees of the Company has been laid down by the Board and it is internally circulated and necessary declaration has been obtained. Declaration regarding compliance by Board Members and Senior Management with the said code is given in Annexure-A to this Report. In addition the Company has framed a Code of Conduct for prevention of Insider Trading based on SEBI (Insider Trading) Regulations, 1992. The Code is applicable all the Directors and Designated Employees. The Code also aims to prevent dealing in the shares by persons having access to unpublished price sensitive information.



## VIII. Subsidiary Companies:

The Company has no subsidiary.

## IX. Disclosures:

- (1) Disclosures on materially significant related party transactions, Necessary disclosures are made in Note No.31.  
None of the transactions with any of the related parties were in conflict with the interest of the Company.
- (2) No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.
- (3) All Accounting Standards mandatorily required have been followed in preparation of financial statements and no deviation has been made in following the same.
- (4) The Company has a well defined Risk Management Policy covering identifying business risks of the Company and laying procedures for minimizing the risk.
- (5) No money was raised by the Company through public issue, rights issue, preferential issues etc., in the last financial year.

## X. Means of Communication:

The Board of Directors of the Company approves and takes on record the quarterly, half yearly and annual results and announces forthwith results to all the Stock Exchanges, where the shares are listed. The same are published in one English daily newspaper and one Marathi newspaper (Mumbai edition)

The Management Discussions and Analysis Report forms part of the Annual Report.

## XI. General Shareholder Information:

<b>1. Annual General Meeting :</b>	
Date:	27 <sup>th</sup> September, 2014.
Time :	11.00 a.m.
Venue:	Plot No.G-4/1(A), MIDC, Tarapur, Boisar, Dist. Thane – 401 506, Maharashtra.
<b>2. Financial Calendar (Tentative)</b>	
Financial Year of the Company	1 <sup>st</sup> April, 2014 to 31 <sup>st</sup> March, 2015.
Results for the Quarter ending:	
June 30, 2014	On or before 14 <sup>th</sup> August, 2014.
September 30, 2014	On or before 14 <sup>th</sup> November, 2014.
December 31, 2014	On or before 14 <sup>th</sup> February, 2015.
March 31, 2015	On or before 15 <sup>th</sup> May, 2015 (Unaudited). Or on or before 30 <sup>th</sup> May, 2015(Audited).
<b>3. Date of Book Closure:</b>	Wednesday, 10 <sup>th</sup> September, 2014 to Friday, 12 <sup>th</sup> September, 2014 (both days inclusive).
<b>4. Listing of Equity Shares on the Stock Exchanges:</b>	1. Bombay Stock Exchange Ltd. P. J. Towers, Dalal Street, Fort, Mumbai 400 001. 2. National Stock Exchange of India Ltd. Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051. Listing Fees as applicable have been paid.

## 5. Stock Code/Symbol:

(a) Stock Exchange	Stock Code/ Symbol
1. Bombay Stock Exchange Ltd.	503811
2. National Stock Exchange of India Ltd.	SIYSIL
(b) Demat ISIN Number in NSDL & CDSL for Equity Shares	INE 076B01010

## 6. Stock Market Price Data:

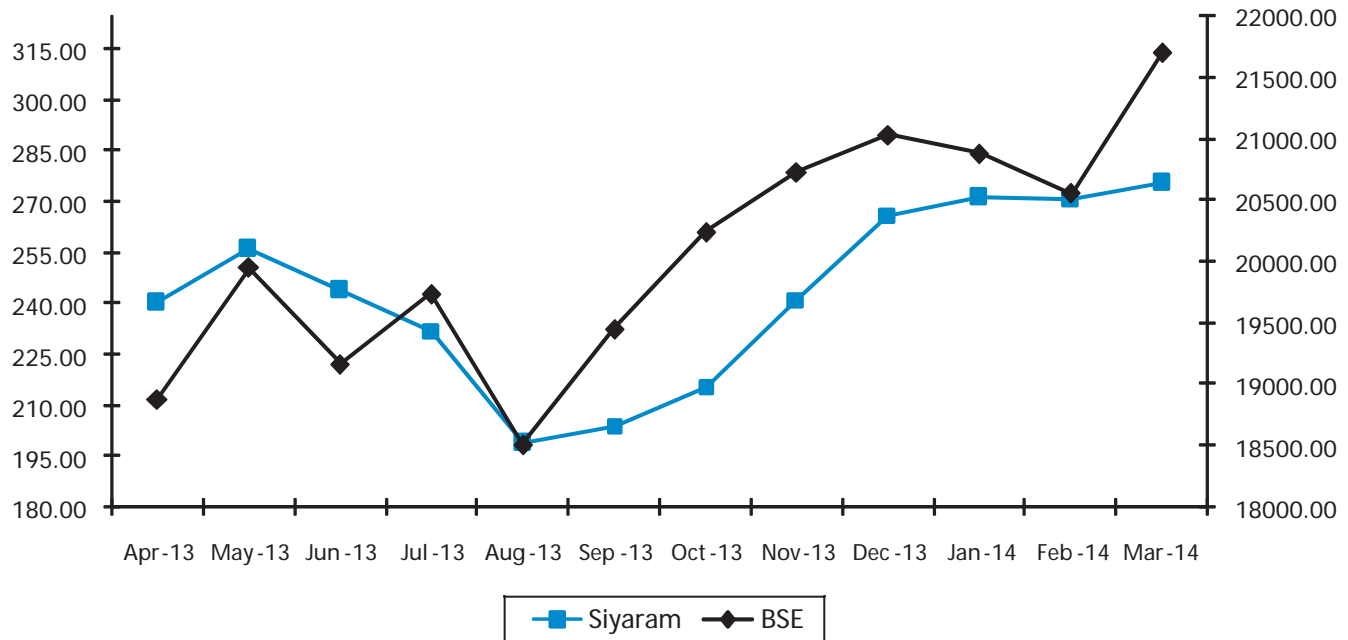
Month	Bombay Stock Exchange (BSE)		National Stock Exchange (NSE)	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April-2013	249.90	230.00	252.00	231.20
May-2013	276.90	235..55	297.80	236.00
June-2013	269.95	218.00	266.50	219.65
July-2013	261.95	202.20	290.10	201.40
Aug-2013	217.50	180.00	221.95	182.05
Sep-2013	227.50	180.65	228.20	178.00
Oct-2013	236.00	195.00	234.00	190.05

# SIYARAM SILK MILLS LIMITED

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Month	Bombay Stock Exchange (BSE)		National Stock Exchange (NSE)	
	High (₹)	Low (₹)	High (₹)	Low (₹)
Nov-2013	266.00	216.10	268.00	220.30
Dec-2013	282.00	250.05	283.65	251.05
Jan-2014	287.15	255.00	292.50	258.00
Feb-2014	280.00	262.00	280.00	260.00
Mar-2014	288.00	263.00	289.50	262.05

## 7. Performance of Siyaram Silk Mills Limited share price in comparison to BSE Sensex.



## 8. Registrar and Transfer Agents:

<b>Name &amp; Address:</b> TSR Darashaw Pvt. Ltd., 6-10, 1 <sup>st</sup> Floor, Haji Moosa Patrawala Industrial Estate, 20, Dr. E. Moses Road, Mahalaxmi, Mumbai 400 011	<b>Telephone No. :</b> 91 (022) 66568484 <b>Fax No. :</b> 91 (022) 66568494 <b>E-mail :</b> csg-unit@tsrdarashaw.com <b>Website :</b> www.tsrdarashaw.com
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## 9. Share Transfer System:

The shares received for transfer duly completed in all respects in physical form are registered and dispatched normally within three weeks. Demat confirmations are normally sent within two weeks. All transfer requests received are processed and approved by the Shareholders' / Investors' Grievance Committee.

## 10. Distribution of Shareholding as on 31<sup>st</sup> March, 2014.

Sr. No.	No. of shares	Holding	Amount (₹)	% to Capital	No. of Holders	% to Total Holders
1	1 to 500	908121	9081210	9.69	8354	91.96
2	501 to 1000	312108	3121080	3.33	449	4.94
3	1001 to 2000	193024	1930240	2.06	134	1.48
4	2001 to 3000	96773	967730	1.03	39	0.43
5	3001 to 4000	68485	684850	0.73	20	0.22
6	4001 to 5000	46437	464370	0.49	10	0.11
7	5001 to 10000	137502	1375020	1.47	19	0.21
8	10001 and above	7611566	76115660	81.20	59	0.65
	<b>TOTAL</b>	<b>9374016</b>	<b>93740160</b>	<b>100.00</b>	<b>9084</b>	<b>100.00</b>

**11. Shareholding pattern as on 31<sup>st</sup> March, 2014.**

Sr. No.	Category	No of shares held	Percentage of Shareholding
1.	Promoters	6286903	67.07
2.	Banks	1140	0.01
3.	FII/OCBs/Foreign Companies	5000	0.05
4.	Private Corporate Bodies	403023	4.30
5.	Mutual Funds/UTI/Insurance Cos	682882	7.28
6.	Non Residents Individuals	29666	0.32
7.	Indian Public	1965402	20.97
	<b>Grand Total</b>	<b>9374016</b>	<b>100.00</b>

**12. Dematerialization of shares and liquidity:**

96.28% of the Company's paid up Equity Share Capital is held in dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd., (CDSL) as on 31st March, 2014.

