
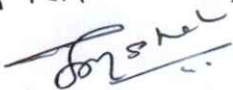
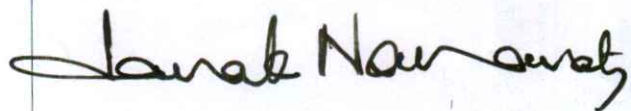


FORM A

Format of covering letter of the annual audit report to be filed with the stock exchanges

[Clause 31 (a) of the Listing Agreement]

1.	Name of the Company	Santaram Spinners Limited
2.	Annual Financial Statement for the year ended on	31 st March, 2014
3.	Type of Audit observation	Un-Qualified
4.	Frequency of Observation	N.A.
5.	To be signed by <ul style="list-style-type: none"> • CEO and Managing Director 	 Mr. Kalyan Jayantilal Shah (Managing Director)
	<ul style="list-style-type: none"> • CFO 	N. A.
	<ul style="list-style-type: none"> • Auditors of the Company 	For Jayesh M. Shah & Co., Chartered Accountant FRN. 1041734  Jayesh M. Shah Proprietor (Membership No. 30638)
	<ul style="list-style-type: none"> • Audit Committee Chairman 	 Mr. Janak Nanavati Chairman of the Audit committee



JAYESH M. SHAH & CO.
 CHARTERED ACCOUNTANTS
 Flat No.2, Shital Apartment,
 11, Shilp Park Society, Usmanpara,
 Ahmedabad-380 013.

**30TH
ANNUAL REPORT
2013-2014**

SANTARAM SPINNERS LIMITED

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NOTICE

NOTICE IS HEREBY GIVEN THAT THE 30th ANNUAL GENERAL MEETING OF THE MEMBERS OF SANTARAM SPINNERS LIMITED WILL BE HELD AS SCHEDULED BELOW:

Date : 30th September, 2014

Day : Tuesday

Time : 09.30 AM.

Place: 259, New Cloth Market,
Outside Raipur Gate, Ahmedabad-380002.

ORDINARY BUSINESS:

1. To receive and adopt Audited profit and Loss Account for the year ended 31st March, 2014 and the balance Sheet as on that date along with Directors' and Auditors' Report thereon.
2. To appoint a Director in place of Mr. Paresh R Shah, who retires by rotation and, being eligible offers himself for re-appointment.
3. To Re-appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

4. To consider and if thought fit to pass with or without modifications the following resolutions as Special resolution:

Reappointment of Mr. Kalyan Shah as a Managing Director of the Company:

"RESOLVED THAT in accordance with the provisions of Sections 196, 197, 198 and 203 read together with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), consent of the members of the Company be and is hereby granted for reappointment of Mr. Kalyan Shah as the Managing Director of the company for a period of 5 years effective from 24th March, 2014 on the terms and conditions as set out and placed before the meeting which is permissible under part II of Schedule V of the companies Act, 2013 as may be decided by the board of directors of the company from time to time."

"RESOLVED FURTHER THAT in the event of inadequacy of profits of the company remuneration & perquisites as mentioned in the terms and conditions prescribed in the Explanatory statement of the notice of the general meeting be given as minimum remuneration to Mr. Kalyan Shah, Managing Director of the Company"

5. To consider and if thought fit to pass with or without modifications the following resolutions as Special resolution:

Reappointment of Mr. Nirav Shah as the Joint Managing Director of the Company:

"RESOLVED THAT in accordance with the provisions of Sections 196, 197, 198 and 203 read together with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), consent of the members of the Company, be and is hereby granted for reappointment of Mr. Nirav Shah as the Joint Managing Director of the company for a period of 5 years effective from 7th March, 2014 on the terms and conditions as setout and placed before the meeting which is permissible under part II of Schedule V of the Companies Act, 2013 as may be decided by the board of directors of the company from time to time."

"RESOLVED FURTHER THAT Mr. Nirav Shah the Director of the company, be and is hereby reappointed as Joint Managing Director of the company at the terms as prescribed in the in the Explanatory statement of the notice of the general meeting, without any remuneration."

By order of the Board of Directors

Date : 12-08-2014
Place : Ahmedabad

Sd/-	Sd/-	Sd/-
Kalyan J Shah	Fenil R Shah	Janak Nanavati
(Director)	(Director)	(Director)
(Din: 00397398)	(Din: 01558417)	(Din: 00472925)

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 23rd September, 2014 to 30th September, 2014 (both days inclusive). The book closure dates have been fixed in consultation with the Stock Exchanges.
3. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members holding shares in demate form are requested to register their e-mail address with their Depository Participant(s) only. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.
4. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM

5. Voting through Electronic means:

Pursuant to Section 108 of the Companies Act, 2013, read with the Rule 20 and Rule 21 of Companies (Management and Administration) Rules, 2014 in pursuance with the directions issued by SEBI vide Circular No. CIR/CFD/DIL/6/2012 dated 13th July, 2014, the Company is pleased to provide the facility to Members to exercise their right at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services Limited (CDSL).

PROCEDURE FOR E-VOTING

In case of members receiving AGM Notice by e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).
	Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field.
	In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.
	* Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for "SANTARAM SPINNERS LIMITED"

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.

They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.

After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.

The list of accounts should be mailed to helpdesk.evoting@cdslindia.com. and on approval of the accounts they would be able to cast their vote.

They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on 24th September, 2014 (10 A.M.) and ends on 26th September, 2014 (6 P.M). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (i.e. the record date), being 22nd September, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com

The Members, whose names appear in the Register of Members / list of Beneficial Owners as on 22nd September, 2014, i.e. the date prior to the commencement of book closure date are entitled to vote on the Resolutions set forth in this Notice. Members who have acquired shares after the dispatch of the Annual Report and before the book closure may approach the Company for issuance of the User ID and Password for exercising their right to vote by electronic means. The e-voting period will commence at 24th September, 2014 (10 A.M.) and will end at 26th September, 2014 (6 P.M).

The Company has appointed Rupal Patel, Practising Company Secretary, to act as the Scrutinizer, for conducting the scrutiny of the votes cast. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.

6. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection at the AGM.
7. Members holding shares in demat form are hereby informed that bank particulars registered with their respective Depository Participant(s), with whom they maintain their demat accounts, will be used by the Company for payment of dividend. The Company or its Registrar cannot act on any request received directly from the Members holding shares in demat form for any change in bank particulars. Members holding shares in demat form are requested to intimate any change in their address and / or bank mandate to their Depository Participants immediately.
8. Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to M/s. Link Intime India Private Limited, Registrar and Share Transfer agent of the Company immediately.
9. Members are requested to note that as per Section 205A of the Companies Act, 1956, dividends not encashed / claimed within seven years from the date of declaration will be transferred to the Investor Education and Protection Fund (IEPF). After transfer of the said amount to IEPF, no claims in this respect shall lie against IEPF or the Company.

10. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to M/s. Link Intime India Private Limited, Registrar and Share Transfer agent of the Company.
11. For convenience of the Members and proper conduct of the meeting, entry to the meeting venue will be regulated by Attendance Slip. Members are requested to sign at the place provided on the Attendance Slip and hand it over at the registration counter.
12. Members desiring any information relating to the accounts are requested to write to the Company well in advance so as to enable the management to keep the information ready.
13. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Businesses to be transacted at the Annual General Meeting (AGM) is annexed hereto.

By order of the Board of Directors

Date : 12-08-2014
Place : Ahmedabad

Sd/-	Sd/-	Sd/-
Kalyan J Shah	Fenil R Shah	Janak Nanavati
(Director)	(Director)	(Director)
(Din: 00397398)	(Din: 01558417)	(Din: 00472925)

ANNEXURE TO THE NOTICE

Notes on Director seeking appointment/re-appointment as required under Clause 49 of the listing Agreement entered into with Stock Exchanges:

PROFILE OF DIRECTOR BEING APPOINTED/ RE-APPOINTED

Item No.2

Name	Paresh R. Shah
Date of Birth	7-12-1941
Qualification	B.Com.
Expertise	Administration
Director of the Company Since	22-04-2002
Directorship in other Public Limited Companies	NIL
Membership of Committees of Other Public Limited Companies	No
No. of Shares held in the Company	NIL

Item No. 4

Mr. Kalyan Shah, being old and experienced entrepreneur and a successful businessman having experience in various type of industrial supplies and has been spending his precious time and energy for day to day affairs of the company.

Profile of Mr. Kalyan Shah, Director being re-appointed as a Managing Director

Name	Mr. Kalyan Shah
Date of Birth	24-07-1949
Date of Appointment	16-11-1986
No. of Shares held in the Company	767400
No. of Warrants held in the Company	N.A.
Directorship in other Public Company	1. Jayatma Spinners Limited 2. Call Centres India Limited

Terms of Appointment

[1] Salary: Upto Rs. 750000/- per annum with authority to the Board of Directors of the Company to grant such increments as it may determine from time to time.

Perquisites: Category: A

- [1] The expenditure incurred by the Company at his residence on gas, electricity, water and furnishing shall be valued as per the Income tax Rules, 1962.
- [2] Medical Reimbursement: Actual Expenses incurred for the Self and his family members.
- [3] Leave Travel Concession: For Self and his family, once a year, incurred in accordance with any rules specifies membership fees.
- [4] Club Fees: Fees of Clubs, subject to a maximum of two clubs. This will not include admission and membership fees.
- [5] Personal Accident Insurance: Premium on Personal accident policy.

For the purpose of Category 'A' family means the spouse, the dependent children and dependent parents of the appointee.

Perquisites: Category: B

- [1] Contribution to Provident Fund will not be included in the computation of the ceiling of perquisites to the extent that these wither singly or put together are not taxable under the Income tax Act.
- [2] Gratuity payable shall be calculated as per the provisions of the The Payment of Gratuity Act, 1972.
- [3] Encashment of unavailed leave as per the rules of the company at the end of tenure will not be included in the computation of the ceiling on perquisites.

Perquisites: Category: C

Use of Company's car for official use on Company's business and telephones at residence will not be considered as perquisites. Personal long distance calls on telephone shall be billed by the Company. If the managing director appoints Driver/chauffeur for driving his car then the Driver's salary paid by him will be reimbursed to him on production of Stamped receipt/voucher from the driver

In case, of inadequacy of profit or loss, the Company is not entitled to pay remuneration as mentioned earlier.

None of the Board of Directors, except Mr. Kalyan Shah, himself, and Mr. Nirav Shah, are interested in this resolution.

Item No. 5

Profile of Mr. Nirav Shah, Director being re-appointed as a Joint Managing Director :

Name	Mr. Nirav Shah
Date of Birth	15-06-1973
Date of Appointment	30/01/2011
No. of Shares held in the Company	160850
No. of Warrants held in the Company	N.A.
Directorship in other Public Company	1. Call Centres India Limited 2. Parshwa Spinners Limited 3. Jayatma Spinners Limited

Mr. Nirav Shah, being an experienced entrepreneur and a successful businessman having experience in various type of industrial supplies and has been spending his precious time and energy for day to day affairs of the company. Therefore, the consent of the members is sought for reappointment of Mr. Nirav Shah as the Joint Managing Director.

None of the Board of Directors, except Mr. Nirav Shah, himself, and Mr. Kalyan Shah, are interested in this resolution.

By order of the Board of Directors

Date : 12-08-2014
Place : Ahmedabad

Sd/- Kalyan J Shah (Director) (Din: 00397398)	Sd/- Fenil R Shah (Director) (Din: 01558417)	Sd/- Janak Nanavati (Director) (Din: 00472925)
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OUR GOAL AND VISION

OUR GOAL

Our goal is to consolidate our position as one of the leading manufacturers of cotton, with an accent on future projections to achieve a strong profitability.

In a span of 15 years of concerted efforts, the foundations are firmly set. Today Santaram Spinners Limited is a single family of strong dedicated and motivated workforces striving towards enviable success and a brighter future.



LOOKING AHEAD

In this Annual Report, we have shared information and made forward looking statements to enable investors to know our product portfolio, business logic and direction and thereby comprehend our prospects. Such and other statements - written and oral - that we may periodically make are based on our assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'believe', 'estimate', 'intend', 'plan', 'project' or words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward looking statements will be realized although we believe we have been prudent in our assumptions. The actual results may be affected because of uncertainties, risks and even inaccurate assumptions. If uncertainties or known or unknown risks materialize or if underlying assumptions prove inaccurate, actual results can vary materially from those anticipated, believed, estimated, intended, planned or projected. We undertake no obligation to publicly update any forward looking statements, whether as a result of new information, future events or otherwise.



OUR TEAM

Board of Directors

Mr. Kalyanbhai J. Shah
Mr. Nirav K Shah
Mr. Pareshbhai R Shah
Mr. Janak G. Nanavaty
Mr. Fénil R. Shah

Auditors

M/s. Jayesh. M. Shah & Company,
Chartered Accountants, Ahmedabad

Registrar and Share Transfer Agents

Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
LBS Marg, Bhandup (West) Mumbai- 400078

303 Shopper's Plaza-V
Opp. Municipal Market, Off: C.G. Road,
Navrangpura, Ahmedabad - 380 009.

Bankers

Union Bank of India
Punjab National Bank
State Bank of India
Nutan Nagrik Sahakari Bank Limited

Company Information

SANTARAM SPINNERS LIMITED

Registered Office:

259, 3rd Floor, New Cloth Market,
Outside Raipur Gate, Ahmedabad-380002
Email Id: santaramtd@gmail.com

Factory:

Survey No. 1433, Near Rajpur Bus Stand,
Taluka: Kadi, Dist: Mehsana (North Gujarat)

COMPANY PROFILE

We are single focused textile company managing in a responsible way. SANTARAM SPINNERS LIMITED is the flagship company of the renowned P. Jayantilal Group – pioneer traders in the business of cotton and blended yarns. Set up in 1983, SANTARAM SPINNERS LIMITED is engaged in the entire garment of the cotton textiles & cotton ginning. The expertise and approach gained have given SANTARAM SPINNERS LIMITED an insight into “Quality at all stages”. SANTARAM SPINNERS LIMITED is consistently increasing process efficiencies and people productivity. SANTARAM SPINNERS LIMITED is steadily increasing breadth and depth in the market place. Diligently identifying and striving to achieve key initiatives to improve and grow.

