



**SUPERTEX
INDUSTRIES
LIMITED**

**TWENTY-SEVENTH
ANNUAL REPORT
2012-2013**

IMPORTANT COMMUNICATION TO MEMBERS

Dear Members,

The Ministry of Corporate Affairs ("MCA") has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by companies vide circular Nos. 17 and 18 dated April 21, 2011 and April 29, 2011 respectively, stating that a company would have complied with section 53 of the Companies Act relating to dispatch of Annual Report and other Notices etc, if the service of document has been made through electronic mode. In such case, the company is required to obtain email addresses of its members for sending the notice / documents through email by giving an advance opportunity to every shareholder to register his/ her email address and changes therein, if any, from time to time with the company

To support this green initiative, members holding shares in demat form are requested to provide their email ID to the depository through their concerned depository participant and members holding shares in physical form are requested to provide e-mail ID to the Company's RTA, M/s Sharex Dynamic India Pvt Ltd at Unit no.1, Luthra Industrial Premises, Andheri Kurla Road, Safed Phool, Andheri (E), Mumbai-400072 or alternatively send an email to the Company at investors@supertex.in and also update your e-mail addresses as and when there is any change.

**BOARD OF DIRECTORS**

S. S. MISHRA	..	Chairman
M. A. SHARMA	..	Director
G. R. TOSHNIWAL	..	Director
P. R. KAPADIA	..	Director
R. K. MISHRA	..	Managing Director
S. K. MISHRA	..	Director - Finance

COMPANY SECRETARY

S. T. DAFLE

AUDITORS

M. B. AGRAWAL & CO.
Chartered Accountants
N. G. THAKRAR & CO.
Chartered Accountants

SOLICITORS

CRAWFORD BAYLEY & COMPANY
RAJANI ASSOCIATES

BANKERS

BANK OF BARODA

REGISTERED OFFICE

Plot No 45/46, Phase II
Piperia Industrial Estate
Silvassa, D & N H.

HEAD OFFICE

Balkrishna Krupa, 2nd Floor
45/49, Babu Genu Road
Princess Street, Mumbai - 400002

WORKS

- Unit I & II : Plot No 45 & 46
Phase II, Piperia Industrial Estate
Silvassa, Dadra & Nagar Haveli
- Unit III : 213, Kharvel
Behind Kharvel Sub-station
Taluka Dharampur
Dist. Valsad, Gujarat

REGISTRARS AND SHARE TRANSFER AGENTS

SHAREX DYNAMIC (INDIA) PVT. LTD.
Unit No1, Luthra Industrial Premises
Andheri Kurla Road, Safed Phool
Andheri (E), Mumbai 400 072





NOTICE

The Twenty-Seventh Annual General Meeting of members of SUPERTEX INDUSTRIES LTD. will be held on Saturday, the 28th September, 2013 at 10.30 a.m. at the Registered Office of the Company at Plot No. 45-46 Phase II, Piperia Industrial Estate, Silvassa - 394230 (Dadra & Nagar Haveli) to transact the following business :

1. To receive and adopt the Audited Balance Sheet as at 31st March, 2013 and the Statement of Audited Profit & Loss Account for the year ended as on that date along with the Reports of the Auditors and the Directors thereon.
2. To appoint a Director in place of Shri. P.R.Kapadia, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri. S.K. Mishra, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint auditors and fix their remuneration.

By Order of the Board

R.K. Mishra
Managing Director

Mumbai, 16th August, 2013

Registered Office:

Plot No. 45-46, Phase II

Piperia Industrial Estate

Silvassa, Dadra & Nagar Haveli.

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF ON A POLL AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The Register of Members and Share Transfer Books of the Company shall remain closed from Saturday the 21st September, 2013 to Saturday the 28th September, 2013 (both days inclusive).
3. M/s. Sharex Dynamic (India) Pvt. Ltd., Unit – 1, Luthra Indl. Premises, Andheri Kurla Road, Safed Phool, Andheri (East), Mumbai – 400 072 are the Share Transfer Agents of the Company for transfer of shares. You are requested to forward all your share transfer applications or any correspondence relating to the shares of the Company to them directly at the aforesaid address.
4. Members are requested to promptly notify any change in their address to the Share Transfer Agents.
5. Vide SEBI Circular No. SMDRP/POLICY/CIR-23/2000 dated 20th May, 2000, it has been made mandatory for all investors in your Company to settle the trade in demat form with effect from 25th September, 2000.
6. In terms of provision of Section 109A of the Companies Act, 1956, nomination facility is available to individual shareholders. The shareholders who are holding shares in physical form and are desirous of availing this facility may kindly write to the Company's Share Transfer Agent, M/s. Sharex (Dynamic) India Pvt. Ltd., for nomination form quoting their folio number. Shareholders holding shares in dematerialized form should write to their Depository Participant for the purpose.

ADDITIONAL INFORMATION ABOUT DIRECTORS SEEKING RE-APPOINTMENT AT THE TWENTY SEVENTH ANNUAL GENERAL MEETING:

1. Shri Pradip Ramanlal Kapadia, 55, is a B. Com from Mumbai University and a fellow member of the Institute of Chartered Accountants of India. He is a Proprietor of P. R. Kapadia & Associates, Chartered Accountants and has a practice of Sales tax and Company Law matters. He is also involved with the educational committee of the Institute of Chartered Accountants of India. The Board commends his appointment.
2. Shri S. K. Mishra, 46, is a B.Com., from Mumbai University and a Chartered Accountant, and has been working with the Company since 1991, as Executive/Finance. Since then he has worked in various positions and at present looks after the financial accounts and taxation of the Company. He is well versed in corporate finance, taxation and office administration. Looking to his vast experience in various fields, he was promoted as a Whole-time Director - Finance from 1st April, 2008. This task he has been performing appreciably well. He has been reappointed by the Board at its meeting held on 24th March, 2011 for a period of 5 years as Whole-time Director-Finance.

By Order of the Board

R.K. Mishra
Managing Director

Mumbai, 16th August, 2013



DIRECTORS' REPORT

Dear Members,

The Directors are pleased to present herewith the twenty-seventh Annual Report together with the audited statement of accounts of your Company for the year ended 31st March, 2013.

Financial Results

		Year ended 31.03.2013 ₹ in lacs	Year ended 31.03.2012 ₹ in lacs
Turnover	::	7,150.15	5,076.81
Other Income	::	75.34	87.38
Income from Operation / Profit before Interest and Depreciation	::	195.03	247.76
Interest	::	35.79	26.22
Profit before Depreciation	::	159.24	221.54
Depreciation	::	77.06	102.16
Profit Before Tax	::	82.18	119.38
Deferred Tax	::	(53.19)	(10.46)
Profit After Tax	::	28.99	108.92

In order to meet the growing funding requirements of the Company it has been decided to retain profits of the business in the Company, as such your directors have not recommended any dividend for the year under report.

Working

The production improved during the year and was higher by about 14% at 2,476 M.T. as against 2,182 M.T. last year. The turnover was higher by 41% at Rs. 7,150 lacs as against Rs. 5,077 lacs. The Company has continued to manufacture under its agreement for processing speciality yarns for a large reputed spinner. The processing charges were lower by 57% from Rs 146 lacs last year to Rs 63 lacs. The Company has modified and enhanced its capacity to facilitate manufacture of newer products. The export turnover was higher at Rs. 908.23 lacs as against Rs. 123.70 lacs.