**13. Outstanding GDRs / ADRs / Warrants or any Convertible instruments:**

As of date the Company has not issued these types of securities.

**14. Plant Locations:**

Weaving	Yarn	Readymade Garments
H-3/2, MIDC, A- Road, Tarapur, Boisar, Dist. Thane – 401 506. Maharashtra	G-1/1, MIDC, Tarapur, Boisar, Dist.Thane-401506. Maharashtra	481/1-2, Dabhel, Daman, Daman & Diu (U.T.)-396210
D- 23/1, MIDC, Tarapur, Boisar, Dist. Thane – 401 506. Maharashtra		Plot No.722,Dabhel, Daman, Daman & Diu (U.T.- 396210.
E/125, MIDC, Tarapur, Boisar, Dist. Thane – 401 506. Maharashtra		
Survey No.367, P.O. Saily, Silvassa (U.T.) -396 230.		
J-177,178, 193, G-81 & 82, MIDC, Tarapur, Boisar, Dist Thane – 401506. Maharashtra		

**15. Address for Correspondence:**

SIYARAM SILK MILLS LIMITED	Corporate Office	REGISTRAR & SHARE TRANSFER AGENT
<b>Registered Office</b> H-3/2, MIDC, A - Road, Tarapur, Boisar, Dist: Thane- 401 506, Maharashtra Tel: 02525 – 329910/11 Fax : 02525 – 272475	B-5, Trade World, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai- 400 013 Tel: 022-3040 0500/501 Fax : 022- 30400599 Email : sharedept@siyaram.com	<b>TSR Darashaw Pvt. Ltd.</b> 6-10, 1st Floor, Haji Moosa Patrawala Industrial Estate, 20, Dr. E. Moses Road, Mahalaxmi, Mumbai – 400 011 Tel : 22-66568484, Fax : 022-66568494 E-mail : csg-unit@tsrdarashaw.com Website : www.tsrdarashaw.com

For and on behalf of the Board of Directors

**RAMESH D. PODDAR**  
Chairman & Managing Director

Place: Mumbai,  
Date: 30<sup>th</sup> July, 2014.

# SIYARAM SILK MILLS LIMITED

36<sup>TH</sup> ANNUAL REPORT 2013-14

## Annexure – A

### Declaration

I, Ramesh D. Poddar, Chairman & Managing Director hereby declare that all the Members of the Board and the Senior Management have affirmed compliance with the Code of Conduct for the year ended March 31, 2014.

For SIYARAM SILK MILLS LIMITED

Place: Mumbai  
Date: 30<sup>th</sup> July, 2014.

Ramesh D. Poddar  
Chairman & Managing Director

### CERTIFICATION BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER TO THE BOARD

We, the undersigned certify that:

- (a) We have reviewed financial statements for the year and that to the best of our knowledge and belief :
  - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) these statements give a true and fair view of the state of affairs of Company and of the results of operations and cash flows. The financial statements have been prepared in conformity, in all material respects, with the existing generally accepted accounting principles including Accounting Standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept overall responsibility for the Company's internal control system for financial reporting. This is monitored by the internal audit function, which encompasses the examination and evaluation of the adequacy and effectiveness. Internal audit works with all levels of management and statutory auditors, and report significant issues to the Audit Committee of the Board. The auditors and audit committee are apprised of any corrective action taken with regard to significant deficiencies and material weaknesses.
- (d) We indicate to the Auditors and to the Audit Committee :
  - i) significant changes in internal control over financial reporting during the year;
  - ii) significant changes in accounting policies during the year;
  - iii) instances of significant fraud of which we have become aware of and which involve management or other employees who have a significant role in the Company's internal control system over the financial reporting. However, during the year there were no such changes or instances.

For SIYARAM SILK MILLS LIMITED

Place: Mumbai  
Date: 30<sup>th</sup> July, 2014.

Ramesh D. Poddar  
Chairman & Managing Director

Surendra S. Shetty  
Chief Financial Officer

### AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of  
Siyaram Silk Mills Limited

We have examined the compliance of conditions of Corporate Governance by Siyaram Silk Mills Limited, for the year ended on 31<sup>st</sup> March 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the abovementioned Listing Agreement.

We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Jayantilal Thakkar & Co.  
Chartered Accountants  
(Firm Reg. No. 104133W)

Place : Mumbai,  
Dated : 30<sup>th</sup> July, 2014.

C. V. Thakker  
Partner  
Membership No. 006205

## INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF SIYARAM SILK MILLS LIMITED

### Report on the Financial Statements

We have audited the accompanying financial statements of Siyaram Silk Mills Limited ("the Company") which comprise the Balance Sheet as at 31<sup>st</sup> March, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13 September of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial

statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2014;
- (ii) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013; and
  - e. on the basis of written representations received from the directors as on 31<sup>st</sup> March, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

For and on behalf of

JAYANTILAL THAKKAR & CO.  
Chartered Accountants  
(Firm Reg. No. 104133W)

( C. V. THAKKER )

Partner

Place : Mumbai  
Date : 12<sup>th</sup> May , 2014

Membership No: 006205

# SIYARAM SILK MILLS LIMITED

36<sup>TH</sup> ANNUAL REPORT 2013-14

## ANNEXURE TO INDEPENDENT AUDITORS' REPORT

(Annexure referred to in paragraph 1 under the heading of 'Report on Other Legal and Regulatory Requirements' section of our report of even date.)

- i) a] The Company has maintained proper records showing full particulars, including quantitative details and the situation of its fixed assets.
- b] Fixed Assets have been physically verified by the management during the year. In our opinion, the frequency of verification of the fixed assets by the management is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies have been noticed on such physical verification.
- c] The fixed assets disposed off during the year, in our opinion, do not constitute substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- ii) a] The inventories have been physically verified by the management at reasonable intervals. In case of inventories lying with third parties, certificate confirming the stocks held by them have been received.
- b] In our opinion and according to the information and explanations given to us, the procedures for physical verification of inventory followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business.
- c] In our opinion, the Company has maintained proper records of its inventory and no material discrepancies were noticed on physical verification.
- iii) a] The Company has granted unsecured loan to five companies covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was ` 1,435 Lakhs and the year-end balance of the said loans was ` 765 Lakhs.
- b] In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions of unsecured loan given by the Company are not prima facie, prejudicial to the interest of the Company.
- c] The Borrowing Companies are regular in repaying the principal amount as stipulated and have been regular in payment of interest.
- d] There is no overdue amount of loans given.
- e] The Company has not taken any loan during the year.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control systems.
- v) a] According to the information and explanations given to us, the particulars of contracts or arrangements that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
- b] According to the information and explanations given to us, transactions made in pursuance of contracts or arrangements entered into the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of each party have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vi) According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of Clause (vi) of paragraph 4 of the Order are not applicable to the Company.
- vii) In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.
- viii) We have broadly reviewed, without carrying out a detailed examination, the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed accounts and records have been maintained. We have not however, made detailed examination of the records with a view to determining whether they are accurate or complete.
- ix) a] According to the records of the Company, the Company is regular in depositing with appropriate authorities undisputed amount of Provident Fund, Investor Education Protection Fund, Employees State Insurance, Income-tax, Sales-tax, Service-tax, Custom Duty, Excise Duty, Cess and other statutory dues applicable to it and according to the information and explanations given to us, no undisputed amounts payable were outstanding as at 31<sup>st</sup> March, 2014 for a period of more than six months from the date they became payable.
- b] According to the information and explanations given to us, the particulars of statutory dues as at 31<sup>st</sup> March, 2014 which have not been deposited on account of and dispute are as follows :

Name of the Statute	Nature of Dues	Forum where dispute is pending	Period to which the amount relates	Amount in lacs
Central Excise Act, 1944	Cenvat	Appellate Tribunal	1997-98	0.23
Central Excise Act, 1944	Penalty	Commissioner Appeal	1997-98	0.25
Central Excise Act, 1944	Levy of Duty	Additional Commissioner	1990-92	14.68
Income Tax	Penalty	Commissioner Appeal Income Tax	2003-04	115.43
Income Tax	Penalty	Commissioner Appeal Income Tax	2004-05	171.86
Sales Tax	Sales Tax (BST & CST)	Joint Commissioner of Sales Tax Appeals	2004-05	69.34
Income Tax	Income Tax	Commissioner Appeal Income Tax	2010-11	111.76
Income Tax	Income Tax	Commissioner Appeal Income Tax	2011-12	106.48

- x) The Company has no accumulated losses and has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions or banks.
- xii) In our opinion and according to the information and explanations given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) The Company is not a chit/nidhi/mutual benefit fund/society and clause 4 (xiii) of the Order is not applicable.
- xiv) The Company is not dealing or trading in shares, securities, debentures and other investments and clause 4 (xiv) of the Order is not applicable.
- xv) On the basis of the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- xvi) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purpose for which they were raised.
- xvii) According to the information and explanations given to us and on an overall examination of the balance sheet and other records of the Company, we are of the opinion that, funds raised on short-term basis have not been used for long-term investment.
- xviii) According to the information and explanations given to us, the Company has made preferential allotment of shares to parties covered in the Register maintained under Section 301 of the Companies Act, 1956. In our opinion, the price at which shares have been issued is not prejudicial to the interest of the Company.
- xix) The Company did not have any outstanding debentures during the year.
- xx) The Company has not raised any money by public issues during the year.
- xxi) Based on the audit procedures performed and according to the information and explanations given to us by the management, we report that no fraud on or by the Company has been noticed or reported during course of our audit.