SANTARAM SPINNERS LIMITED has established markets for its products with a marketing network spread across the country. The company has its presence felt in the North, i.e. Punjab, Haryana, Delhi, Rajasthan. The western markets i.e. Madhya Pradesh, Maharashtra as well as Gujarat are also well penetrated. In the International market today SANTARAM SPINNERS LIMITED has an enterprising overseas network encompassing Thailand, South Korea, Hongkong, China, Vietnam and African nations

India enjoys being one of the world's largest cotton producing nation capacity. This advantage together with a perceived market demand for cotton gives the company additional advantages of value added manufacture and an opportunity to capture new markets. Already Santaram Spinners Limited cotton is widely used in all types of Yarn products.

Performance of the Company (from FY 2009-10 to FY 2013-14) (Rs. in Lacs)

Particulars	2013-14	2012-13	2011-12	2010-11	2009-10
Operating results					
Revenue from operations	8069.80	13659.57	8538.14	8022.44	3348.57
Other Income	1.83	6.05	4.27	36.07	8.85
Increase/decrease in stock	-70.85	0.00	0.00	-231.33	250.46
Revenues	8000.78	13665.62	8542.41	7827.18	3607.88
EXPENSES					
Direct & other Exp.	7445.20	12933.86	8100.49	7592.66	3508.53
Gross Profit	555.58	731.76	441.92	234.52	99.35
Other Admin Exp.	365.05	565.32	378.29	181.33	69.54
Operating PBIDT	190.53	166.43	63.63	53.19	29.81
Depreciation	17.37	19.25	12.96	4.38	3.91
Operating PBIT	173.16	147.19	50.67	48.80	25.91
Interest	145.24	90.51	34.39	28.01	4.77
Profit Before Tax	27.92	56.68	16.28	20.79	21.13
Taxation	29.25	23.15	7.19	4.66	0.34
Prior period items	0.00	5.56	0.00	0.00	0.00
Net Profit	-1.33	27.97	9.09	16.13	20.80
Financial Position					
Equity Share Capital	615.30	615.30	615.30	615.30	615.30
Reserve and Surplus	524.58	525.92	497.95	488.85	472.55
Borrowings	1230.02	1218.82	853.65	614.87	311.20
Net block of fixed asset	839.43	838.54	414.73	329.55	311.65
Working Capital					
Net Current assets	3081.99	2632.97	2466.26	1958.05	1869.37
Net Current liabilities	1510.48	2255.50	1814.06	542.59	784.97
Net working capital	1571.51	377.47	652.20	1415.46	1084.40
EPS	0.02	0.45	0.15	0.26	0.32
Key Indicator					
Operating Margin (%)	6.88	5.36%	5.18%	2.92%	2.97%
Net Profit Ratio	-0.01%	0.20%	0.11%	0.21%	0.58%
Debt-Equity ratio	1.07	1.07	0.77	0.56	0.29
RoCE %	0	6.24%	2.58%	2.84%	1.85%
Return on Equity	0	4.55%	1.48%	2.62%	3.38%

DIRECTOR'S REPORT

Dear Shareholders,

The Directors present the 30th Annual Report together with the Audited Statement of Accounts for the Financial Year 2013-14 ended 31st March, 2014.

1. FINANCIAL RESULTS AND OPERATIONAL REVIEW

(Rs.In Lacs)

Particulars	31.03.2014	31.03.2013
Gross Sales/Income	8069.79	13659.57
Less Depreciation	17.38	19.25
Profit/(Loss) before Tax	27.92	51.12
Taxes/Deferred Taxes	22.05	23.15
Profit/(Loss) After Taxes	-1.33	27.97
P&L Balance b/f	109.16	81.19
Profit/ (Loss) carried to Balance Sheet	107.83	109.16

Directors are exploring various other opportunities to further improve the working results during the current year.

2. DIVIDEND

In view of decreasing of trend in turnover and liquidity in the F.Y. 2013-14, the Board of the Directors of the Company do not recommended any dividend on its Equity shares for the year ended 2013-14.

3. TEXTILE INDUSTRIES OUTLOOK:

For the cotton year (October - September) 2013 - 2014, cotton production was 37.5 million bales. This may largely be attributed to favorable monsoons and higher acreage of high yielding Bt (Bacillus Thuringiensis) cotton (around 90% of total cultivated area).

However, the company believes that the adverse weather developments in January 2014 has lead to lower than expected actual production for cotton year 13-14. Cotton demand remained sluggish for 2013 due to weak textile and apparel consumption worldwide; however, the Chinese reserve policy supported domestic cotton prices. Most of the seasonal yield went to state reserve stock, and the release of reserve cotton together with cotton import were the major purchase channels for mills.

4. FUTURE OUTLOOK

We expect India's cotton consumption to increase 10% yoy to 29.7 million bales in FY15, driven by strong mill consumption. This is in response to the increase in demand by China for quality Indian cotton yarn, which is more economical both in terms of production and raw materials.

Chinese millers have to pay 40% duty on importing cotton from India while none for cotton yarn. Indian raw cotton prices (ginned) are likely to remain attractive in FY15. The prices are currently 8.0%-10.0% lower than global prices as measured by Cotlook A index.

A revival in consumer demand in the US and Europe may increase cotton demand from the countries namely Pakistan, Bangladesh, Turkey, Vietnam and Thailand.

This revival may also help Indian cotton exporters to offset the lower demand from China in cotton year 13-14. Furthermore, the Indian Finance Ministry in September 2013 withdrew export promotion incentives on cotton and cotton yarn under the focus market scheme and incremental export incentivisation scheme, given the surge in export value of these products. These incentives were targeted at enhancing India's export competitiveness by offsetting high freight cost and other externalities to select international markets (excluding China and Bangladesh). The Chinese government has planned to discontinue the current reserve policy and make trials for a target price subsidy scheme on cotton.

Onwards aiming at decoupling cotton prices with government subsidy and returning the price generating power to market. Nonetheless, lower Chinese demand, coupled with increases in stocks outside of China, could lead to lower prices in 14-15 and beyond.

5. DIRECTORS

Mr. Kalyan Shah, being eligible have offered himself for reappointment for the post of Managing Director for the term of Five Years w.e.f 24th March, 2014 and Mr. Nirav Shah, being eligible have offered himself for appointment for the post of Joint Managing Director for the term of five years w.e.f 7th March, 2014, subject to the approval of members in the ensuing general meeting.