The profits declined at Rs. 82 lacs as against Rs 119 lacs in the past year. The Company had upgraded many of its production facilities, improved capacity utilization and used better marketing strategies which improved the overall performance of the Company during the year. The management is working hard to improve the capacity utilization further.

The draw warping and sizing activity remained steady although the margins remained under pressure due to the global scenario which imposed itself over the domestic markets also. The prices remained volatile during the year depending on the prices of the raw material. The Company is expecting to augment its capacity to meet the encouraging demand of domestic as well as the exports market.

Exports

The Company has resumed exports of its products and it has exported about 13 % of the total sales during the year. The current year performance is a marked improvement over the past year and the Company expects to export a much higher percentage of its products to the international market. The products are well received by the market and the management has worked out a medium to long term tie-up for manufacture of the same.

Directors

Shri S. K. Mishra and Shri P. R. Kapadia, Directors of the Company retire by rotation and being eligible offer themselves for re-appointment.

Auditors

The auditors M/s. M.B. Agrawal & Co., and M/s. N.G. Thakrar & Co., retire at the conclusion of the ensuing Annual General Meeting. They have furnished certificates of their eligibility for re-appointment.


ANNEXURE TO THE DIRECTORS REPORT
Section 217(1)(e) of the Companies Act, 1956.

As required under 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, the relevant information is given below :

A) Conservation of energy

The Company is engaged in the process of energy conservation continuously through improved operational and maintenance practices.

a) Energy conservation measures taken:

- i) Optimisation of air compressors for low pressure applications.
- ii) Limiting the use of air-conditioning in the plants to need based minimum.
- iii) The Company ensures minimal power consumption at its plant by constantly maintaining the power factor within the specified limits. The power factor has been improved by installing necessary capacitors, thereby reducing energy losses.

b) Additional Investment and proposals, if any, being implemented for conservation of Energy :

- i) Further optimization of air compressors for low pressure applications.

c) Impact of measures at a) and b) above for reduction of energy consumption and on the cost of production of goods:

The above measures have resulted in reduction in consumption of electricity with consequent reduction in the cost of production.

AS PER FORM – “A”
A) Power and Fuel Consumption

Power Consumption	31.03.2013	31.03.2012
Purchased Units (Kwh)	19,83,546	22,49,136
Amount (Rs.)	1,17,17,067	1,22,10,657
Rate / Unit (Rs./p.)	5.90	5.43

FORM – “B”
B) Technology Absorption
a) Research and Development (R & D)
i) Specific areas in which R & D is carried out by the Company:

- 1) Development and indigenization of spares through local vendors.
- 2) Productivity enhancement of existing machines.
- 3) Development of new products.

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

- 1) Reduction in operating and maintenance cost.
- 2) Reducing machine downtime.
- 3) Improvement in quality, customer satisfaction and enlargement of market base.

iii) Future Plan of Action :

Further productivity enhancement of all machines and indigenization of spare parts.

iv) Expenditure on R & D : Nil
b) Technology Absorption, Adaptation and Innovation
i) Efforts in brief, made towards technology absorption, adaptation and innovation

Adoption of suitable technology for various processes including speciality yarn.

**ii) Benefits derived as a result of above efforts:**

- 1) New product development.
- 2) Improved quality of products.

iii) Future Plan of Action :

Continue to better the technology adopted.

iv) Information regarding imported technology :

(Imported during the last 5 years from the beginning of the financial year) : Nil

C) Foreign Exchange Earnings and Outgo

Foreign Exchange Earnings – Rs. 9,08,23,499 (Previous Year – Rs. 1,23,70,113)

Foreign Exchange Outgo – Rs. 61,32,887 (Previous Year – Rs. 10,84,453)

For and on behalf of the Board,

S.S. Mishra
Chairman

Mumbai, 31st May, 2013



MANAGEMENT DISCUSSION AND ANALYSIS

Overall Review

Indian economy grew by approximately 5% in FY 2013, reflecting lower than expected growth in both industry and service sectors. Inflation also was at elevated levels. However with commodity and crude oil prices on the decline from the peak and with various policy initiatives coming through, the economy is estimated to grow by around 6% in FY 2014 with lower inflation. India emerged as the fast growing export economy followed by US and China.

With the economy exhibiting inflationary tendencies, the Reserve Bank of India (RBI) started raising policy rates in March 2010. High rates as well as policy constraints adversely impacted investment, and in the subsequent two years viz. 2011-12 and 2012-13, the growth rate slowed to 6.2 per cent and 5.0 per cent respectively. Nevertheless, despite this slowdown, the compound annual growth rate (CAGR) for gross domestic product (GDP) at factor cost, over the decade ending 2012-13 is 7.9 per cent.

Textile Industry Scenario

Indian textiles industry is one of the leading sectors of Indian economy and contributes significantly to the country's industrial output (14%), employment generation (35 million in direct and another 20 million, in indirect employment) and export earnings (17%). It contributes 4% to India's GDP.

Across the globe the textile industry had a depressed demand due to volatile economic conditions in the developed markets and geo-political distributions in Africa and middle east regions. The consumption in Asia, however, increased. The growth in Global Polyester fibre and yarn capacity was 10% with Asia leading the world with a major share of China. The prices during the year declined by 10 to 12% as compared to last year as buyers were cautious and cut down stock levels to control costs. Margins were put to strain due to the overcapacity created by the same.

Corporate Review

During the year under review, the Company proactively reviewed the emerging adverse market scenario and tried to maintain its profitability by increasing its exports of yarns as the domestic demand was depressed. Despite the challenging business environment, the Company has safeguarded its profitability.

Opportunities

Textile industry is one of the largest employers in India and has strong linkages with the rural economy. The growing young middle-class population is a source of great potential and provides immense opportunities to spur growth in the industry going forward. Moreover the low base per capita consumption of polyester as compared to developed nations assures long term growth of the industry.

The government has favoured the industry as Technology Upgradation Fund Scheme (TUFS) for textile sector was extended to 12th Plan with an investment target of Rs. 1510 billion.

Greater investment and FDI opportunities are available to the textile industry. The State governments have also come out with their incentive schemes for textile sector.

Threats

The major challenge that the textile and apparel industry is facing is increasing cost of production arising out of rising wages, high power and interest costs.

High power costs and long export lead times are eroding India's export competitiveness across the textile chain.

Domestic manufacturers are facing stiff competition from other countries like China, Indonesia, Thailand & Pakistan.

FTAs signed by the Government of India with ASEAN member countries granting import duty concessions posed serious threat to the Synthetic Fibre industry.

Risk Management

The Company is exposed to risks from market fluctuations of foreign exchange and raw material prices. Safety, health and environmental risks are controlled by formulating a clear policy on environmental conservation, safety and health. The management minimizes the other uncertainties by monitoring the same vigilantly on a day-to-day basis and taking proactive action immediately.

Internal Control System

The necessary internal control system has been set up in the organization in consultation with the Auditors of the Company. It appears to be adequate considering the size of the operations. The systems are being constantly upgraded as the operations of the Company improve.