**For and on behalf of**  
**JAYANTILAL THAKKAR & CO.**  
**Chartered Accountants**  
**(Firm Reg. No. 104133W)**

( C. V. THAKKER )  
Partner

Place : Mumbai  
Date : 12<sup>th</sup> May, 2014

Membership No: 006205

# SIYARAM SILK MILLS LIMITED

36<sup>TH</sup> ANNUAL REPORT 2013-14

## BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2014

(` In Lacs)

	Note	As at 31.03.2014	As at 31.03.2013
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
a) Share Capital	1	937.40	937.38
b) Reserves & Surplus	2	<u>36,025.08</u>	<u>30,468.37</u>
		<b>36,962.48</b>	<b>31,405.75</b>
<b>Non-Current Liabilities</b>			
a) Long-Term Borrowings	3	8,521.67	10,019.59
b) Deferred Tax Liabilities (Net)	4	2,231.71	1,916.62
c) Other Long Term Liabilities	5	2,559.36	2,287.36
d) Long-Term Provisions	6	<u>556.67</u>	<u>478.29</u>
		<b>13,869.41</b>	<b>14,701.86</b>
<b>Current Liabilities</b>			
a) Short-Term Borrowings	7	19,011.59	14,100.13
b) Trade Payables	8	11,934.34	11,776.13
c) Other Current Liabilities	9	6,810.16	5,825.93
d) Short-Term Provisions	10	<u>1,048.88</u>	<u>961.88</u>
		<b>38,804.97</b>	<b>32,664.07</b>
<b>TOTAL</b>		<b><u>89,636.86</u></b>	<b><u>78,771.68</u></b>
<b>II. ASSETS</b>			
<b>Non-Current Assets</b>			
a) Fixed Assets			
(i) Tangible Assets	11	34,581.08	29,986.36
(ii) Intangible Assets	11	365.15	507.68
(iii) Capital Work-in-Progress	11	325.34	1,627.99
(iv) Intangible Assets under development	11	19.40	-
b) Non-Current Investments	12	21.27	21.27
c) Long-Term Loans and Advances	13	<u>1,275.07</u>	<u>784.44</u>
		<b>36,587.31</b>	<b>32,927.74</b>
<b>Current assets</b>			
a) Inventories	14	22,529.38	22,198.34
b) Trade Receivables	15	26,010.24	20,041.70
c) Cash and Bank Balances	16	562.66	329.66
d) Short-Term Loans and Advances	17	3,928.87	3,254.13
e) Other Current Assets	18	<u>18.40</u>	<u>20.11</u>
		<b>53,049.55</b>	<b>45,843.94</b>
<b>TOTAL</b>		<b><u>89,636.86</u></b>	<b><u>78,771.68</u></b>

### Significant Accounting Policies

### Notes on Accounts

1 to 36

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For **Jayantilal Thakkar & Co.**  
Chartered Accountants

(C.V. Thakker)  
Partner

W.V. Fernandes  
Company Secretary

For and on behalf of the Board

R. D. Poddar  
P. D. Poddar

Chairman & Managing Director  
Joint Managing Director

Mumbai, 12<sup>th</sup> May, 2014



## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014.

(` In Lacs)

	Note	Current Year	Previous Year
<b>I Income</b>			
Revenue from Operations	19	1,30,343.28	1,04,796.00
Less : Excise Duty		—	664.61
		<u>1,30,343.28</u>	<u>1,04,131.39</u>
<b>II Other Income</b>	20	<u>1,577.06</u>	<u>1,850.69</u>
<b>Total Revenue</b>		<u>1,31,920.34</u>	<u>1,05,982.08</u>
<b>III Expenses:</b>			
a) Cost of Materials Consumed (Refer Note No.34 (b))		49,416.65	41,612.53
b) Purchases of Stock-in-Trade (Refer Note No. 34 (a))		17,936.96	13,411.07
c) Changes in Inventories of Finished Goods, Work-in- Progress and Stock in Trade	21	(206.94)	(1,798.90)
d) Employee Benefits Expense	22	10,784.00	8,908.51
e) Finance Costs	23	2,871.38	2,515.01
f) Depreciation and Amortization Expense	11	2,915.05	2,182.04
g) Other Expenses	24	<u>38,401.37</u>	<u>30,973.24</u>
<b>Total Expenses</b>		<u>1,22,118.47</u>	<u>97,803.50</u>
<b>IV Profit Before Tax</b>		<u>9,801.87</u>	<u>8,178.58</u>
<b>V Tax Expense:</b>			
a) Current Tax		3,130.00	2,360.00
b) Deferred Tax		<u>315.09</u>	<u>317.68</u>
		<u>3,445.09</u>	<u>2,677.68</u>
<b>VI Profit for the year</b>		<u>6,356.78</u>	<u>5,500.90</u>
<b>VII Basic &amp; Dilluted Earning Per Share in (`)</b>	25	<u>68.58</u>	<u>58.85</u>

### Significant Accounting Policies

#### Notes on Accounts

1 to 36

The accompanying notes are an integral part of the financial statements.  
As per our report of even date attached

For **Jayantilal Thakkar & Co.**  
Chartered Accountants

(C.V. Thakker)  
Partner

Mumbai, 12<sup>th</sup> May, 2014

**W.V. Fernandes**  
Company Secretary

For and on behalf of the Board

**R. D. Poddar**  
**P. D. Poddar**

Chairman & Managing Director  
Joint Managing Director

# SIYARAM SILK MILLS LIMITED

36<sup>TH</sup> ANNUAL REPORT 2013-14

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014.

(` In Lacs)

	Current Year	Previous Year
<b>A CASH FLOW FROM OPERATING ACTIVITY</b>		
Net Profit Before Tax	9,801.87	8,178.58
Adjustment for:		
Depreciation & Amortisation of Expenses	2,915.05	2,182.04
Foreign Exchange Loss/(Gain) (Net)	29.68	3.07
Loss/(Profit) on Sale of Fixed Assets (Net)	545.64	(31.42)
Loss/(Profit) on Sale/Redemption of Investment	-	(2.45)
Interest Income	(943.57)	(844.27)
Finance cost	2,871.38	2,515.01
Bad Debt Written off	7.89	33.20
Provision of doubtful debts	-	54.95
Dividend Income	-	(1.45)
Adjustments relating to earlier years	72.20	14.95
	<u>5,498.27</u>	<u>3,923.63</u>
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>15,300.14</b>	<b>12,102.21</b>
Adjustment for:		
Trade and Other Receivables	(6,569.22)	(2,972.22)
Inventories	(331.04)	(3,421.86)
Trade Payables	1,031.20	3,583.17
Income Tax paid (Net)	(2,876.91)	(2,485.67)
	<u>(8,745.97)</u>	<u>(5,296.58)</u>
<b>CASH GENERATED FROM OPERATIONS</b>	<b>6,554.17</b>	<b>6,805.63</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets(Net of Capital Incentive)	(7,025.30)	(8,622.54)
Sale of Fixed Assets	24.82	201.93
Sale of Investments	-	278.16
Dividend Income	-	1.45
Interest received	943.57	844.27
	<u>(6,056.91)</u>	<u>(7,296.73)</u>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Borrowings	9,077.39	6,673.29
Repayment of Borrowings	(5,223.85)	(2,636.57)
Reissue of Forefeited shares	5.12	-
Exchange rate difference	(29.68)	(3.07)
Finance cost	(3,284.60)	(2,600.61)
Dividend Paid	(696.04)	(700.01)
Tax on Dividend paid	(119.46)	(114.03)
	<u>(271.12)</u>	<u>619.00</u>
<b>NET CASH (GENERATED)/ USED IN FINANCING ACTIVITIES</b>		
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS.</b>	<b>226.14</b>	<b>127.90</b>
<b>CASH AND CASH EQUIVALENTS - OPENING BALANCE</b>	<b>290.38</b>	<b>162.48</b>
<b>CASH AND CASH EQUIVALENTS - CLOSING BALANCE</b>	<b>516.52</b>	<b>290.38</b>

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For **Jayantilal Thakkar & Co.**  
Chartered Accountants

(C.V. Thakker)  
Partner

W.V. Fernandes  
Company Secretary

For and on behalf of the Board

R. D. Poddar  
P. D. Poddar

Chairman & Managing Director  
Joint Managing Director

Mumbai, 12<sup>th</sup> May, 2014

## SIGNIFICANT ACCOUNTING POLICIES

### A Basis of Accounting :

Financial statements are prepared under the historical cost convention on accrual basis and in accordance with the generally accepted accounting principles in India, the applicable Accounting Standard notified under section 211(3c) and the provisions of the Companies Act, 1956.

### B Use of Estimates:

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period.

Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

### C Fixed Assets:

#### i) Tangible Assets :

- a) Fixed Assets are stated at cost net of Cenvat, Government subsidy and VAT wherever applicable and less depreciation. Cost comprises of purchase price and attributable cost (including financing cost).
- b) Expenditure (including financing costs) incurred for fixed assets, the construction/installation/acquisition of which is not completed upto the year end is included under the capital work-in-progress and on such completion the same is related/classified to the respective fixed assets.

#### ii) Intangible Assets

Intangible Assets (representing Computer Software and Trade Mark) are amortised over a period of three years.