Mr Paresh R. Shah, Director of the company retires by rotation in terms of Articles 150 and 151 of the Articles of Association of the Company. However, being eligible to re-appoint, the Board of the Director of the Company for his reappointment.

6. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement of Section 134 of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- 6.1 that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- 6.2 that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at 31st March, 2014 being end of the financial year 2013-2014.
- 6.3 that the Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- 6.4 that the Directors have prepared the annual accounts on a going concern basis.

7. **CORPORATE GOVERNANCE:**

The Report on Corporate Governance as per the requirements of Clause 49 of the Listing Agreement is annexed.

8. **LISTING:**

The Equity Shares of the Company are listed on BSE Limited and the Company has paid Annual Listing Fees up to the year 2014-15.

9. **PERSONNEL
AND H.R.D.**

Your Directors are glad to report that the industrial relations continued to remain cordial and peaceful and your Company continued to give ever increasing importance to training at all levels and other aspects of H. R. D.

10. **GENERAL:**

10.1 **Insurance:**

The Company's properties including building, plant and machinery, stocks, stores etc. continue to be adequately insured against risks such as fire, earthquake etc.

10.2 **Auditors:**

The present Auditors of the Company M/S. Jayesh M Shah and Co., Chartered Accountants, Ahmedabad, will retire at the ensuing Annual General Meeting. They have shown their willingness for re-appointment for the Financial Year 2014-15. The Company has obtained certificate for eligibility for appointment under Section 139 of the Companies Act, 2013 from M/s. Jayesh M Shah and Co, Chartered Accountants, Ahmedabad. The members are requested to appoint Auditors in the ensuing Annual General Meeting.

The qualification in the Auditors' Report relating to non-provision for diminution in value of long-term investments is self-explanatory and is separately dealt with in Notes to the Accounts in Schedule.

10.3 **Particulars of Employees:**

None of the employees of the Company is drawing remuneration requiring disclosure of information under Section 134 of the Companies Act, 2013, read with the Companies (Particulars of Employees) Rules, 1975.

10.4 **Deposits:**

The Company has not accepted any deposit as defined under Section 58 A and the Companies (Acceptance of Deposit) Rules, 1975.

11. **PARTICULARS AS REQUIRED UNDER COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988:**

The Statement of particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo pursuant to provisions of 134 of the Companies Act, 2013 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are given in Annexure-I to this Report.

12. **ACKNOWLEDGMENT:**

Your Directors would like to express their sincere thanks and appreciation to Promoters, Shareholders, Suppliers and Customers for their constant support and co-operation received.

Your Directors also wish to take this opportunity to place on record their gratitude to the Banks, Financial Institutions and Government Departments for their confidence reposed in the Company.

By order of the Board of Directors

Date : 12-08-2014
Place : Ahmedabad

Sd/-	Sd/-	Sd/-
Kalyan J Shah	Fenil R Shah	Janak Nanavati
(Director)	(Director)	(Director)
(Din: 00397398)	(Din: 01558417)	(Din: 00472925)

ANNEXURE – I

Additional information as per Section 134 of the Companies Act, 2013 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Director's Report for the year ended on 31st March, 2014.

(A) CONSERVATION OF ENERGY:

- (a) Necessary precautions have been taken while designing process and equipment to ensure conservation of energy through the use of fuel efficient devices and advanced instrumentation systems.
- (b) No additional investments was made during the year for reduction in consumption of energy.
- (c) The measures taken have helped to conserve the energy and in turn, cost.
- (d) Total energy consumption and energy consumption per unit of production.

As per Form 'A' is appended below.

(B) TECHNOLOGY ABSORPTION:

- (i) Research and Development:

During the year under review company has not spent any amount for Research and Development; hence details under Form 'B' are not applicable.

- (ii) Technology absorption adoption and innovation:

The Company has taken necessary steps to improve technology for manufacturing coarse count yarn. The company has achieved progress in manufacturing the yarn at plant level.

- (iii) Foreign Exchange Earning and Outgo:

The Company has earned Rs. 22,21,25,372/- by the export activity during the year under review after deducting the expenses for export; however it has spent Rs.50,21,701/- (deducted from above figure) amount in foreign exchange during the year under review.

FORM 'A'

Form for Disclosure of particulars with respect to Conservation of energy.

A. Power and fuel consumption:

Sr. No.	Particulars	2013-14	2012-13
1 (a)	Electricity:		
	Purchased:		
	Unit	361344	395785
	Total Amount (Rs.)	2746691/-	3082809/-
1 (b)	Own Generation		
	(i) Through Wind Turbine Generator		
	Units (MWH)	1196992	2074
	Diesel Consumption (liter)	N.A	N.A
	Units per Ur. Of Diesel Oil	N.A	N.A
	Cost/Unit (Diesel Cost)	N.A	N.A
	(ii) Through Steam turbine Generator		
2.	Coal	N.A	N.A
3.	Furance Oil	N.A	N.A

B. Consumption per unit of production: Since the Company is engaged in manufacturing of Cotton i.e. ginning activity and Yarn etc., it is not practical to give consumption per unit of production

By order of the Board of Directors

Date : 12-08-2014
Place : Ahmedabad

Sd/-	Sd/-	Sd/-
Kalyan J Shah	Fenil R Shah	Janak Nanavati
(Director)	(Director)	(Director)
(Din: 00397398)	(Din: 01558417)	(Din: 00472925)

JAYESH M. SHAH
B.COM, F.C.A.

JAYESH M SHAH & CO.
CHARTERED ACCOUNTANTS
Flat No.-2 , Shital Appt,
11,Shilp Park Society
Usmanpura ,Ahmedabad-13.
PH. NO : (079) 27557047

SANTARAM SPINNERS LIMITED

INDEPENDENT AUDITOR'S REPORT

To the Members of
Santaram Spinners Limited.

We have audited the accompanying financial statements of SANTARAM SPINNERS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information on that date annexed to.

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 sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with General Circular 15/2013 dated 13th September 2013 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.

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 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.

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

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
 - b) in the case of the Profit and Loss Account, of the loss 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.
1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") 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 referred to in subsection (3C) of section 211 of the Companies Act, 1956 read with General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 ;
 - e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

Place : Ahmedabad
Date : 29.05.2014

For Jayesh M. Shah and Co.
Chartered Accountants
FRN: 104173W

Jayesh M. Shah
(Proprietor)
Membership No. : 030638

The Annexure referred to in paragraph 1 of the Our Report of even date to the members of Santaram Spinners Limited. on the accounts of the company for the year ended 31st March, 2014.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
(b) As explained to us, substantial portion of the fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification.
(c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.
2. (a) As per information and explanation given to us, inventories of raw materials/finished goods/traded goods/spares and consumables have been physically verified during the year by the management at reasonable intervals.
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of above referred inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
(c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. In respect of loans, secured or unsecured, granted or taken by the Company to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
 - a). During the year, the company has granted unsecured loan to company of Rs.235 Lacs. In respect of the said loan the maximum amount outstanding at any time during the year was Rs. 246 lacs and the year end balance is Rs. 246 lacs. The Company has not granted any secured loan to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
 - b). In our opinion and according to the information and explanations given to us, the rate of interest, wherever applicable and other terms and conditions on which loan have been granted to the companies, firm or other parties listed in the registers maintained under section 301 are not *prima facie* prejudicial to the interest of the Company.