**Human Relations, Industrial Relations, etc.**

There were cordial industrial relations during the year. The management feels that the same situation would continue during the coming year also.

Forward Looking Statements

Certain statements in this report on "Management Discussions and Analysis" may be forward looking statements within the meaning of applicable securities laws and regulations. There are several factors, which would be beyond the control of the management, and as such, actual results could differ materially from those expressed or implied.



REPORT ON CORPORATE GOVERNANCE

The Company has been following the SEBI Guidelines pertaining to Corporate Governance. The Report on the Corporate Governance for the year is as follows:

Board of Directors

The Board of Directors consists of six members as on the date of this report, comprising three independent non-executive Directors, one non-executive Director and two executive Directors. None of the directors is a director of any other listed Company.

The Board meets at least once in a quarter, inter-alia to review the quarterly performance and to take on record the financial results. During the year the Board held five meetings. A detailed agenda is sent to each director in advance of each Board meeting. In order to enable the Board to discharge its responsibilities effectively the members of the Board are briefed at every Board Meeting.

The dates of the meeting and attendance are as follows:

Date of Meeting	No. of Members present
31.05.2012	6
31.07.2012	6
27.08.2012	6
31.10.2012	5
31.01.2013	6

The details of the Directors and the Board meetings attended by them are given below :

	Name of Director	Status	Board Meetings attended	Whether attended last AGM
1	Shri S. S. Mishra	Chairman & Non-executive Director	5	Yes
2	Shri R. K. Mishra	Managing Director	5	Yes
3	Shri S. K. Mishra	Whole-time Director - Finance	5	Yes
4	Shri P. R. Kapadia	Non-Executive and Independent	5	No
5	Shri M. A. Sharma	Non-Executive and Independent	4	No
6	Shri Ganesh Toshniwal	Non-Executive and Independent	5	No

The number of other Companies in which the directors are directors or committee members or Chairperson of the committee formed by the Board are all within the limits as prescribed under the law / agreement with Stock Exchange.

The Non-Executive Directors of the Company are paid sitting fees for attending the Board and/or Committee meetings at the rate of ₹1,500/- per meeting attended plus their to and fro conveyance expenses.

Audit Committee

The Audit Committee constituted by the Board has four members as on 31st March, 2013 and has been functioning well and discharging its duties as required by Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement with the Stock Exchange.



The Audit Committee comprises of the following Directors :

	Name of Director	Status
1	Shri Ganesh Toshniwal	Chairman – Non Executive & Independent
2	Shri M. A. Sharma	Member – Non Executive & Independent
3	Shri P. R. Kapadia	Member – Non Executive & Independent
4	Shri S. S. Mishra	Member – Non Executive

All members are financially literate and two are Chartered Accountants by profession.

The Committee held four meetings during the year and attendance was as follows:

Date of Meeting	No. of Members present
31.05.2012	4
31.07.2012	4
31.10.2012	3
31.01.2013	4

Besides, the committee members, the Managing Director and the Director - Finance, have also been attending the meetings but have no right to vote. The representatives of the statutory auditors have also been attending the audit committee meetings as and when required.

Remuneration Committee

The Remuneration Committee comprises of following four Directors:

	Name of Director	Status
1	Shri S. S. Mishra	Chairman – Non Executive
2	Shri Ganesh Toshniwal	Member – Non Executive & Independent
3	Shri P. R. Kapadia	Member – Non Executive & Independent
4	Shri M. A. Sharma	Member – Non Executive & Independent

There was no meeting of the remuneration committee held during the year.

Details of the remuneration of directors for 2012-13 are as follows :

(Amount in Rupees)

	Name of Director	Salary	Perquisites	Contribution to PF	Sitting Fees	Total	Service Contract
1	Shri S. S. Mishra	-	-	-	15,000	15,000	Non Executive
2	Shri R. K. Mishra	10,66,678	4,42,532	1,18,162	NIL	16,27,372	5 years
3	Shri S. K. Mishra	8,19,000	3,67,821	90,720	NIL	12,77,541	5 years
4	Shri Ganesh Toshniwal	-	-	-	15,000	15,000	Non Executive
5	Shri M. A. Sharma	-	-	-	12,000	12,000	Non Executive
6	Shri P. R. Kapadia	-	-	-	13,500	13,500	Non Executive
	TOTAL	18,85,678	8,10,353	2,08,882	55,500	29,60,413	

Share Transfers & Shareholders' Grievance Committee

The Board has appointed a committee to look into the shareholders' grievance and to approve the share transfer and



General shareholder information

M/s. Sharex Dynamic (India) Pvt Ltd., Unit-I, Luthra Industrial Premises, Andheri Kurla Road, Safed Phool, Mumbai-400 072, are the Registrars and Share Transfer Agents of the Company. All the applications for transfer / transmission / consolidation etc., are received, verified and passed by them and then transferred to the Company for final approval by the Share Transfer Committee.

Distribution Schedule of shareholding as at the close of the year 2012-13 :-

Equity Shares	Number of Holders	(%) of Holders	Total Shares	% of Total
Upto 5000	13,292	98.38	31,99,296	28.21
5001 To 10000	109	0.81	8,06,906	7.11
10001 To 20000	55	0.41	8,27,212	7.29
20001 To 30000	15	0.11	3,73,123	3.29
30001 To 40000	4	0.03	1,51,344	1.33
40001 To 50000	8	0.06	3,52,699	3.11
50001 To 100000	12	0.09	7,57,547	6.68
100001 And Above	16	0.12	48,73,193	42.97
Total	13,511	100.00	1,13,41,320	100.00

Shareholding pattern as on 31st March, 2013

	Category	No. of Shares Held	% of Share-Holding
A.	Promoter(s) Holding		
1	Promoter(s)		
	- Indian Promoters	16,92,285	14.921
	- Foreign Promoters	-	-
	Sub-Total	16,92,285	14.921
B.	Non-Promoters Holding		
2	Institutional Investors		
a	Mutual Funds & UTI	360	0.003
b	Banks, FIs, Insurance Company (Central / State Govt. Inst. / Non-govt. Inst.)	880	0.008
c	FII(s)	20	-
	Sub-Total	1,260	0.011
3.	Others		
a	Private Corporate Bodies	11,62,940	10.254
b	Indian Public	82,05,566	72.351
c	NRI / OCBs	43,188	0.381
d	Any-Other (Foreign Companies)	-	-
e	Clearing Members	2,36,081	2.082
	Sub-Total	96,47,775	85.080
	Grand-Total	1,13,41,320	100.000



Monthly high and low prices of equity shares of the Company at Bombay Stock Exchange during the year 2012-13 :

Month	High Price (₹)	Low Price (₹)
April 2012	5.49	4.06
May 2012	6.79	4.80
June 2012	6.28	4.90
July 2012	6.90	4.28
August 2012	4.84	4.07
September 2012	4.44	3.70
October 2012	4.45	3.48
November 2012	3.84	3.02
December 2012	3.53	2.97
January 2013	3.98	2.96
February 2013	3.88	2.66
March 2013	3.38	2.24

Stock Code	526133
ISIN allotted to Equity shares (₹ 10/- Face Value)	INE881B01054

Listing

The Company's shares are listed at The Bombay Stock Exchange, Mumbai

Dematerialisation position of Company's Equity shares

Out of the total, 98.76% shares of the Company have been dematerialised till 31st March, 2013 leaving a balance of 1.24% in physical form.