#### iii) Asset Impairment :

The Company reviews the carrying values of tangible and intangible assets for any possible impairment at each balance sheet date. Impairment loss, if any, is recognised in the year in which impairment takes place.

### D Depreciation :

- a) Depreciation on fixed assets (other than leasehold land and except as stated in (d) below) is provided for in accordance with Schedule XIV to the Companies Act, 1956 on the straight-line method.
- b) Depreciation at the rate of hundred percent has been provided on the assets costing not more than ` 5000/- in the year of addition.
- c) Premium on leasehold land is amortized over the residual period of the lease and proportionate amount of premium written off is being charged to Statement of Profit & Loss.
- d) Cost of Furniture and Fixtures and Office Equipments of retails shops operated on lease basis is written off over the period of lease or within three years whichever is earlier.

### E Investments :

Investments are classified into Current and Long term Investments. Current Investments are stated at lower of cost and fair value. Long term Investments are stated at cost. A provision for diminution is made to recognise a decline, other than temporary, in the value of Long term Investments.

### F Valuation of Inventories :

Inventories are valued at lower of the cost and net realisable value. The cost is arrived at moving weighted average method except for garment division, where FIFO method is followed and includes related overhead and excise duty payable on Finished Goods lying in factory premises/bonded warehouses.

### G Sales :

Sales are inclusive of excise duty wherever paid. Export Incentive under the Duty Drawback schemes has been recognised on the basis of entitlement and included in Sales.

### H Cenvat :

Cenvat benefit is accounted for by reducing the purchase cost of the materials / fixed assets wherever applicable.

### I Excise Duty :

Excise Duty wherever recovered is included in Sales. Excise Duty paid on goods cleared and provision made in respect of finished goods lying at factory premises/bonded warehouses is shown separately as an item of manufacturing and other expenses and included in the valuation of finished goods.

### J Government grants and subsidies :

- i. Grants and subsidies from the Government are recognised when there is reasonable certainty that the grant/ subsidy will be received and attaching conditions will be complied with.

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- ii. When the grant or subsidy relates to an expense item, it is recognised as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate.
- iii. Where the grant or subsidy relates to an asset, its value is deducted from the gross value of the asset concerned in arriving at the carrying amount of the related assets.
- iv. Government grants in the nature of Project capital subsidy / Promoters' contribution are credited to capital reserve and treated as a part of Shareholders' Funds.

#### **K Foreign Exchange Transaction :**

- i) Transactions in foreign currencies are accounted for at prevailing exchange rates, Gains and losses arising out of subsequent fluctuations are accounted for on actual payment / realizations in the Statement of profit and loss. The Current Assets and Current Liabilities related to foreign currency transactions, other than those covered by forward contracts, remaining unsettled at the end of the year are adjusted at the rates prevailing at the year end, except for Pre-Shipment Credits in Foreign Currencies (PCFCs), which have been stated at the amounts received on the date of disbursement, since the PCFCs are liquidated against future export proceeds, at the rate of exchange at which the loans were disbursed.
- ii) Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract. Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss.

#### **L Employee Benefits**

- (i) Short -term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.
- (ii) Post employment and other long term employee benefits are recognized as an expense in the Statement of Profit and Loss for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Statement of Profit and Loss.

#### **M Research and Development :**

Revenue expenditure on research and development is charged to Statement of Profit and Loss as incurred, Capital expenditure on assets acquired for research and development is added to fixed assets and depreciated at applicable rates.

#### **N Borrowing Costs :**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

#### **O Deferred Tax :**

Deferred tax resulting from timing differences between book and tax profits is accounted for at the current rate of tax, to the extent that the timing difference are expected to crystallize.

#### **P Leases :**

Lease rentals in respect of assets acquired under operating lease are charged off to the Statment of Profit & Loss as incurred. Lease rentals of assets given under operating lease are credited to the Statement of Profit and Loss as accrued.

#### **Q Provision, Contingent Liabilities and Contingent Assets :**

A Provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

#### **R Derivatives :**

The Company uses foreign exchange forward contracts to hedge its exposure to movements in foreign exchange rates. The use of these foreign exchange forward contracts reduces the risk or cost to the company and the company does not use the foreign exchange forward contracts for trading or speculation purposes. The company records the gain or loss on effective hedges in the Statement of Profit and Loss of that period.

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014.

(` In Lacs)

		AS AT 31-03-2014	AS AT 31-03-2013
<b>1) SHARE CAPITAL :</b>			
<b>Authorised</b>			
i)	97,50,000 Equity Shares of ` 10/- each	975.00	975.00
ii)	25,000 11% Redeemable Cumulative Preference Shares of ` 100/- each	25.00	25.00
		<u>1,000.00</u>	<u>1,000.00</u>
<b>Issued</b>			
	93,74,016 (Previous year 93,74,016) Equity share of ` 10/- each.	937.40	937.40
<b>Subscribed and Fully Paid Up</b>			
	93,74,016 (Previous year 93,72,048) Equity share of ` 10/- each fully paid up.	937.20	937.20
	Add : Forfeited Equity shares (amount paid up)	-	0.18
	Add : Reissue of Forfeited Equity shares	0.20	-
		<u>937.40</u>	<u>937.38</u>

### Shareholder's holding more than 5 % shares in the Company

	As at 31 <sup>st</sup> March, 2014		As at 31 <sup>st</sup> March, 2013	
	No. of Share	% of Holding	No. of Share	% of Holding
ICICI Prudential	5,96,959	6.38%	5,96,959	6.38%
DPP Enterprises LLP	11,31,118	12.07%	-	-
GPP Enterprises LLP	22,23,862	23.72%	11,13,193	11.88%
HSP Enterprises LLP	8,99,725	9.60%	-	-
RAP Enterprises LLP	-	-	11,31,193	12.07%
Tribenidevi Poddar	-	-	12,74,977	13.60%

### a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period :

	As at 31 <sup>st</sup> March, 2014		As at 31 <sup>st</sup> March, 2013	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the year	93,72,048	937.20	93,72,048	937.20
Issued during the year	1,968	0.20	-	-
Outstanding at the end of the year	<u>93,74,016</u>	<u>937.40</u>	<u>93,72,048</u>	<u>937.20</u>

### b) Terms/rights attached to equity/preference shares :

The Company has issued only one class of equity shares having a par value of ` 10 per share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

		AS AT 31-03-2014	AS AT 31-03-2013
<b>2) RESERVES AND SURPLUS :</b>			
<b>a) Capital Reserve</b>			
	As per last Balance Sheet	70.00	70.00
	Add : Amount Received on Forefeited Equity Shares Reissued	0.18	-
		<u>70.18</u>	<u>70.00</u>
<b>b) Share Premium Account</b>			
	As per last Balance Sheet	794.69	794.69
	Add: Premium Received on Reissue of Forefeited Equity Shares	4.92	-
		<u>799.61</u>	<u>794.69</u>
<b>c) General Reserve</b>			
	As per last Balance Sheet	17,000.00	16,000.00
	Add : Transferred from Statement of Profit and Loss	2,000.00	1,000.00
		<u>19,000.00</u>	<u>17,000.00</u>
	Carried Over	<u>19,869.79</u>	<u>17,864.69</u>

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(` In Lacs)

	AS AT 31-03-2014	AS AT 31-03-2013
Brought Over	19,869.79	17,864.69
<b>d) Profit &amp; Loss Account</b>		
i) Profit & Loss account opening balance	12,603.68	8910.19
Add : a) Net Profit after tax transferred from Statement of Profit & Loss	6,356.78	5,500.90
b) Excess Provision of Expenses Written Back	72.20	14.95
Amount available for appropriation:	19,032.66	14,426.04
ii) Less : Appropriation		
a) Proposed dividend on Equity Shares [Dividend per share ` 8/- (Previous year ` 7.50)]	749.92	702.90
b) Tax on Dividend	127.45	119.46
c) Transferred to General Reserve	2,000.00	1,000.00
	2,877.37	1,822.36
Surplus - Closing Balance	16,155.29	12,603.68
	<u>36,025.08</u>	<u>30,468.37</u>

3) LONG TERM BORROWINGS :	AS AT 31-03-2014		AS AT 31-03-2013	
	Non Current	Current	Non-Current	Current
<b>Secured</b>				
a) Term Loans from Banks	8,383.85	3,855.52	9,868.56	3,687.52
<b>Unsecured</b>				
a) From Govt.of Maharashtra (Interest free Sales Tax Loan)	137.82	13.21	151.03	13.21
	<u>8,521.67</u>	<u>3,868.73</u>	<u>10,019.59</u>	<u>3,700.73</u>

Note :

- Term loan of ` 1427.52 Lacs (Previous Year ` 3290.08 lacs) is secured by way of mortgage and hypothecation on paripasu basis created on the entire fixed assets of the Company except on those fixed assets exclusive charge created and second charge over stock and book debts of the Company.
- Term loan of ` 10811.85 Lacs (Previous Year ` 10266 lacs) is secured by way of exclusive charge created by way of mortgage and hypothecation on the fixed assets procured from the said term loan.
- Maturity profile of Secured Term Loan :

1-2 years	2-3 years	3-4 years	Beyond 4 Years
3028.00	3228.00	2127.85	Nil
- Interest on above said term loan ranging between 11.25% to 13.25%.