- c). In respect of interest free loans granted by the Company to parties are repayable on demand. In respect of interest free loans taken by the Company the question of interest payments are not arise and the principal amount is repayable on demand.
- d). In respect of loans taken by the Company and loans given by the Company are repayable on demand and therefore, the question of overdue amounts does not arise.
- e). The company has not taken any secured/unsecured loan from the parties covered in the register maintained u/s. 301 of the Companies Act, 1956 during the year under review.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. Further on the basis of our examination of the books and records of the Company, during the course of our audit, no major instance of any continuing failure to correct any weaknesses in the internal controls has been noticed.
5. (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
- (b) As per information & explanations given to us and in our opinion, the transaction entered into by the company with parties covered u/s 301 of the Act does not exceeds five lacs rupees in a financial year therefore requirement of reasonableness of transactions does not arises.
6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956 and the Rules framed there under. Therefore the provisions of Clause (vi) of paragraph 4 of the Order are not applicable to the Company.
7. As per information & explanations given by the management, the Company has an internal audit system carried out by the management is commensurate with its size and the nature of its business.
8. We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the rules made by the Government of India, the maintenance of cost records has been prescribed under clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956 and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

9. **In respect of statutory dues :**

- i. According to the records of the Company, undisputed statutory dues including Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2014 for a period of more than six months from the date of becoming payable.
- ii. According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax, sales tax as at March 31, 2014 which have not been deposited on account of dispute are as follows:

Name of the Statute	Nature of Dues	Amount (Rs. in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Central Sales Tax Act and Local Sales Tax Act	Sales tax including Interest and Penalty, as applicable	9,56,900/-	AY 2007-2008	Sales Tax Tribunal (Vat)
		9,14,477/-	AY 2007-2008	Sales Tax Tribunal (CST)
		9,700/-	AY 2009-2010	Sales Tax Tribunal (VAT)

10. The Company does not have any accumulated losses and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. The other loan given by the Company are prima-facie not prejudicial to the interest of the Company.

13. The Company is not a chit fund or a *nidhi* /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
14. According to information and explanations given to us and on the basis of our examination of the books of account, proper records have been maintained of the transactions and contracts & timely entries have been therein in respect of shares, securities, debentures and other investments dealt with or traded by the Company & further investments specified are held in its own name.
15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
16. To the best of our knowledge and belief and according to the information and explanation given by the management, in our opinion, the term loans & other facilities obtained during the year were applied by the Company for the purpose for which they were obtained.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2014, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
19. The Company has not issued any debentures during the period under audit.
- 20. The Company has not raised any money by public issue during the year.**
21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

For Jayesh M. Shah and Co.
Chartered Accountants
FRN: 104173W

Jayesh M. Shah
(Proprietor)
Membership No. : 030638

Place : Ahmedabad
Date : 29.05.2014

SANTARAM SPINNERS LIMITED
BALANCE SHEET AS AT 31.3.2014

(Rs.)

Particulars	Note No.	As at 31st March 2014	As at 31st March 2013
EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share capital	3	61530000	61530000
(b) Reserves and surplus	4	52458331	52591670
		113988331	114121670
2. Share application money pending allotment--			
3. Non-current liabilities			
(a) Long-term borrowings	5	4014490	5103850
(b) Deferred tax liabilities (Net)	6	6472036	4266803
(c) Other Long term liabilities	7	44465515	44465515
(d) Long-term provisions		0	0
		54952041	53836168
4. Current liabilities			
(a) Short-term borrowings	8	118988175	116777998
(b) Trade payables	9	35626213	60123707
(c) Other current liabilities	10	114862792	237930
(d) Short-term provisions	11	559255	3944813
		270036435	181084448
		438976806	349042286
ASSETS			
1. Non-current assets			
(a) Fixed assets			
(i) Tangible assets	12	83916465	83853963
(ii) Intangible assets	12	26490	0
	12	83942955	83853963
(b) Non-current investments	13	2409275	1409275
(c) Deferred tax assets (net)		0	0
(d) Long-term loans and advances	14	5860964	5350863
(e) Other non-current assets--	15	38564124	38564124
		130777318	129178225
2. Current assets			
(a) Current investments--			
(a) Inventories	16	84678463	114535344
(b) Trade receivables	17	169414000	66893944
(c) Cash and cash equivalents	18	19967337	27849423
(d) Short-term loans and advances	19	33387586	8959213
(e) Other current assets	20	752102	1626137
TOTAL		308199488	219864061
		438976806	349042286
Significant accounting policies	2		

Notes 1 to 29 are an integral part of the Financial Statements
As per our report of even date attached

For Jayesh M Shah & Co

Chartered Accountants

Firm Reg.: 104173W

Jayesh M. Shah

Proprietor

M. No.: 30638

Place : Ahmedabad

Date : 29-05-2014

For Santaram Spinners Ltd

Kalyan Shah Fenil Shah Janak Nanavati
(Director) (Director) (Director)

Place : Ahmedabad

Date : 29-05-2014

SANTARAM SPINNERS LIMITED
Statement of Profit and Loss for the year ended on 31st March 2014 (Rs)

Particulars	Note No.	Year Ended on 31st March, 2014	Year Ended on 31st March, 2013
Revenue from operations	21	806978815	1365956960
Other income	22	183382	604855
Total Revenue		807162197	1366561815
Expenses			
Cost of materials purchased	23	362949810	703299931
Purchases of Stock-in-Trade	24	380285210	599653453
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	25	7085305	-9567163
Employee benefits expense	26	1285176	995826
Financial costs	27	14523832	9051048
Depreciation and amortization expense	12	1737799	1924606
Other expenses	28	36502771	55565908
Total expenses		804369903	1360923609
Profit before exceptional, extraordinary and extraordinary items and tax		2792294	5638206
Exceptional items		0	526525
Profit before extraordinary items and tax		2792294	5111681
Extraordinary items		0	0
Profit before tax		2792294	5111681
Tax expense:		0	
Current tax		500000	1172469
Earlier Years tax		220400	0
Deferred tax Assets / Liabilities		2205233	1142211
Profit (Loss) for the period		-133339	2797001
Earning per Equity Share :			
(1) Basic		-0.02	0.45
(2) Diluted		-0.02	0.45

Notes 1 to 29 are an integral part of the Financial Statements.
As per our report of even date attached

For Santaram Spinners Ltd

Kalyan Shah
(Director)

Fenil Shah
(Director)

Janak Nanavati
(Director)