Report on Corporate Governance

The Quarterly Compliance Report has been submitted to the Bombay Stock Exchange in the requisite format duly signed by Compliance Officer / Authorized Officer.

DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT

The Company has framed a specific code of conduct for members of the Board of Directors and senior members of its staff. All the members of the Board and senior management personnel of the Company have affirmed the observance of the said code of conduct during the year ended March 31, 2013.

For and on behalf of the Board,

S S Mishra
Chairman

Place : Mumbai
Dated : 31st May, 2013

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE****To The Members of
Supertex Industries Limited**

1. We have reviewed the implementation of Corporate Governance procedures by SUPERTEX INDUSTRIES LIMITED during the year ended 31st March, 2013, with the relevant records and documents maintained by the Company, furnished to us for our review and the report on Corporate Governance as approved by the Board of Directors.
2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
3. On the basis of our review and according to the information and explanations given to us, the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges have been complied with in all material respects by the Company.
4. We state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Shareholders' Grievance Committee.

For N.G.THAKRAR & CO
Firm Regn.No.110907W
CHARTERED ACCOUNTANTS

N.G. Thakrar
Proprietor
Membership No. 36213

Place : Mumbai
Dated : 29th May, 2013

For M.B.AGRAWAL & CO.
Firm Regn.No.100137W
CHARTERED ACCOUNTANTS

Sanjay Lunkad
Partner
Membership No. 48229

Place : Mumbai
Dated : 29th May, 2013

**INDEPENDENT AUDITORS' REPORT****TO THE MEMBERS OF
SUPERTEX INDUSTRIES LIMITED.****Report on the Financial Statements**

1. We have audited the accompanying financial statements of **SUPERTEX INDUSTRIES LIMITED** which comprise the Balance Sheet as at 31st March, 2013, 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

2. The 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 referred to in Section 211(3C) of the Companies Act, 1956. 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 mis-statement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

4. 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 judgement, 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 auditors consider internal control 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. 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.

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

Opinion

6. 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 Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- (b) in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
- (c) 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

7. As required by the Companies(Auditor's Report) Order, 2003, as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, of India (the 'Act'), we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

8. **We draw attention to note no.31(II)ii regarding non provision for Minimum Alternate Tax (MAT) under the Income tax Act, 1961 as the Company has obtained a legal opinion for non provision of the same.**

9. As required by Section 227(3) of the Act, we further report that :

- (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by the 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 dealt with by this report comply with the Accounting Standards referred to in sub section (3C) of Section 211 of the Companies Act, 1956;
- (e) On the basis of written representations received from the Directors, as on 31st March, 2013 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2013 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;

For N.G.THAKRAR & CO
Firm Regn.No.110907W
CHARTERED ACCOUNTANTS

N.G. Thakrar
Proprietor
Membership No. 36213

Place : Mumbai
Dated : 29th May, 2013

For M. B. AGRAWAL & CO.
Firm Regn.No.100137W
CHARTERED ACCOUNTANTS

Sanjay Lunkad
Partner
Membership No. 48229

Place : Mumbai
Dated : 29th May, 2013

**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**

The Annexure referred to in our report to the members of Supertex Industries Ltd. for the year ended 31st March, 2013. We report that:

1. **In respect of fixed assets:**
 - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) As explained to us, all the assets have been physically verified by the management during the year as per a regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c) In our opinion, the Company has not disposed off a substantial part of its fixed assets during the year and the going concern status of the Company is not affected.
2. **In respect of inventories:**
 - (a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - (b) In our opinion and according to the information and explanations given to us, the procedures for physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) The Company has maintained proper records of inventories. As explained to us, there was no material discrepancy noticed on physical verification of inventories as compared to the book records.
3. **In respect of loans:**
 - (a) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
 - (b) The Company has taken unsecured loans from 16 parties covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs 181.67 lacs and the year-end balance of such loan was Rs 101.91 lacs. The amount was not due for repayment during the year.
 - (c) In our opinion, the rate of interest and other terms and conditions on which loan has been taken from the parties listed in the register maintained under Section 301 of the Companies Act, 1956 are not prima facie prejudicial to the interest of the Company.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any major weaknesses in internal controls.
5. **In respect of the contracts or arrangements referred to in section 301 of the Companies Act, 1956:**
 - (a) To the best of our knowledge and belief and according to the information and explanation given to us, we are of the opinion that the transactions that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
 - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees five lacs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public under sections 58A and 58AA of the Companies Act, 1956, and the Companies (Acceptance of Deposits) Rules, 1975.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business. However, the same needs to be further strengthened.
8. We have broadly reviewed 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, for the products of the Company, and are of the opinion that prima- facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.
9. In respect of statutory dues:
 - (a) According to the information and explanations given to us and the records of the Company examined by us, in our



opinion the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Custom duty, Excise duty, cess and any other material statutory dues applicable to it.

- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, service tax, customs duty, excise duty and cess were in arrears, as at March 31, 2013 for a period of more than six months from the date they became payable, except tax deducted at source Rs 2.52 lacs. The disputed statutory dues aggregating to Rs 792.11 lacs, that have not been deposited on account of matter pending before appropriate authorities are as under :-

Name of Statute	Nature of Dues	Amount (₹ lacs)	Period to which amount relates	Forum where dispute is pending
Central Excise Act	Excise Duty	792.11	4/7/1995 to 22/10/1996	High Court
Total		792.11		

10. The Company does not have any accumulated losses at the end of the financial year in excess of fifty percent of its net worth. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
11. According to the records of the Company examined by us and on the basis of information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
12. As explained to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or any other securities.
13. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
14. In our opinion and according to the information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
15. According to the information and explanations given to us, and the representations made by the management, the Company has not given any guarantee for loans taken by others from any bank or financial institution.
16. The Company has not raised any term loans during the year.
17. In our opinion and according to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long term investment.
18. The Company has not made any preferential allotment of share warrants to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
19. In our opinion and according to the information and explanations given to us, the Company has not issued any secured debentures during the period covered by our report. Accordingly, the provisions of clause 4(xix) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
20. The Company has not raised any money by way of public issue, during the year.
21. According to the information and explanations given to us, and to the best of our knowledge and belief, no fraud on or by the Company, has been noticed or reported by the Company during the year.