	AS AT 31-03-2014	AS AT 31-03-2013
<b>4) DEFERRED TAX LIABILITIES (NET)</b>		
a) Deferred Tax Liabilities		
Difference between accounting and tax depreciation (Cumulative)	2,575.20	2,180.58
	<u>2,575.20</u>	<u>2,180.58</u>
b) Deferred Tax Assets		
Provision for doubtful debts (to date)	(28.17)	(53.97)
Disallowances under section 43B for non payment of expenses	(315.32)	(209.99)
	<u>(343.49)</u>	<u>(263.96)</u>
Net Deferred Tax Liabilities (a-b)	<u>2,231.71</u>	<u>1,916.62</u>

(` In Lacs)

	AS AT 31-03-2014	AS AT 31-03-2013
<b>5) OTHER LONG TERM LIABILITIES (Unsecured) :</b>		
a) Security Deposit from Dealers / others	2,559.36	2,287.36
	<u>2,559.36</u>	<u>2,287.36</u>
<b>6) LONG TERM PROVISIONS :</b>		
a) Provision for Employee benefits	556.67	478.29
	<u>556.67</u>	<u>478.29</u>
<b>7) SHORT-TERM BORROWINGS :</b>		
<b>Secured</b>		
a) Working Capital Loans from Banks :- *		
i) Cash Credit/ Demand Loans/ Short Term Loan	12,463.72	6,664.35
ii) Packing Credit	753.14	535.78
iii) Bills Discounting	275.55	-
	<u>13,492.41</u>	<u>7,200.13</u>
* Working Capital loans from Banks are secured by hypothecation of stocks, Book debts and second charge created / to be created over fixed assets of the Company except on Fixed Assets offered as exclusive charge to Term Lender.		
b) Term Loan	19.18	-
(Term loan is secured by way of hypothecation of cars and personally guaranteed by a director.)		
<b>Unsecured</b>		
i) Short Term Loans from Banks	5,500.00	6,900.00
[(Personally guaranteed by two director Current year ` Nil (Previous year ` 6900 Lacs)]		
	<u>19,011.59</u>	<u>14,100.13</u>
<b>8) TRADE PAYABLES :</b>		
a) Micro, Small and Medium Enterprises @	29.86	10.29
b) Others	11,904.48	11,765.84
	<u>11,934.34</u>	<u>11,776.13</u>
@ i) There is no principal amount due and remaining unpaid. No interest paid / payable during the year by the company to the suppliers covered under Micro, Small and Medium Enterprises Development Act, 2006.		
ii) The above disclosure is based on the information available with the Company		
<b>9) OTHER CURRENT LIABILITIES :</b>		
a) Current Maturity of Long Term Debt (Refer Note No. 3 (i & ii))	3,868.73	3,700.73
b) Interest accrued and due on borrowings	133.82	131.37
c) Advance Received from Customer	352.65	223.54
d) Unclaimed Dividend *	46.14	39.28
e) Trade payable for Capital Goods	286.38	242.08
f) Other Payables		
i) Statutory Dues	496.54	466.92
ii) Employees Dues	1,143.89	765.72
iii) Others	482.01	256.29
	<u>2,122.44</u>	<u>1,488.93</u>
	<u>6,810.16</u>	<u>5,825.93</u>

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\* There are no amount due and outstanding to be credited to Investor Education and Protection Fund.

(` In Lacs)

	AS AT 31-03-2014	AS AT 31-03-2013
<b>10) SHORT-TERM PROVISIONS :</b>		
a) Provision for employee benefits :		
i) Unavailed Leave	171.51	139.52
b) Others :		
i) Proposed Dividend	749.92	702.90
ii) Tax on dividend	127.45	119.46
	<b>1,048.88</b>	<b>961.88</b>

## 11) FIXED ASSETS

Description	Gross Block (At Cost)				Depreciation				Net Block	
	AS AT 01.04.13	Additions	Sale/ Transfer	AS AT 31.03.14	UP TO 31.03.13	Deduction	For the Year	UP TO 31.03.14	AS AT 31.03.14	AS AT 31.03.13
<b>Tangible Assets :</b>										
<b>Own Assets :</b>										
Freehold Land	100.39	339.89	-	440.28	-	-	-	-	440.28	100.39
Leasehold Land	848.10	135.18	-	983.28	56.29	-	9.18	65.47	917.81	791.81
Building	16913.24	2012.93	644.38	18281.79	2388.93	112.85	411.72	2687.80	15593.99	14524.31
Factory Road	55.76	-	-	55.76	14.54	-	0.98	15.52	40.24	41.22
Plant & Machinery	25988.59	4167.23	137.92	30017.90	14376.78	129.57	1974.91	16222.12	13795.78	11611.81
Electrical Installation	1248.59	249.54	0.04	1498.09	312.27	0.02	70.57	382.82	1115.23	936.32
Furniture & Equipments	2906.45	795.40	43.37	3658.48	1417.67	29.00	200.01	1588.68	2069.84	1488.78
Vehicles	694.33	193.51	44.72	843.12	202.61	28.53	61.13	235.21	607.91	491.72
<b>Total</b>	48755.45	7893.68	870.43	55778.70	18769.09	299.97	2728.50	21197.62	34581.08	29986.36
<b>Intangible Assets :</b>										
Computer Software	1126.77	42.27	-	1169.04	622.72	-	186.01	808.73	360.31	504.05
Trade Mark	5.25	1.75	-	7.00	1.62	-	0.54	2.16	4.84	3.63
<b>Total</b>	1132.02	44.02	-	1176.04	624.34	-	186.55	810.89	365.15	507.68
<b>Current Year Total</b>	49887.47	7937.70	870.43	56954.74	19393.43	299.97	2915.05	22008.51	34946.23	30494.04
Previous Year Total	40299.03	9820.40	231.96	49887.47	17272.84	61.45	2182.04	19393.43	30494.04	-
<b>Capital Work In Progress</b>									325.34	1627.99
<b>Intangible Assets under development</b>									19.40	-

Note: i) Building includes cost of Ownership Flats/Office premises/Industrial units in respect of which :

a) Co-operative societies are formed ` 123.87 Lacs (Previous year ` 123.87 lacs) (including Shares of the face value of ` 0.06 Lacs)

b) Co-operative societies are yet to be formed ` 7441.26 Lacs (Previous year ` 7441.26 lacs).

ii) Furnitures & Equipment Includes Office Equipments

iii) Addition to Plant & Machinery during the year is net off of ` 125.40 Lacs (Previous year ` 395.59 lacs) capital incentive received.



(` In Lacs)

## 12) INVESTMENTS (At Cost) :

	AS AT 31-03-2014	AS AT 31-03-2013
Non Current Investments : (Long Term Investment)		
a) Trade Investments : (unquoted)		
i) 48 Shares of Art Silk Co-operative Ltd. of ` 100/- each fully paid	0.05	0.05
ii) 21215 Shares of Tarapur Environment Protection Society of ` 100/- each fully paid	21.22	21.22
	<u>21.27</u>	<u>21.27</u>
Aggregate cost of Unquoted Investments	21.27	21.27

## 13) Long - Term Loans and Advances (Unsecured, Considered Good) :

a) Capital Advances	677.69	262.54
b) Security Deposit	304.69	197.30
c) Other Loans & Advances:		
i) Loans & advances to Employees	92.75	186.20
ii) Others	199.94	138.40
	<u>1,275.07</u>	<u>784.44</u>

## 14) INVENTORIES :

(At lower of cost and net realisable value)		
(As taken, valued and certified by the Management)		
a) Stores and Spares	938.19	1,435.21
b) Raw Materials	7,508.28	6,887.16
c) Finished Goods	8,458.98	9,098.67
d) Stock - in - trade	1,957.61	1,680.24
e) Goods in Process	3,666.32	3,097.06
	<u>22,529.38</u>	<u>22,198.34</u>

## 15) TRADE RECEIVABLES

(Unsecured)		
a) Debts outstanding for a period exceeding six months:		
i) Considered Good	943.92	981.24
ii) Considered Doubtful	82.90	158.78
	<u>1,026.82</u>	<u>1,140.02</u>
b) Other Debts :		
Considered Good	25,066.32	19,060.46
	<u>26,093.14</u>	<u>20,200.48</u>
Less : Provision for doubtful debts	(82.90)	(158.78)
	<u>26,010.24</u>	<u>20,041.70</u>

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(` In Lacs)

16) CASH & BANK BALANCES :	AS AT 31-03-2014	AS AT 31-03-2013
a) Cash and Cash equivalents		
Balances with Banks :-		
i) On Current accounts	485.50	260.58
ii) Cash Balance on hand	29.38	27.81
	514.88	288.39
b) Other bank balances :		
i) On Unclaimed dividend account	46.14	39.28
ii) Fixed Deposit with Original maturity for more than 12 months (Pledged with Sales Tax Department)	1.64	1.99
	47.78	41.27
	562.66	329.66

## 17) SHORT TERM LOANS AND ADVANCES :

(Unsecured, considered good)

a) Loans & advances to Related Parties (Refer Note No. 31 ( d ) ) \$	765.00	670.00
b) Others :		
i) Advances for supply of goods & services	109.21	57.84
ii) Withholding and other Taxes receivable	1,301.66	1,267.67
iii) Loans and advances to employees	205.40	180.80
iv) Balances with Customs, Port Trust & Excise	223.36	201.38
v) Others (Includes primarily Deposits, Interest Receivable, Prepaid expenses)	1,324.24	876.44
	3,928.87	3,254.13
\$ Inter Corporate Deposit given to related parties:		
Balkrishna Synthetics Ltd.	405.00	80.00
Balkrishna Paper Mills Ltd.	-	425.00
Santigo Textile Mills Pvt Ltd.	60.00	75.00
Oxemberg Fashions Ltd.	-	30.00
Seeom Fabrics Ltd.	300.00	60.00
	765.00	670.00