For Jayesh M Shah & Co
Chartered Accountants
Firm Reg.: 104173W

Jayesh M. Shah
Proprietor
M. No.: 30638

Place : Ahmedabad
Date : 29-05-2014

Place : Ahmedabad
Date : 29-05-2014

SANTARAM SPINNERS LIMITED
CASH FLOW STATEMENT FOR THE PERIOD ENDED ON 31.03.14 (Rs)

Particulars	2013-14	2012-13
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit before tax as per Profit & Loss Account	2792294	5111681
Adjustments for :		
Dividend Income	-6045	-7556
Interest Income	-55773	-40652
Depreciation	1737799	1924606
Loss of Sale of Assets	0	526525
Interest Paid	12632218	14308199
Operating profit before working capital changes	17100493	10374826
Change in Working Capital		
Adjustments for :		
(Increase) / Decrease in operating assets		
Inventories	29856881	-25398303
Trade Receivables	-102520056	19030886
Loans & Advances & Others	-23264440	5651982
(Increase) / Decrease in operating Liabilities		
Trade Payables	-24497494	55805419
Other Liabilities	110739304	-44074243
CASH FLOW FROM OPERATION	7414688	26502248
Income Tax Paid (Net Off Refund)	-1020400	-572471
NET CASH GENERATED BY OPERATING ACTIVITIES	6394288	25929777
CASH FROM INVESTING ACTIVITIES :		
a. Purchase of Fixed Assets	-1826791	-46584215
c. Sale of Fixed Assets	0	1998395
e. Purchase of Investment	-1000000	-500000
d. Dividend income	6045	7556
e. Interest Income	55773	40652
	-2764973	45037612
CASH FLOW FROM FINANCING ACTIVITIES :		
Interest Paid	-12632218	-7971903
Proceeds from Secured Loans	1120817	36216539
Proceeds from Unsecured Loans	0	300000
	-11511401	28544636
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	-7882086	9436801
CASH & CASH EQUIVALENTS AT THE BEGIN. OF THE YEAR	27849423	18412622
CASH & CASH EQUIVALENTS AT THE CLOSE OF THE YEAR	19967337	27849423

Notes 1 to 29 are an integral part of the Financial Statements.
As per our report of even date attached

For Jayesh M Shah & Co
Chartered Accountants
Firm Reg.: 104173W
Jayesh M. Shah
Proprietor
M. No.: 30638
Place : Ahmedabad
Date : 29-05-2014

For Santaram Spinners Ltd

Kalyan Shah
(Director)

Fenil Shah
(Director)

Janak Nanavati
(Director)

Place : Ahmedabad
Date : 29-05-2014

SANTARAM SPINNERS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

1. CORPORATE INFORMATION

Santaram Spinners Limited is a public listed company incorporated as spinning unit, now diversified and in operation of agro processing products mainly in trading and manufacturing of cotton – kapas, ginning cotton bales, raw oil and its agro by-products.

2. SIGNIFICANT ACCOUNTING POLICIES

[A] Basis of Preparation of Financial Statements :

The financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis, except as otherwise stated, to the extent disclosed in the notes on Accounts. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies Accounting Standards Rules, 2006, as amended] and the other relevant provisions of the Companies Act, 1956.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current-noncurrent classification of assets and liabilities.

[B] Use of Estimates :

The presentation of financial statements requires that the management makes estimates and assumption 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. Although, these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual result and estimates are recognized in the period in which the results are known/materialized.

[C] Tangible and Intangible Fixed Assets :

Tangible Fixed Assets: Tangible fixed assets are stated at cost price including cost attributable to the assets less the accumulated depreciation on it. Cost comprises the purchase price and any attributable cost of bringing the assets to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Fixed assets installed and put to use have been certified by management and relied by the auditors being a technical matter.

Intangible Fixed Assets: Intangible assets acquired separately are measured on initial recognition at costs. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

[D] Depreciation :

Depreciation on tangible assets has been provided on "Straight Line" basis in accordance with the provisions of the Companies Act, 1956, in the manner and at the rates specified in Schedule XIV to the said Act. Depreciation on addition / deletion from fixed assets made during the year is provided on pro rata basis from the date of acquisition / deletion of the fixed assets to the end of the financial year. As per the consistent policy, the management has not provided any depreciation on Windmill.

[E] Impairment of Assets :

The Company tests for impairments at the close of the accounting period if and only if there are indications that suggest a possible reduction in the recoverable value of an asset. If the recoverable value amount of an Asset, i.e the net releasable value or the economic value in use of a cash generating unit, is lower than the carrying amount of the Assets the difference is provided for as impairment. However, if subsequently the position reverses and the recoverable amount become higher than the carrying value the provision to the extent of the then difference is reversed, but not higher than the amount provided for. There was no impairment loss on fixed assets on the basis of review carried out by the management in accordance with Accounting Standard 28 issued by The Institute of Chartered Accountant of India.

[F] Investments :

All investments are classified as long term investment. Long term investments are stated at cost. The fall in value being temporary in nature, no provision is made for diminution in value.

[G] Inventories:

Cost of inventories have been computed to include all cost of purchase, cost of conversion and other cost incurred in bringing them to their respective present location and condition.

Raw materials and components, stores and spares are valued at cost. Cost is determined on Moving Average price basis.

[H] Employee Retirement Benefits :

Short Term Employees Benefits : The undiscounted amount of short term employee benefits expected to be paid in exchange for the service rendered by employees is recognized during the year when the employee render the services.

Post Employee Benefits : No provision is made for accrued liability for payment leave encashment & gratuity under the Payment of Gratuity Act, 1972. and encashment of leave as the liabilities are not ascertainable. The company will charge the same to the revenue in the year of actual payment.

[I] Revenue, Turnover & Expenses Recognition:

In case of sale of goods:

Revenue is recognizing when the significant risks and rewards of ownership of goods

have passed to the buyer, which generally coincides with delivery.

The sales are recorded when supply of goods takes place in accordance with the terms of sale and on change of title in the goods and is net of Central Sales Tax, VAT, Sales return and rate difference.

[J] Income & Expenditure :

All Income and Expenses to the extent consider payable and receivable respectively, unless specifically stated to be otherwise, are accounted for on accrual basic except otherwise stated, considering the concept of materiality. Leave encashment and Gratuity Expenses are considered as payable when paid.

[K] Provisions and Contingent Liabilities :

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

[L] Prior Period Adjustment:

Transactions pertaining to prior period to current accounting year have been accounted under respective heads of account in Profit & Loss Account.

[M] Foreign Currency Transactions:

Initial Recognition: Transaction in foreign currencies are recorded in Indian Rupees using the forward booking rate to the extent available and for the balance amount using the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, recorded monetary balances are reported in Indian Rupees at the rates of exchange prevailing at the balance sheet date.

Exchange Difference: Exchange difference arising on the settlement of the monetary items or on the reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expense in the year in which they arise in the statement of Profit & Loss.

[N] Borrowing Costs:

Borrowing costs directly attributable to acquisition, construction and production of qualifying assets are capitalized as a part of the cost of such asset up to the date of completion. Other borrowing costs are charged to the profit & loss account.