For N.G.THAKRAR & CO
Firm Regn.No.110907W
CHARTERED ACCOUNTANTS

N.G. Thakrar
Proprietor
Membership No. 36213

Place : Mumbai
 Dated : 29th May, 2013

For M. B. AGRAWAL & CO.
Firm Regn.No.100137W
CHARTERED ACCOUNTANTS

Sanjay Lunkad
Partner
Membership No. 48229

Place : Mumbai
 Dated : 29th May, 2013



BALANCE SHEET AS AT 31ST MARCH, 2013

	Notes	As At 31st March, 2013 Rupees	As At 31st March, 2012 Rupees
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1	11,34,13,200	11,34,13,200
Reserves and Surplus	2	15,20,70,649	9,60,71,736
Money received against Share Warrants	3	-	5,31,00,000
		26,54,83,849	26,25,84,936
Non-Current Liabilities			
Long term Borrowings	4	3,30,441	7,35,906
Current Liabilities			
Short Term Borrowings	5	2,10,73,297	1,47,64,216
Trade Payables	6	20,23,23,866	11,32,52,012
Other Current Liabilities	7	3,14,28,289	5,81,00,303
Short Term Provisions	8	19,73,626	19,73,626
		25,67,99,078	18,80,90,157
Total		52,26,13,368	45,14,10,999
ASSETS			
Non-Current Assets			
Fixed Assets - Tangible Assets	9	4,84,92,472	5,54,13,732
- Capital Work-in-Progress	9	1,04,96,890	1,02,85,077
Investments	10	12,50,843	-
Deferred Tax Assets (net)	11	5,55,64,396	6,08,83,733
Long Term Loans and Advances	12	79,52,463	78,22,173
		12,37,57,064	13,44,04,715
Current Assets			
Inventories	13	2,24,22,162	1,47,59,331
Trade Receivables	14	24,13,02,926	15,32,33,492
Cash and cash equivalents	15	46,37,192	15,32,769
Short Term Loans and Advances	16	12,62,04,925	14,53,17,840
Other Current Assets	17	42,89,099	21,62,852
		39,88,56,304	31,70,06,284
Total		52,26,13,368	45,14,10,999
Notes on Financial Statements	1 to 33		

As per our attached report of even date

For N G Thakrar & Co.
Firm Regn. No.110907W
Chartered Accountants

For M. B. Agrawal & Co.
Firm Regn. No.100137W
Chartered Accountants

For and on behalf of the Board,

R K Mishra - Managing Director
S K Mishra - Director Finance
S T Dafle - Company Secretary

N. G. Thakrar
Proprietor
Membership No. 36213
Mumbai : 29th May, 2013

Sanjay Lunkad
Partner
Membership No. 48229
Mumbai : 29th May, 2013

Mumbai : 29th May, 2013



CASH FLOW STATEMENT FOR THE YEAR 2012-13

	Rupees	Year 2012-13 Rupees	Rupees	Year 2011-12 Rupees
A CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax		82,18,250		1,19,38,106
Adjusted for :				
Profit on Sale of fixed asset	-		(8,12,013)	
Depreciation	77,06,098		1,02,15,716	
Finance Costs	35,79,039		26,22,191	
		<u>1,12,85,137</u>		<u>1,20,25,894</u>
Operating Profit before Working Capital Changes		1,95,03,387		2,39,64,000
Adjusted for :				
Trade and Other Receivables	(7,12,13,056)		1,52,77,849	
Inventories	(76,62,831)		43,76,621	
Trade and Other Payables	6,23,99,840		(3,02,10,655)	
		<u>(1,64,76,047)</u>		<u>(1,05,56,185)</u>
Cash Generated from Operations		30,27,340		1,34,07,815
Less : Taxes Paid		-		-
Net Cash from Operating Activities		<u>30,27,340</u>		<u>1,34,07,815</u>
B CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets	(7,86,215)		(1,50,64,659)	
Capital Work-in-Progress	(2,11,814)		(21,12,256)	
Purchase of Investments	(12,50,843)		-	
Reversal of excess write-off in Buildings	1,377		11,74,284	
Net Cash used in Investing Activities		<u>(22,47,495)</u>		<u>(1,60,02,631)</u>
		7,79,845		(25,94,816)
C CASH FLOW FROM FINANCING ACTIVITIES				
Long Term Borrowings	(4,05,465)		5,96,880	
Short Term Borrowings (net)	63,09,081		30,34,353	
Finance Cost	(35,79,039)		(26,22,191)	
Net Cash generated in Financing Activities		<u>23,24,577</u>		<u>10,09,042</u>
Net Increase in Cash and Cash Equivalents		31,04,422		(15,85,774)
Opening Balance of Cash and Cash Equivalents		15,32,769		31,18,543
Closing Balance of Cash and Cash Equivalents		46,37,192		15,32,769
Notes on Financial Statements	1 to 33			

As per our attached report of even date

For N G Thakrar & Co.
Firm Regn. No.110907W
Chartered Accountants

For M. B. Agrawal & Co.
Firm Regn. No.100137W
Chartered Accountants

For and on behalf of the Board,

R K Mishra - Managing Director
S K Mishra - Director Finance
S T Dafle - Company Secretary

N. G. Thakrar
Proprietor
Membership No. 36213
Mumbai : 29th May, 2013

Sanjay Lunkad
Partner
Membership No. 48229
Mumbai : 29th May, 2013

Mumbai : 29th May, 2013



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

1. Corporate Information :

The Company was formed in 1986 and manufactures draw warped and sized yarn beams of polyester and nylon. It also manufactures textured and twisted yarns of polyester and nylon. The Company also exports these yarns and trades in textile fabrics.

2. Significant Accounting Policies :

- (a) **Basis of Preparation of Financial Statements** : The financial statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles, the Accounting Standards and the relevant 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 balances of assets and liabilities as at the date of the financial statements and the reported amounts of income and expenses during the year. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable.
- (c) **Revenue Recognition** : Sales are recognized on despatch to customers and are net of returns, discounts and sales tax. Other Income and Expenditure are recognized and accounted on accrual basis.
- (d) **Borrowing Costs** : directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of the assets, upto the date the asset is ready for their intended use. All other borrowing costs are recognised in the Statement of Profit and Loss in the year in which they are incurred.
- (e) **Inventories** : Raw material is valued at weighted average cost, stock in process at manufacturing cost based on weighted average cost of raw material and overhead upto relevant stage of completion, stores and spares at cost and finished goods at lower of cost of production and net realisable value. Purchased finished goods are valued at cost and by-products and waste are valued at net realisable value.
- (f) **Fixed Assets** : Fixed Assets are stated at cost, less accumulated depreciation. Costs include all expenses incurred to bring the assets to its present location and condition. Exchange differences on translation of foreign currency loans obtained to purchase fixed assets are included in the cost of such assets.
- (g) **Leased Assets : Finance Leases** - The lower of the fair value of the assets and present value of minimum lease rentals is capitalised as fixed assets with corresponding amount shown as lease liability. The principal component in the lease rental is adjusted against the lease liability and the interest component is charged to the Profit and Loss account. **Operating Leases** - Rentals are expensed with reference to lease terms and other considerations.
- (h) **Depreciation** : Depreciation of fixed assets is being provided on Straight Line Method at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956.
- (i) **Investments** : that are readily realisable and are intended to be held for not more than one year from the date on which such investments are made are classified as current investments. All the other investments are classified as long-term investments. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.
- (j) **Accounting for taxes** : Provision for tax is made and retained in the accounts considering the taxable income for the relevant years, assessment orders and decisions of appellate authorities in the Company's case. Deferred tax is recognized on timing differences, being the difference between taxable income and accounting income, that originate in one period and are capable of reversal in one or more subsequent periods.
- (k) **Foreign currency transactions** : (if any) are entered as per the exchange rate prevailing on the date of transaction, Foreign currency assets, and liabilities covered by forward contracts, (if any), are stated at the forward contract rates ruling at the year end. Other exchange differences are dealt with in the Profit and Loss Account.
- (l) **Earnings per Share** : Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares as above and also the weighted average number of equity shares upon conversion of all dilutive potential equity shares.
- (m) **Employees benefits** : (i) Short term employee benefits are recognized as an expense at the undiscounted amount in the Profit and loss account of the year in which the related service is rendered. These benefits include compensated absences such as paid annual leave and performance incentives. (ii) Post employment and other long term employee benefits are recognized as an expense in the Profit and Loss account 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 are recognized in full in the Profit and Loss account for the period in which they occur. Liability in respect of gratuity to employees is covered under the group gratuity scheme with the Life Insurance Corporation of India and premium paid is debited to the Profit and Loss Account.