## 18) OTHER CURRENT ASSETS :

a) Unbilled Revenue	18.40	20.11
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(` In Lacs)

## 19) REVENUE FROM OPERATIONS

	Current Year	Previous Year
a) Sale of Products (Refer note no. 34(c))	1,58,848.92	1,28,330.75
Less : Trade discount, Returns, Rebate etc.,	30,674.50	25,104.84
	1,28,174.42	1,03,225.91
b) Sale of Services (Job Charges Received)	1,969.19	1,353.93
c) Other operating revenues*	199.67	216.16
	1,30,343.28	1,04,796.00
Less : Excise Duty	-	664.61
	1,30,343.28	1,04,131.39

\* Includes Scrap Sales & others

## 20) OTHER INCOME :

a) Miscellaneous Income	75.36	8.96
b) Interest received	943.57	844.27
c) Rent received	426.01	264.99
d) Profit on Sale of Assets (Net)	-	31.42
e) Sundry Credit Balance written back (Net)	37.45	8.25
f) Interest Subsidy Received	94.67	-
g) Dividend from Mutual Fund Investments (Current Investment)	-	1.45
h) Profit on Sale/Redemption of Investments(Net) (Current Investment)	-	2.45
i) Keyman Insurance Policy Surrender Value received	-	688.90
	1,577.06	1,850.69

## 21) Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade:

a) Opening Stock		
Goods - in - process (Refer Note no. 34(f))	3,097.06	2,590.75
Finished Goods (Refer Note no. 34(d))	9,098.67	7,270.60
Stock In Trade (Refer Note no. 34(d))	1,680.24	2,215.72
	13,875.97	12,077.07
b) Less : Closing Stock		
Goods - in - process (Refer Note no. 34(f))	3,666.32	3,097.06
Finished Goods (Refer Note no. 34(e))	8,458.98	9,098.67
Stock In Trade (Refer Note no. 34(e))	1,957.61	1,680.24
	14,082.91	13,875.97
	(206.94)	(1,798.90)

## 22) EMPLOYEE BENEFITS EXPENSE

a) Salaries, Wages, Allowances and Bonus	9,573.29	7,774.33
b) Contribution to Provident, Gratuity and other funds	701.93	677.58
c) Staff Welfare Expenses	508.78	456.60
	10,784.00	8,908.51

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## 23) FINANCE COST :

	Current Year	Previous Year
a) Interest Expenses	2,849.35	2,694.18
Less: Interest Capitalized	-	188.17
	<u>2849.35</u>	<u>2506.01</u>
b) Other borrowing costs	22.03	9.00
	<u>2871.38</u>	<u>2515.01</u>

## 24) OTHER EXPENSES

a) Consumption of Stores & Spare parts	1,767.99	1,189.51
b) Consumption of Packing Material	4,407.24	3,438.19
c) Processing & Labour Charges	12,660.60	11,044.38
d) Power & Fuel	2,687.99	1,948.76
e) Water Charges	113.98	88.26
f) Excise Duty	0.02	2.72
g) Brokerage and Commission	3,107.95	2,390.87
h) Discounts	1,220.57	912.26
i) Rent	374.69	264.57
j) Rates & Taxes	96.87	126.69
k) Freight & Forwarding Charges	1,141.79	867.38
l) Legal & Professional Charges	457.10	362.94
m) Directors Sitting Fees	7.75	8.58
n) Insurance	532.97	515.83
o) Sales Promotion Expenses	1,008.76	1,305.87
p) Payment to Auditors (Refer Note no.29 (a))	39.02	33.56
q) Advertisement Expenses	3,590.14	2,302.74
r) Travelling & Conveyance	1,304.65	1,209.37
s) Bad Debt Written off	83.77	33.20
Less: Provision for doubtful Debts written back	(75.88)	-
	<u>7.89</u>	<u>33.20</u>
t) Provision for Doubtful Debts	-	54.95
u) Loss on Sale/Discarded of Assets (Net)	545.64	-
v) Exchange Rate Difference (Net)	29.68	3.07
w) Donation	48.41	36.10
x) Miscellaneous Expenses	1,811.91	1,644.61
y) Repairs to :		
i) Building	486.39	411.74
ii) Machineries	200.29	205.44
iii) Others	751.08	571.65
	<u>1,437.76</u>	<u>1,188.83</u>
	<u>38,401.37</u>	<u>30,973.24</u>

(` In Lacs)

## 25) Earning Per Share : ["EPS"] computed in accordance with Accounting Standard 20:

	Current Year	Previous Year
a) Net Profit after tax as per Statement of Profit & Loss	6356.78	5500.90
Add/(Less) :		
i) Excess provision of expenses written back	72.20	14.95
Net profit attributable to Equity Shareholders	6428.98	5515.85
b) The weighted average number of Equity Shares	93,74,016	93,72,048
c) Face value per equity share (`)	10.00	10.00
d) Earnings per share Basic / Diluted (`)	68.58	58.85

## 26) Contingent Liabilities & Commitments

a) Contingent Liabilities :		
i) Guarantees given by the Company's bankers on behalf of the Company	684.12	590.05
ii) Disputed claims for excise and sales tax	84.50	84.50
iii) Custom Duty which may arise if obligation for export is not fulfilled.	627.00	556.03
iv) Income tax Demand, interest & penalty under dispute	505.53	399.05
b) Commitments :		
i) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advance)	174.73	1419.78

## 27) The Company has calculated the various benefits provided to employees as under.

### Defined Contribution Plan

Contribution to Defined Contribution plan, recognised as expense for the year are as under:

Employer's contribution to Provident Fund	497.83	433.35
Employer's contribution to Superannuation Fund	83.37	79.95

### Defined Benefit Plan

An actuarial valuation was carried out in respect of Gratuity and long term Leave encashment benefit plans based on the following assumptions.

Sr. No.	Particulars	Current Year		Previous Year	
		Gratuity (Funded)	Leave encashment (unfunded)	Gratuity (Funded)	Leave encashment (unfunded)
I)	<b>Reconciliation of opening and closing balances of Defined Benefit obligation</b>				
	Defined Benefit obligation at beginning of the year	560.04	223.89	467.04	164.25
	Current Service Cost	75.35	-	62.02	1.59
	Interest Cost	46.20	18.47	40.87	14.37
	Actuarial (gain)/loss	79.93	15.86	54.96	43.68
	Benefits paid	(44.03)	-	(64.85)	-
	Defined Benefit obligation at the year end.	717.49	258.22	560.04	223.89
II)	<b>Reconciliation of opening and closing balances of fair value of plan assets</b>				
	Fair value of plan assets at beginning of the year	305.63	-	294.66	-
	Expected return of plan assets	26.59	-	25.34	-
	Actuarial gain/(loss)	5.81	-	0.57	-
	Employer contribution	125.03	-	49.91	-
	Benefits paid	(44.03)	-	(64.85)	-
	Fair value of plan assets at the end of the year	419.03	-	305.63	-
	Actual return on plan assets	32.40	-	25.91	-

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Sr. No.	Particulars	Current Year		Previous Year	
		Gratuity (Funded)	Leave encashment (unfunded)	Gratuity (Funded)	Leave encashment (unfunded)
<b>III)</b>	<b>Reconciliation of fair value of assets and obligation</b>				
	Fair value of plan assets as at 31 <sup>st</sup> March,2014	419.03	NIL	305.63	NIL
	Present value of obligation as at 31 <sup>st</sup> March,2014	717.49	258.22	560.04	223.89
	Amount recognized in Balance Sheet	298.46	258.22	254.41	223.89
<b>IV)</b>	<b>Expense recognized during the year (Under the head "Payments to and Provision for Employees" - Refer Note No. '22')</b>				
	Current Service Cost	75.35	-	62.02	1.59
	Interest Cost	46.20	18.47	40.87	14.37
	Expected return on plan assets	(26.59)	-	(25.34)	-
	Actuarial (gain) / loss	74.12	15.86	54.38	43.68
	Net cost	169.08	34.33	131.93	59.64
		% invested As at 31 <sup>st</sup> March,2014		% invested As at 31 <sup>st</sup> March,2013	
<b>V)</b>	<b>Investment details</b>				
	Insurance Policies (LIC)	100%		100%	
<b>VI)</b>	<b>Actuarial assumptions</b>				
	Mortality Table (LIC)				
	Discount rate (per annum)	9.31%	8.25%	8.75%	8.75%
	Expected rate of return on plan assets (per annum)	8.70%	-	8.60%	-
	Rate of escalation in salary (per annum)	3.00%	4.00%	3.00%	3.00%

The estimates of rate of escalation in salary considered in actuarial valuation, taking into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The expected rate of return on plan assets is determined considering several applicable factors mainly, the composition of plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan asset management.

28) Prior period items included under respective accounts in the Profit and Loss ` 27.15 Lacs debit (` 29.73 Lacs debit).