[O] Taxes on Income:

Deferred Taxation: Deferred Tax resulting from timing differences between book and tax profits is accounted for under the liability method, at the current rate of tax, to the extent that the timing difference are expected to crystallize. In case of Deferred Tax Assets and Liabilities with reasonable certainty and in case of Deferred Tax Assets represented by unabsorbed depreciation and carried forward business losses, with virtual certainty that there would be adequate future taxable income against which Deferred tax Assets can be realized.

Current Tax: Provision for Taxation is made on the basis of the Taxable Profits computed for the current accounting period in accordance with the Income tax Act, 1961.

[P] Preliminary Expenses:

Preliminary expenses have been amortized to the extent of 1/10th during the year.

[Q] Earning Per Share:

Basic Earning per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earning per share, the net profit attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of the dilutive potential equity share. Share application money pending allotments have been ignored while calculating Basic and Diluted Earning per share.

SANTARAM SPINNERS LIMITED
Notes Forming part of Financial Statements

Note : 3

(Rs)

PARTICULARS	As at 31st March, 2014	As at 31st March, 2013
Equity share capital with voting rights		
Authorised share capital		
7500000 Equity Shares of Rs.10/- each (7500000 Equity Shares of Rs.10/- each)	75000000	75000000
Issued,subscribed & fully paid up share cap.		
6174400 Equity Shares of Rs.10/- each	61744000	61744000
Less:		
Calls in Arrear By Others	214000	214000
TOTAL	61530000	61530000

a. Reconciliation of the shares outstanding at the beginning & at the end of the reporting period :

PARTICULARS	Opening Balance	Movement during the Period	Closing Balance
Equity share capital with voting rights			
Year ended 31st March,2014.			
- Number of shares	6174400	—	6174400
- Amount (`)	61530000	—	61530000
Year ended 31st March,2013			
- Number of shares	6174400	—	6174400
- Amount (`)	61530000	---	61530000

b. Terms/right attached to the equity/preference shares

- 1) The Company has only one class of equity shares having a par value of ` 10 per share, each shareholder is eligible for one vote per share. The Company declares and pays dividend in Indian Rupees. Dividend Proposed by Board of Directors is subject to approval of Shareholders in the ensuing Annual General Meeting.
- 2) In the event of liquidation, the Equity Shareholders are eligible to receive the remaining Assets of the company after Distribution of all Preferential amount, in proportion to Shareholding.
- 3) Company has not allotted any bonus shares, Shares without consideration in cash and/or bought back any equity shares during the period of five years immediately preceding the Balance sheet date.

C. Details of shareholders holding more than 5% shares in the Company :

Note : 3

Equity Shares of Rs.10/- each fully paid Name	31st March, 2014		31st March, 2013	
	Nos.	%Held	Nos.	%Held
Apurva Kalyan Shah	420304	7	420304	7
Ashok Jayantilal shah	483500	8	483500	8
Kalyan Jayantilal Shah	767400	12	767400	12
Shailesh Manilal Thakkar	686000	11	686000	11

Note 4 : RESERVES & SURPLUS

(Rs.)

PARTICULARS	As at 31st March 2014	As at 31st March 2013
Capital Reserve		
Opening Balance	3299308	3299308
Add : During the year	0	0
Closing Balance	3299308	3299308
Securities Premium		
Opening Balance	38376200	38376200
Add : during the year	0	0
Closing Balance	38376200	38376200
Profit & Loss Account		
Opening Balance	10916162	8119161
Add : Profit/(loss) for the year	-133339	2797001
Closing Balance	10782823	10916162
Total	52458331	52591670

Note 5 : LONG TERM BORROWINGS

(Rs.)

	PARTICULARS	As at 31st March, 2014	As at 31st March, 2013
A	Term Loan		
	- From Banks		
	- Secured - UBI TL A/c	4014490	5103850
	Balance	4014490	5103850

Loan from Union Bank of India secured by :

1. Term loan/Cash Credit is secured by Hypothecation/pledge/charge over following prime security :
 Packing Credit : Hypo. Of RM/WIP/FG & consumables meant for export
 FDBP : Export Bills covering export of goods under confirmed contract/LC
 CC Hypo. : Hypo of entire paid stocks & Book Debts. However, stock/book debts older than 90 days shall not rank for DP

Term Loan : Hypo of P & M

- Repayable in 72 Equal monthly installments starting from May 2012 and interest to be recovered seperately as and when charged.

2. Collateral Security :

EM over the following assets:

Factory Land & Building situated at Rajpur. Tal: Kadi, Dist. Mehsana in the name of Company
 Further, all the credit facilities are personally guaranteed by Kalyan J Shah, Managing Director of the Company.

Note 6 : DEFERRED TAX LIABILITIES

(Rs.)

PARTICULARS	As at 31st March, 2014	As at 31st March, 2013
Opening Balance	4266803	3124592
Ad : During the year due to depreciation & others	2205233	1142211
Total	6472036	4266803

Note 7 : OTHER LONG TERM LIABILITIES

(Rs.)

PARTICULARS	As at 31st March, 2014	As at 31st March, 2013
Trade Payables for period exceeding 12 months (Refer Point H of Note 29)	44465515	44465515
Total	44465515	44465515

Note 8 : SHORT TERM BORROWINGS

(Rs.)

PARTICULARS	As at 31st March, 2014	As at 31st March, 2013
Loans Repayable on Demand - From Banks - secured (Refer Note 5)	118682475	116472298
Loans and Advances from Related Parties	305700	305700
Total	118988175	116777998

Note 9 : TRADE PAYABLES**(Rs.)**

	PARTICULARS	As at 31st March, 2014	As at 31st March, 2013
	Trade Payables (Refer Point H of Note 29)	35626213	60123707
	Total	35626213	60123707

Note 10 : OTHER CURRENT LIABILITIES**(Rs.)**

	PARTICULARS	As at 31st March, 2014	As at 31st March, 2013
	Advances from customers	114476772	0
	Other Payables	386020	237930
	Total	114862792	237930

Note 11 : SHORT TERM PROVISIONS**(Rs.)**

	PARTICULARS	As at 31st March, 2014	As at 31st March, 2013
	Provision for Current Tax	500000	1000000
	Statutory Dues	59255	2944813
	Total	559255	3944813

SANTARAM SPINNERS LIMITED
Notes Forming Part of Financial Statement

Note 12 : Fixed Assets

(Rs.)