- (n) **Impairment of Assets** : An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in a prior accounting period is reversed if there has been a change in the estimate of the recoverable amount.
- (o) **Provisions, Contingent Liabilities and Contingent Assets** : Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.
- (p) **Segment Reporting** : The Company deals in only one segment i.e. "Textiles". However, as per Accounting Standard (AS)17 on Segment Reporting the Company has identified and reported "Domestic" and "International" as primary business segments.



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

	As at 31st March, 2013 Rupees	As at 31st March, 2012 Rupees
1 SHARE CAPITAL		
Authorised :		
5,00,00,000 Equity Shares of ₹ 10/- each (5,00,00,000 Equity Shares of ₹ 10/- each)	<u>50,00,00,000</u>	<u>50,00,00,000</u>
Issued, Subscribed and Fully Paid up :		
1,13,41,320 Equity Shares of ₹ 10/- each (1,13,41,320 Equity Shares of ₹ 10/- each)	11,34,13,200	11,34,13,200
Total	<u>11,34,13,200</u>	<u>11,34,13,200</u>

1.1 15,00,000 Shares of ₹ 10/- each out of the Issued, Subscribed and Paid-up Share Capital were allotted in the last five years pursuant to exercise of warrants.

1.2 The details of Shareholders holding more than 5% shares :

Name	31st March, 2013		31st March, 2012	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Ramesh Kumar Mishra	7,61,225	6.71	7,61,185	6.71
Super Infincon Pvt. Ltd.	5,53,974	4.89	5,92,584	5.23
Amrit L Gandhi	9,99,999	8.82	4,13,226	3.64

	As at 31st March, 2013 Rupees	As at 31st March, 2012 Rupees
2 RESERVES AND SURPLUS		
Securities Premium Account		
As per last Balance Sheet	3,48,66,000	3,48,66,000
Capital Reserve		
As per last Balance Sheet	9,21,85,310	9,21,85,310
Add: Money received against Share warrants	<u>5,31,00,000</u>	<u>-</u>
	14,52,85,310	9,21,85,310
Profit and Loss Account		
As per last Balance Sheet (Debit)	(3,09,79,574)	(4,18,71,262)
Add : Transfer from Statement of Profit and Loss	<u>28,98,913</u>	<u>1,08,91,688</u>
	<u>(2,80,80,661)</u>	<u>(3,09,79,574)</u>
Total	<u>15,20,70,649</u>	<u>9,60,71,736</u>
3 Money received against Share Warrants	<u>-</u>	<u>5,31,00,000</u>

3.1 The Share warrants convertible into equity shares within 18 months from 23/11/2010 got lapsed due to non-exercise of right by the allottees by 23/05/2012. The application money received thereon ₹ 531.00 lacs has been transferred to Capital Reserve.



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

	As at 31st March, 2013 Rupees		As at 31st March, 2012 Rupees	
4 Long term Borrowings				
Secured				
Long Term maturities of Finance Lease Obligations Loans for Auto Finance		3,30,441		7,35,906
Total		<u><u>3,30,441</u></u>		<u><u>7,35,906</u></u>
4.1 Finance lease obligations are secured against leased Assets.				
5 Short term Borrowings				
Secured				
Working Capital Loan -From Bank				
Overdraft facility from Bank of Baroda		46,49,251		41,74,386
Unsecured				
Loans and advances from Related parties	1,01,91,032		84,77,804	
Loans (Intercompany)	62,33,014	1,64,24,046	21,12,026	1,05,89,830
Total		<u><u>2,10,73,297</u></u>		<u><u>1,47,64,216</u></u>
5.1 Working Capital loan from Bank of Baroda is secured by equitable mortgage of Plot No. 46, Phase II, Piperia Indl. Estate, Silvassa, and personal guarantee of some of the Directors.				
6 Trade Payables				
Micro, Small and Medium Enterprises		-		-
Others		20,23,23,866		11,32,52,012
Total		<u><u>20,23,23,866</u></u>		<u><u>11,32,52,012</u></u>
6.1 The Company has not received any declarations from its suppliers regarding registration under "The Micro, Small and Medium Enterprises Development Act, 2006". Hence the information required to be given in accordance with Section 22 of the said Act is not ascertainable and therefore not given.				
7 Other Current Liabilities				
Current maturities of Finance Lease Obligations Loans for Auto Finance		4,05,465		5,06,062
Creditors for Capital Expenditure		2,32,415		1,14,56,517
Other Payables*		3,07,90,409		4,61,37,724
Total		<u><u>3,14,28,289</u></u>		<u><u>5,81,00,303</u></u>
7.1 *includes Statutory dues and advances received from customers				
8 Short Term Provisions				
Provision for Gratuity		19,73,626		19,73,626
Total		<u><u>19,73,626</u></u>		<u><u>19,73,626</u></u>



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

9. FIXED ASSETS

Sr. No.	Description	Amount in Rupees									
		Gross Block As At 01.04.2012	Additions/ Adj. during the Year	Deduction/ Adj. during the Year	Gross Block As At 31.03.2013	Depreciation upto 31.03.2012	Adjustments	Depreciation for the Year	Total Depreciation	Net Block As At 31.03.2013	Net Block As At 31.03.2012
1 a.	Leasehold Land	3,49,753	-	-	3,49,753	-	-	-	-	3,49,753	3,49,753
b.	Freehold Land	28,57,462	-	-	28,57,462	-	-	-	-	28,57,462	28,57,462
2	Buildings	3,05,21,543	38,750	-	3,05,60,293	1,79,45,754	-	9,89,362	1,89,35,116	1,16,25,177	1,25,75,789
3	Plant and Machinery	15,39,24,003	3,65,950	-	15,42,89,953	12,01,93,717	-	58,31,618	12,60,25,335	2,82,64,618	3,37,30,286
4	Electrical Installation	1,72,67,304	-	-	1,72,67,304	1,60,25,756	-	2,84,268	1,63,10,024	9,57,280	12,41,548
5	Tools, Gadgets and Equipment \$	85,98,853	2,97,591	1,26,876	87,69,568	67,89,516	(1,25,498)	2,38,484	69,02,502	18,67,066	18,09,337
6	Furniture and Fixtures	25,16,863	-	-	25,16,863	23,04,740	-	22,625	23,27,365	1,89,498	2,12,123
7	Vehicles	48,46,472	83,924	9,24,081	40,06,315	22,09,038	(9,24,082)	3,39,741	16,24,697	23,81,618	26,37,434
	Total	22,08,82,253	7,86,215	10,50,957	22,06,17,511	16,54,68,521	(10,49,580)	77,06,098	17,21,25,039	4,84,92,472	5,54,13,732
	Previous Year	20,58,17,594	1,50,64,659	-	22,08,82,253	15,48,90,534	3,62,271	1,02,15,716	16,54,68,521	5,54,13,732	
8	Capital Work in Progress									1,04,96,890	
	Total									5,89,89,362	