	Current Year	Previous Year
<b>29) Payment to Auditors :</b>		
<b>a) Statutory Auditors</b>		
i) Statutory Audit Fees	18.00	16.00
ii) Taxation Matter	1.55	1.00
iii) Certification	9.20	6.83
iv) Tax Audit Fees	4.00	3.60
v) Fees for other Services	1.33	1.80
vi) Reimbursement of Expenses*	4.94	4.33
*(Including Service Tax)	39.02	33.56
<b>b) Cost Auditors</b>		
i) Cost Audit Fees	1.50	1.50

(` In Lacs)

### 30) Managerial Remuneration :

	Current Year	Previous Year
a) Remuneration to Managing Directors, and Executive Directors under Section 198 of the Companies Act, 1956 :		
i) Remuneration	677.72	718.24
ii) Contribution to Provident and Other Funds	105.60	99.04
iii) Perquisites	9.67	11.21
iv) Retirement benefits	34.57	74.56
v) Commission	255.95	-
	<u>1,083.51</u>	<u>903.05</u>
b) To Other Directors		
i) Meeting Fees (Including Service Tax)	7.75	8.58
	<u>1,091.26</u>	<u>911.63</u>

### 31) Related Party disclosures :

As per Accounting standard 18, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below.

List of related parties where control exists and related parties with whom transactions have taken place and relationships:

#### (a) Key Management Personnel (KMP) :

Shri Ramesh D. Poddar - Chairman & Managing Director, Shri Pawan D. Poddar - Jt. Managing Director, Shri Shrikishan D. Poddar - Executive Director, Shri Ashok Jalan - Sr.President cum Director, Shri Arvind Poddar - Director, Shri Gaurav Poddar - Executive Director

#### (b) Relatives of Key Management Personnel (KMP) :

Smt. Ashadevi R. Poddar, Smt. Vibha S. Poddar, Smt. Sangeeta Poddar, Shri Abhishek Poddar, Shri Avnish Poddar, Smt. Megha Poddar, Smt. Smriti Poddar.

#### (c) Other Related Parties (Enterprises - KMP having significant influence / Owned by Major Shareholders)

Balkrishna Synthetics Ltd., S.P.Investrade (I) Ltd., Sanchana Trading & Finance Ltd., Santiago Textile Mills Ltd., Oxemberg Fashions Ltd., Beete Textile Industries Ltd., Futuristic Concepts Media Ltd., Vishal Furnishing Ltd., Fabwear Garments, Poddar Bio Diesel Pvt.Ltd., Poddar Brothers Investment Pvt. Ltd., Balkrishna Paper Mills Ltd., Balkrishna Industries Ltd., Seom Fabrics Ltd., Govind Rubber Ltd., Image Commercial Pvt. Ltd., GRL International Ltd.

#### (d) Related Party Transactions :

Nature of Transaction	Current Year			Previous Year		
	Other related Parties	Key Management Personnel & Relatives	Total	Other related Parties	Key Management Personnel & Relatives	Total
Managerial Remuneration	-	1,083.51	1,083.51	-	903.05	903.05
Sitting fees	-	0.15	0.15	-	0.29	0.29
Purchase of Goods/Services	6,250.43	-	6,250.43	6,477.34	-	6,477.34
Purchase of Fixed Assets	53.94	-	53.94	362.82	-	362.82
Sale of Fixed Assets	-	-	-	7.87	-	7.87
Sales of Goods/materials	634.01	-	634.01	816.68	-	816.68
Rent / Property Tax Received	69.28	-	69.28	36.35	-	36.35
Rent Paid	127.06	-	127.06	104.83	-	104.83
Interest Paid.	6.60	-	6.60	28.77	-	28.77
Interest Received	100.90	-	100.90	188.73	-	188.73

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Nature of Transaction	Current Year			Previous Year		
	Other related Parties	Key Management Personnel & Relatives	Total	Other related Parties	Key Management Personnel & Relatives	Total
Early Payment Discount	34.93	-	34.93	25.69	-	25.69
Keyman Insurance Policy Surrender Value received	-	-	-	-	688.90	688.90
Intercorporate Deposits Placed	1,290.00	-	1,290.00	2,710.00	-	2,710.00
Intercorporate Deposits Matured	1,195.00	-	1,195.00	2,400.00	-	2,400.00
Deposits Received	56.00	-	56.00	-	-	-
Commission Paid	119.83	-	119.83	114.55	-	114.55
Salary paid	-	171.64	171.64	-	152.19	152.19
Collateral Personal Guarantee	-	19.18	19.18	-	6,900.00	6,900.00
<b>Balance as at :</b>						
Trade Receivable	0.06	-	0.06	90.23	-	90.23
Trade Payable	885.32	-	885.32	785.85	-	785.85
Intercorporate Deposit Placed	765.00	-	765.00	670.00	-	670.00
Trade Payable Capital Goods	17.50	-	17.50	362.82	-	362.82
Security /Others Deposit Received	56.00	-	56.00	-	-	-
Notes : i) Parties identified by the Management and relied upon by the Auditors. ii) No amount in respect of the related parties have been written off/back or are provided for during the year						

**e) Disclosure in respect of material transactions with related parties during the Year ( included in 'd' above )**

	Current Year	Previous Year		Current Year	Previous Year
<b><u>Purchase of Goods / Materials.</u></b>			<b><u>Sales of Goods / Materials/ Services.</u></b>		
Balkrishna Synthetics Ltd.	4,942.80	5,066.90	Balkrishna Paper Mills Ltd.	3.01	2.18
Beetee Textile Industries Ltd.	578.75	523.29	Balkrishna Industries Ltd.	-	4.48
Image Commercial Pvt Ltd.	30.75	104.78	Balkrishna Synthetics Ltd.	2.97	2.88
Santigo Textile Mills Ltd.	486.14	443.17	Image Commercial Pvt. Ltd.	0.85	-
Seeom Fabrics Ltd.	211.99	115.52	Beetee Textile Industries Ltd.	2.97	1.15
Vishal Furnishing Ltd.	-	3.60	Vishal Furnishing Ltd.	624.21	600.80
Oxemberg Fashion Ltd.	-	192.66	Oxemberg Fashions Ltd	-	193.47
GRL International Ltd.	-	27.42	Image Commercial Pvt. Ltd.	-	10.72
<b><u>Purchase of Fixed Assets.</u></b>			Govind Rubber Ltd.	-	1.00
Balkrishna Industries Ltd.	-	61.97	<b><u>Rent Paid</u></b>		
Beetee Textile Industries Ltd.	-	6.30	Beetee Textile Industries Ltd.	55.08	55.65
Santigo Textile Mills Ltd.	-	2.05	Vishal Furnishing Ltd.	60.35	44.66
Seeom Fabrics Ltd.	18.56	292.50	Poddar Brothers Investment Pvt. Ltd.	2.05	2.04
Oxemberg Fashion Ltd.	26.54	-	Sanchana Trading & Finance Ltd.	4.77	2.48
S P Investrade (India) Pvt. Ltd.	4.90	-	Seeom Fabrics Ltd.	4.81	-
Image Commercial Pvt Ltd.	3.94	-			



	Current Year	Previous Year
<b>Sales of Fixed Assets</b>		
Balkrishna Industries Ltd.	-	7.87
<b>Interest Paid</b>		
Vishal Furnishing Ltd.	6.60	28.77
<b>Rent Received :</b>		
Balkrishna Synthetics Ltd.	1.32	3.08
Balkrishna Paper Mills Ltd.	36.75	-
Fabwear Garments	-	1.25
Futuristic Concepts Media Ltd.	29.98	29.98
Beetee Textile Industries Ltd.	0.48	0.48
Poddar Bio Diesel Ltd.	0.06	0.06
Santiago Textile Mills Ltd.	0.69	0.90
S.P.Investrade ( India ) Ltd.	-	0.60
<b>Interest Received:</b>		
Balkrishna Paper Mills Ltd.	38.65	130.84
Balkrishna Synthetics Ltd.	18.48	23.09
Oxemberg Fashions Ltd.	0.41	7.79
Santiago Textile Mills Ltd.	8.36	3.78
Seeom Fabrics Ltd.	35.00	19.22
Beetee Textile Industries Ltd.	-	4.01
<b>Inter Corporate Deposit Placed:</b>		
Balkrishna Paper Mills Ltd.	725.00	2350.00
Balkrishna Synthetics Ltd.	325.00	150.00
Beetee Textile Industries Ltd.	-	50.00
Santiago Textile Mills Ltd.	-	75.00
Seeom Fabrics Ltd.	240.00	85.00
<b>Inter Corporate Deposit Matured :</b>		
Balkrishna Paper Mills Ltd.	1150.00	1925.00
Balkrishna Synthetics Ltd.	-	225.00
Oxemberg Fashions Ltd.	30.00	45.00
Santiago Textile Mills Ltd.	15.00	-
Beetee Textile Industries Ltd.	-	100.00
Seeom Fabrics Ltd.	-	105.00

	Current Year	Previous Year
<b>Payment to Key Managerial Personnel</b>		
Ramesh Poddar	295.10	314.02
Shrikishan Poddar	256.20	221.27
Vijaylaxmi Poddar	-	26.90
Pawan Poddar	256.76	198.10
Gaurav P Poddar	204.62	100.96
Ashok Kumar Jalan	70.83	41.80
<b>Sitting Fees.</b>		
Arvind Kumar Poddar	0.15	0.29
<b>Keyman Insurance Policy Surrender Value received :</b>		
Ramesh Poddar	-	173.47
Pawan Poddar	-	168.49
Shrikishan Poddar	-	173.47
Vijaylaxmi Poddar	-	173.47
<b>Salary to Relatives of KPM.</b>		
Megha Poddar	6.80	5.82
Smriti Poddar	27.58	23.60
Sangeeta Poddar	27.96	23.46
Abhishek Poddar	27.99	30.05
Asha Devi Poddar	27.58	33.82
Avnish Poddar	26.15	3.45
Vibha Poddar	27.58	31.99
<b>Collateral Personal Guarantee :</b>		
Ramesh Poddar	19.18	3450.00
Pawan Poddar	-	3450.00
<b>Early Payment discount :</b>		
Vishal Furnishing Ltd.	34.93	25.69
<b>Commission/ Incentive Paid :</b>		
Vishal Furnishing Ltd.	119.83	114.55
<b>Security /Others Deposit Received</b>		
Seeom Fabrics Ltd.	1.00	-
Vishal Furnishing Ltd.	55.00	-

32) The Company is engaged only in Textile business and there are no separate reportable segments as per Accounting standard 17.

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## 33) Leases - Operating Leases.

- i) The Company has taken various residential / commercial premises under cancellable operating leases. These lease agreements are normally renewed on expiry.
- ii) During the year the Company has given on non-cancellable operating leases commercial premises, the cost of which ` 3315.86 Lacs (Previous year ` 2761.99 Lacs) and the accumulated depreciation of ` 466.13 Lacs (Previous year ` 398.77 lacs) are included under Fixed Assets Schedule. The depreciation provided on the above Assets in the statement of Profit and Loss for the year is ` 66.14 Lacs (Previous year ` 56.64 lacs).

The future minimum lease payments receivable in respect of aforesaid leases as at 31.03.2014 are as follows.

		(` In Lacs)	
		Current Year	Previous Year
a)	Not later than one year	406.02	305.21
b)	Later than one year and not later than Five years	733.99	862.43
	Total	1,140.01	1,167.64
iii)	The rental expenses recognised in Statment of Profit and Loss for operating lease taken after 1 <sup>st</sup> April,2001.		
a)	Minimum Rent	374.69	264.57
b)	Contingent Rent	Nil	Nil

## 34) Other Informations:-

		Unit	(Figures in Lacs)	
a)	<b>Finished Goods Purchased :</b>			
i)	Cloth	Mtrs	134.20	100.94
		Rupees	15,447.34	13,037.06
ii)	Readymade Garments	Nos	0.37	0.10
		Rupees	215.45	61.47
iii)	Others	Rupees	2,274.17	312.54
b)	<b>Raw Materials consumed :</b>			
i)	Yarn */ Fibre	Kgs	150.77	135.84
		Rupees	32,580.93	26,820.60
ii)	Cloth *	Mtrs	53.30	36.85
		Rupees	7,450.92	4,427.19
iii)	Grey Cloth	Mtrs	175.04	204.40
		Rupees	7,396.80	8,950.72
iv)	Dyes & Chemical	Rupees	718.82	576.59
v)	Accessories (Trims)	Rupees	1,269.18	837.43
	* After adjusting cost of 0.76 Lac Kgs (1.57 Lac Kgs) of yarn, sold during the year, Valuing ` 102.34 Lacs (` 237.58 Lacs) respectively.			
c)	<b>Sales (Net) :</b>			
i)	Finish Cloth	Mtrs	773.94	699.17
		Rupees	1,00,492.64	84,792.01
ii)	Readymade Garments	Nos	33.28	25.44
		Rupees	19,656.83	13,749.85
iii)	Yarn *	Kgs	16.04	16.76
		Rupees	3,531.54	3,139.51
iv)	Others	Rupees	4,493.41	879.93
	* Includes 0.76 Lac kgs. Of yarn (1.57 Lac kgs) purchased and sold during the year.			

(Figures in Lacs)

	Unit	Current Year	Previous Year
<b>d) Opening Stock of Finished Goods / Stock - in - trade :</b>			
i) Cloth	Mtrs	99.80	102.16
	Rupees	9,723.94	8,516.86
ii) Readymade Garments	Nos	2.39	3.55
	Rupees	674.03	816.70
iii) Yarn	Kgs	0.91	0.85
	Rupees	133.04	120.13
iv) Others	Rupees	247.90	32.63
<b>e) Closing Stock of Finished Goods/ Stock - in - trade :</b>			
i) Cloth	Mtrs	81.43	99.80
	Rupees	8,206.78	9,723.94
ii) Readymade Garments	Nos	6.63	2.39
	Rupees	1,669.41	674.03
iii) Yarn	Kgs	0.64	0.91
	Rupees	111.74	133.04
iv) Others	Rupees	428.66	247.90
<b>f) Closing Stock of Goods in Process</b>			
i) Cloth	Rupees	3,421.64	2,814.25
ii) Readymade Garments	Rupees	136.00	127.12
iii) Yarn	Rupees	108.68	155.69

(` In Lacs)

	Current Year		Previous Year	
		%		%
<b>g) Consumption of Raw Materials :</b>				
i) Imported	1,208.21	2.44	819.17	1.97
ii) Indigenous	48,208.44	97.56	40,793.36	98.03
	<u>49,416.65</u>	<u>100.00</u>	<u>41,612.53</u>	<u>100.00</u>
<b>h) Consumption of Stores &amp; Spares :</b>				
i) Imported	766.82	43.37	420.77	35.37
ii) Indigenous	1,001.17	56.63	768.74	64.63
	<u>1,767.99</u>	<u>100.00</u>	<u>1,189.51</u>	<u>100.00</u>
<b>i) C.I.F. Value of Imports :</b>				
i) Raw Materials	1,683.08		584.81	
ii) Finished Goods	592.20		0.62	
iii) Stores & Spares	1,517.09		362.35	
iv) Capital Goods	363.22		5,211.90	
v) Packing Materials	-		21.63	
<b>j) Expenditure in Foreign Currency :</b>				
i) Advertisement	7.81		32.37	
ii) Sales promotion	538.28		226.17	
iii) Travelling	149.17		146.31	
iv) Interest	24.30		36.25	
v) Commission	221.62		153.10	
vi) Others	49.37		42.31	

**SIYARAM SILK MILLS LIMITED**36<sup>TH</sup> ANNUAL REPORT 2013-14

(₹ In Lacs)

	Current Year	Previous Year
<b>k) Earnings in Foreign Currency :</b>		
i) FOB value of exports	8,039.22	5,093.77
ii) Recovery towards freight and Insurance	44.68	25.67
<b>l) Amounts remitted during the year in Foreign Currency on account of Dividend.</b>		
i) The Company has not made remittances in foreign currencies on account of dividends during the year and does not have information as to the extent to which remittance in foreign currencies on account of dividends have been made by or on behalf of Non-resident shareholders. The particulars of dividend paid to Non-resident shareholders are as under.		
Dividend in respect of Year 2012-13 (113 Shareholder holding 34202 Equity Shares)	2.37	-
Dividend in respect of Year 2011-12 (121 Shareholder holding 34280 Equity Shares)	-	2.57

35) Figures in brackets in these notes are in respect of previous year.

36) Previous years figures have been regrouped and rearranged wherever necessary to make them comparable with the current year figures.

As per our report of even date attached

For **Jayantilal Thakkar & Co.**  
Chartered Accountants

(C.V. Thakker)  
Partner

**W.V. Fernandes**  
Company Secretary

For and on behalf of the Board

**R. D. Poddar**      Chairman & Managing Director  
**P. D. Poddar**      Joint Managing Director

Mumbai, 12<sup>th</sup> May, 2014

# FINANCIAL HIGHLIGHTS

(Figures in Lacs)

YEAR	2013-14	2012-13	2011-12	2010-11	2009-10
<b>PRODUCTION</b>					
Cloth ( Mtrs)	656	622	598	663	543
Yarn (Kgs.)	45	38	33	34	30
Garments (Nos.)	37	25	26	20	17
<b>NET SALES (₹)</b>					
Local	1,22,192	98,926	87,928	81,850	62,080
Export	8,151	5,205	3,626	3,630	3,893
Gross Profit	12,717	10,361	10,352	10,377	6,919
Depreciation	2,915	2,182	2,231	2,093	2,019
Profit Before Tax	9,802	8,179	8,121	8,284	4,900
Provision for Tax	3,445	2,678	2,448	2,531	1,534
Net Profit	6,357	5,501	5,673	5,753	3,366
Dividend (%)	80	75	75	70	60
Net Worth per Share of ₹ 10/- each*	394	335	285	235	181
Earning Per Share	69	59	59	62	36
Net Cash Accrual	8,782	7,193	6,985	6,966	4,761
Gross Block of Fixed Assets	56,955	51,515	41,790	38,725	33,761

\* The Company had allotted Bonus Shares in the ratio of 3:5 in 1984, 1:2 in 1988 and 1:2 in 2006.

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**SIYARAM SILK MILLS LTD.**

**Registered office :** H-3/2, MIDC , A - Road, Tarapur, Boisar, Thane - 401 506, Maharashtra.  
**Corporate Office :** B/5, Trade World, Kamala Mills, S.B. Marg, Lower Parel (W), Mumbai - 400 013.  
**Tel.:** 022 - 30400500, **Fax :** 022 - 30400599, **Email :** sharedept@siyaram.com  
**CIN :** L17116MH1978PLC020451, **Website :** www.siyaram.com