- 9.1 Buildings include cost of 30 shares of ₹ 50/- each in Balkrishna Krupa Co-operative Hsg. Soc. Ltd.
 9.2 \$ includes Office Equipments
 9.3 In respect of Fixed Assets acquired on finance lease on or after 1st April, 2001, the minimum lease rentals outstanding as on 31st March, 2013 are as follows :

	Total Minimum Lease Payments outstanding		Future Interest on Outstanding Lease Payments	
	31st March, 2013	31st March, 2012	31st March, 2013	31st March, 2012
Within one year	4,05,465	5,06,062	93,763	99,848
Later than one year and not later than five years	3,30,441	7,35,906	55,334	85,627
Later than five years	-	-	-	-
Total	7,35,906	12,41,968	1,49,097	1,85,475

- 9.3.1 General description of Lease terms:
 (a) Lease rentals are charged on the basis of agreed terms
 (b) Assets are taken on lease over a period of 3 to 5 years



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

	As at 31st March, 2013 Rupees		As at 31st March, 2012 Rupees	
10 Non Current Investments				
Other Investments (At Cost) (Unquoted-NAV based)				
Units of SBI Life Smart Elite Plan :				
31,515 Equity Elite Fund II - 30%	3,75,255		-	
18,460 Bond Fund - 30%	3,75,255		-	
23,639 Balance Fund - 40%	5,00,333	12,50,843	-	-
Total		12,50,843		-
11 Deferred Tax Assets (net)				
Deferred Tax Assets				
Unabsorbed Depreciation		2,93,85,891		3,43,47,496
Accumulated Business Losses		2,45,89,670		2,41,21,295
Difference in Books and Tax Depreciation		8,25,456		16,89,008
Disallowance u/s 43B of Income Tax Act, 1961		8,59,514		7,25,934
Total		5,56,60,531		6,08,83,733
Less : Deferred Tax Liability				
Allowable u/s 43B of Income Tax Act, 1961		96,135		-
Deferred Tax Asset (net)		5,55,64,396		6,08,83,733
12 Long Term Loans and Advances				
Security Deposits		20,50,868		18,90,148
Other Loans and Advances		59,01,595		59,32,025
Total		79,52,463		78,22,173
13 Inventories				
Stores and Spares		74,99,237		71,89,087
Raw Materials		67,61,280		24,67,899
Stock-in-Process		17,76,961		13,57,749
Finished Goods		63,84,684		37,44,596
Total		2,24,22,162		1,47,59,331
14 Trade Receivables (Unsecured)				
Over Six Months				
- Considered Good		2,39,19,918		2,42,09,434
- Considered Doubtful	39,93,269		39,93,269	
Less : Provision for doubtful debts	(39,93,269)	-	(39,93,269)	-
Others		21,73,83,008		12,90,24,058
Total		24,13,02,926		15,32,33,492
15 Cash and cash equivalents				
Balances with Banks		35,49,212		(6,87,165)
Cash on Hand		10,87,980		22,19,934
Total		46,37,192		15,32,769



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

	As at 31st March, 2013 Rupees	As at 31st March, 2012 Rupees
16 Short Term Loans and Advances		
Tax Deducted at Source	22,52,925	15,88,419
Others	12,39,52,000	14,37,29,421
Total	<u>12,62,04,925</u>	<u>14,53,17,840</u>
17 Other Current Assets		
Export Incentives Receivable	42,89,099	21,62,852
Total	<u>42,89,099</u>	<u>21,62,852</u>
18 Revenue from Operations		
Sale of Products	69,81,51,066	49,18,93,625
Processing Charges	63,42,594	1,45,92,751
Export Incentives	1,05,21,580	11,95,083
Total	<u>71,50,15,240</u>	<u>50,76,81,459</u>
18.1 Particulars of Sale of Products :		
Textured and Twisted yarn	9,68,09,556	1,43,34,443
Draw Warped and Sized Yarn	20,83,59,354	23,51,85,853
Traded Fabrics	39,13,27,727	24,23,73,329
Traded Yarn	16,54,429	-
Total	<u>69,81,51,066</u>	<u>49,18,93,625</u>
19 Other Income		
Interest	74,14,467	78,81,048
Other non operating income	1,19,324	8,56,865
Total	<u>75,33,791</u>	<u>87,37,913</u>
20 Cost of Materials Consumed		
Indegenous	25,43,47,580	19,17,22,695
Total	<u>25,43,47,580</u>	<u>19,17,22,695</u>
20.1 Particulars of Materials Consumed :		
Partially Oriented Yarn	15,48,32,490	18,14,92,490
Textured Yarn	9,95,15,090	1,02,30,205
Total	<u>25,43,47,580</u>	<u>19,17,22,695</u>



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

I) Reconciliation of opening and closing balances of Defined Benefit Obligation

	Gratuity (Funded)		Leave Encashment (Unfunded)	
	2012-13 Rupees	2011-12 Rupees	2012-13 Rupees	2011-12 Rupees
Defined Benefit Obligation at beginning of year	16,88,661	14,96,840	12,77,931	9,34,631
Interest cost	1,35,093	1,19,747	1,02,234	74,770
Current Service cost	1,40,496	67,550	1,01,645	1,19,182
Benefits paid	(2,00,000)	(44,134)	(97,572)	(27,340)
Actuarial (Gain)/Loss	4,14,707	48,658	2,00,572	1,76,688
Defined Benefit Obligation at year end	21,78,957	16,88,661	15,84,810	12,77,931
II) Reconciliation of opening and closing balances of fair value of Plan Assets				
Fair value of Plan Assets at beginning of year	3,01,752	3,20,413	-	-
Expected return on Plan Assets	21,962	25,443	N.A	N.A
Contributions	-	30	-	-
Benefits paid	(49,195)	(44,134)	-	-
Actuarial (Gain)/Loss	-	-	-	-
Fair value of Plan Assets at year end	2,74,519	3,01,752	-	-
III) Amount recognised in Balance Sheet				
Fair value of obligations	21,78,957	16,88,661	15,84,810	12,77,931
Fair value of Plan Assets	(2,74,519)	(3,01,752)	-	-
Funded Status	19,04,438	13,86,909	15,84,810	12,77,931
Net Liability recognised in Balance Sheet	19,73,626	19,73,626	15,22,176	13,25,137
IV) Expenses recognised during the year				
Current Service cost	1,40,496	67,550	1,01,645	1,19,182
Interest cost	1,35,093	1,19,747	1,02,234	74,770
Expected return on Plan Assets	(21,962)	(25,443)	N.A	N.A
Actuarial (Gain)/Loss	4,14,707	48,658	2,00,572	1,76,688
Net Cost	6,68,334	2,10,512	4,04,451	3,70,640
Expenses recognised in current year Profit & Loss A/c	2,00,000	2,10,512	4,00,993	4,49,765

	As At 31st March, 2013 Rupees	As At 31st March, 2012 Rupees
24 Finance Costs		
Interest Expenses	31,49,113	24,48,331
Other Borrowing Costs	4,29,926	1,73,860
Total	35,79,039	26,22,191



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

	As at 31st March, 2013 Rupees	As at 31st March, 2012 Rupees
25 Other Expenses		
25.1 Manufacturing Expenses		
Consumption of Stores and Spares	1,03,24,091	1,28,88,748
Power and Fuel	1,19,01,607	1,30,50,213
Packing Expenses	4,85,177	4,90,699
Security Charges	8,02,145	7,35,713
Rent, Rates and Taxes	4,94,780	10,36,105
Repairs to Building	35,038	36,328
Repairs to Machinery	4,29,141	3,90,619
Repairs to Others	1,12,329	1,42,451
Other Manufacturing Expenses	44,812	46,170
Total	2,46,29,120	2,88,17,046
25.2 Selling and Distribution Expenses		
Carriage Outward	76,07,075	28,75,076
Brokerage and Commission	31,39,961	19,02,297
Total	1,07,47,036	47,77,373
25.3 Establishment Expenses		
Insurance	4,99,516	3,58,666
Travelling and Conveyance	46,27,384	41,90,667
Communication	5,26,455	7,08,569
Printing and Stationery	4,54,455	3,95,582
Legal and Professional	8,99,178	15,81,548
Payment to Auditors	1,68,540	1,12,360
Other Establishment Expenses	8,40,600	6,78,605
Total	80,16,128	80,25,997
Total	4,33,92,284	4,16,20,416
26 Value of Stores Consumed		
Indegenous	1,03,24,091	1,28,88,748
Total	1,03,24,091	1,28,88,748
27 Payment to Auditors		
Statutory Audit fees	1,68,540	1,12,360
Tax Audit fees	44,944	28,090
Certification fees	19,102	20,407
Cost Audit fees	33,708	22,472
Total	2,66,294	1,83,329
28 Earnings in Foreign Currency		
FOB value of exports	9,08,23,499	1,23,70,113



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

	As at 31st March, 2013 Rupees	As at 31st March, 2012 Rupees
28.1 Expenditure in Foreign Currency		
Foreign travelling expenses	6,22,227	2,77,194
Capital Goods	-	71,757
Ocean Freight	54,26,553	6,29,314
Commission	84,107	1,06,188
Total	<u>61,32,887</u>	<u>10,84,453</u>
29 Earnings Per Share		
i Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	₹ 28,98,913	1,08,91,688
ii Weighted Average number of Equity Shares	1,13,41,320	1,13,41,320
iii Basic Earnings per Share	₹/p 0.26	0.96
iv Potential shares on exercise of options	-	90,00,000
v Weighted Average number of Equity Shares	1,13,41,320	2,03,41,320
vi Diluted Earning per Share	₹/p 0.26	0.54
vii Face value per Equity Share	₹ 10	10



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

30 Related Party Disclosures

As per Accounting Standard 18, the disclosures of transactions with related parties (with whom transaction exist) are given below:

i Related Party relationships :**a Where control exists**

Super Infincon P. Ltd
Super Polyester Yarns Ltd.

b Key Management Personnel

R K Mishra
S K Mishra

c Relatives of Key Management Personnel

S S Mishra S B Sharma R S Dhandh S D Mishra U K Sharma R A Sharma
B K Sharma A B Sharma A R Mishra S D Sharma H V Mishra R S Mishra

ii Transaction with Related Parties

Sr. No.	Nature of Transaction	Type of Related Party	Volume of Transactions Rupees	As At 31st March, 2013 Rupees	As At 31st March, 2012 Rupees
1	Purchase bills financing	Where control exists	22,89,590	39,99,707 CR	60,16,426 CR
2	Managerial remuneration	Key Management Personnel	17,40,678	23,82,763 CR	20,40,292 CR
3	Remuneration	Relatives of Key Management Personnel	2,81,953	-	-
4	Unsecured Loan	Relatives of Key Management Personnel	1,81,66,551	1,01,91,032 CR	95,39,489 CR
5	Interest on loan	Relatives of Key Management Personnel	2,20,567	2,20,567 CR	1,31,984 CR

	As At 31st March, 2013 Rupees in Lacs	As At 31st March, 2012 Rupees in Lacs
31 Contingent Liabilities and Commitments		
I Contingent Liabilities		
A Claims against the Company/disputed liabilities not acknowledged as debt nor provided for :		
i) Claims by the Sales tax department in respect of earlier years, appealed by the Company	-	218.37
Less : Paid/provided for out of the above	-	14.44
Total	-	203.93
ii) Excise duty appeal before the Gujarat High Court*	792.11	792.11
Total	792.11	996.04

*Excise duty of ₹ 792.11 lacs (Previous Year ₹ 792.11 lacs), relating to certain sales made from 4/7/1995 to 22/10/1996, was demanded by the Commissionerate, Daman, alongwith equal penalty, interest thereon and a fine of ₹ 21 lacs (Previous Year ₹ 21 lacs). The Company appealed against the said order with CESTAT, Ahmedabad. The CESTAT has decided in favour of the Company. The Excise department has appealed before the Gujarat High Court.



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

	As at 31st March, 2013 Rupees in Lacs	As at 31st March, 2012 Rupees in Lacs
II Commitments		
i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	12.00	225.20
ii) No provision for Minimum Alternate Tax(MAT) under section 115JB of the Income Tax Act, 1961 has been made in view of legal opinion received by the Company.		
32 The Sales Tax assessments at Silvassa and Dharampur are completed upto F.Y. 2009-10. The income tax assessments of the Company are completed upto A.Y.2010-11.		
33 Previous Year's figures have been re-grouped/re-arranged wherever necessary.		



FORM OF PROXY

SUPERTEX INDUSTRIES LIMITED

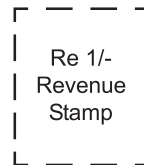
Regd. Office :

Plot No. 45-46, Phase II, Piperia Industrial Estate, Silvassa, Dadra and Nagar Haveli.

I/We
of in the district of
being a member / members of the above-named Company, hereby appoint
..... of
..... in the district of
or failing him of
as my / our proxy to vote for me / us on my / behalf at 27th Annual General Meeting of the Company, to be held on Saturday, 28th September, 2013 at 10.30 a.m. and at any adjournment thereof.

Signed this day of 2013

Signature



Reference Folio

1. Proxy must be deposited at the Registered Office or the Head Office of the Company, not less than 48 hours before the time for holding the meeting.
2. A Proxy need not be a member.

BOOK - POST



If undelivered, please return to :

SUPERTEX INDUSTRIES LIMITED

Head Off.: Balkrishna Krupa, 2nd Floor,
45/49, Babu Genu Road, Princess Street,
Mumbai 400 002.

Tel.: 2209 5630 / 2209 5631

E-mail: investors@supertex.in