Sr. No.	ASSETS	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK		
		RATE OF DEPRECIATION	BALANCE AS ON 1-Apr.-13	Addition During the Year	Deduction During the Year	BALANCE AS ON 31-Mar.-14	AS ON 1-Apr.-14	Depr. Provided During	Deduction During Year	Balance as on 31-Mar.-14	Balance as on 31-Mar.-14	
A	Tangible Asset											
1	Land		1871954	0	0	1871954		0	0	0	1871954	1871954
2	Building	3.34%	16605021	51780	0	16656801	5443761	555721	0	5999482	10657319	11161260
	Residential Building	3.34%	1411460	0	0	1411460	176295	47143	0	223438	1188022	1235165
3	Plant and Machinery	4.75%	92699585	13921	0	92713506	26940592	316878	0	27257470	65456036	65758993
4	Computer	16.21%	178370	39540	0	217910	39198	30494	0	69692	148218	139172
5	Vehicles	9.50%	5141409	1651000	0	6792409	3448427	558945	0	4007372	2785037	1692982
6	Office Equipments	4.75%	786592	42050	0	828642	358704	38266	0	396970	431672	427888
7	Furniture and Fixtures	6.33%	2975404	0	0	2975404	1408855	188343	0	1597198	1378206	1566549
B	Intangible Asset											
1	SOFTWARE	16.21%	0	28500	0	28500	0	2010	0	2010	26490	0
	Total		121669795	1826791	0	122496586	37815832	1737799	0	39553631	83942955	83853963
	Previous Year		81780805	46630479	6941489	121669795	40308095	1924606	4416869	37815832	83853963	41472710

SANTARAM SPINNERS LIMITED
Notes Forming part of Financial Statements

Note 13 : NON CURRENT INVESTMENTS

(Rs.)

PARTICULARS	As at 31st March, 2014	As at 31st March, 2013
Quoted Investments		
Investments in Equity Instruments		
- GSFC Ltd. 900 Shares of Rs.10/- each (900 Shares of Rs.10/- each)	18000	18000
- Jayatma Spinners Ltd 20000 Shares of Rs.10/- each (20000 Shares of Rs.10/- each)	800000	800000
Unquoted Investments		
Investments in Equity Instruments		
- Jayatma Comtex Pvt Ltd 4100 Shares of Rs.10/- each (4100 Shares of Rs.10/- each)	41000	41000
- Nutan Nagrik Sahakari Bank Ltd 2000 Shares of Rs.10/- each (2000 Shares of Rs.10/- each)	50275	50275
Investments in Mutual Fund		
- Union KBC Cap Fund 50000 Units (50000 Units)	500000	500000
- Union KBC Fixed Maturity Fund 100000 Units (100000 Units)	1000000	0
Total	2409275	1409275
M V of Quoted Investments (Taken as Book Value)	818000	818000
Book Value of Unquoted Investments (Equity)	91275	91275
M. V. of Unquoted Investments (Mutual Fund)	1615240	500590

Note 14 : LONG TERM LOANS AND ADVANCES**(Rs.)**

PARTICULARS	As at 31st March, 2014	As at 31st March, 2013
Security Deposits (Unsecured, Considered good)	5043847	5350863
Advances to Suppliers	817117	0
Total	5860964	5350863

Note 15 : OTHER NON CURRENT ASSETS**(Rs.)**

PARTICULARS	As at 31st March, 2014	As at 31st March, 2013
Trade Receivables outstanding for a period exceeding one year (Unsecured Considered Good)	38564124	38564124
Total	38564124	38564124

Note 16 : INVENTORIES**(Rs.)**

PARTICULARS	As at 31st March, 2014	As at 31st March, 2013
Raw Material	36584280	59320159
Finished Goods	14653231	18585465
Stock in Trade	32386706	35539777
Stores and Spares	1054246	1089943
Total	84678463	114535344

Note 17 : TRADE RECEIVABLES**(Rs.)**

PARTICULARS	As at 31st March, 2014	As at 31st March, 2013
Trade Receivables unless stated otherwise outstanding for a period exceeding six months Unsecured Considered Good	4883402	0
Other Receivables	164530598	66893944
Total	169414000	66893944

Note 18 : CASH AND CASH EQUIVALENTS**(Rs.)**

PARTICULARS	As at 31st March, 2014	As at 31st March, 2013
Cash in Hand	491863	1198392
Balance with Banks	19475474	26651031
Total	19967337	27849423

Note 19 : SHORT TERM LOANS AND ADVANCES**(Rs.)**

PARTICULARS	As at 31st March, 2014	As at 31st March, 2013
Loans and Advances related to Trade	25832093	5582093
Loans and Advances to Others	1837189	1764327
Balance with Govt Authorities		
- For Prior Years	562398	1128810
- For Current Years	5155906	483983
Total	33387586	8959213

Note 20 : OTHER CURRENT ASSETS**(Rs.)**

PARTICULARS	As at 31st March, 2014	As at 31st March, 2013
Prepaid Insurance	228691	380180
Prepaid Exps	13106	126209
Receivable Income	510305	1119748
Total	752102	1626137

SANTARAM SPINNERS LIMITED
Notes Forming part of Financial Statements

Note 21 : REVENUE FROM OPERATIONS

		(Rs.)	
	PARTICULARS	As at 31st March, 2014	As at 31st March, 2013
	Sale of Products	791582084	1352674718
	Other Operating Revenues	15396731	13282242
	Total	806978815	1365956960

a. Sale of Products

		(Rs.)	
	PARTICULARS	As at 31st March, 2014	As at 31st March, 2013
	Export Sales	222125372	209276548
	Domestic Sales	569456712	1143398170
	Total	791582084	1352674718

b. Other Operating Revenues

		(Rs.)	
	PARTICULARS	As at 31st March, 2014	As at 31st March, 2013
	Power Generation Income	3929596	0
	Bales Discount & Cash Discount	1590843	3650518
	Commission and Brokerage Income	498846	620612
	Status Holding Licence Income	510305	20630
	Duty Draw Back Income	2156459	2046755
	Labour/Kharajat Income	338537	330985
	Quality Claim Income	159171	1670004
	Sample Allowances	69584	164342
	Kasar & Vatav	655066	0
	Marking Charges	56440	0
	Interest Income (TDS Rs. 647444)	5431884	4778396
	Total	15396731	13282242

Note 22 : OTHER INCOME**(Rs.)**

PARTICULARS	As at 31st March, 2014	As at 31st March, 2013
Dividend Income	6045	7556
Misc Income	32145	22861
Factory	0	194027
Interest Income	55773	40652
Rate Fluctuation	89419	339759
Total	183382	604855

Note 23 : COST OF MATERIALS CONSUMED**(Rs.)**

PARTICULARS	As at 31st March, 2014	As at 31st March, 2013
Raw Material		
Opening	59320159	43935752
Purchase	338477654	715762348
Closing	36584280	59320159
	361213533	700377941
Stores & Spares		
Opening	1089943	643210
Purchase	1700580	3368723
Closing	1054246	1089943
	1736277	2921990
Total	362949810	703299931

Note 24 : PURCHASES**(Rs.)**

PARTICULARS	As at 31st March, 2014	As at 31st March, 2013
Stock in Trade	380285210	599653453
Total	380285210	599653453

Note 25 : CHANGE IN INVENTORIES OF FINISHED GOODS, AND STOCK IN TRADE (Rs.)

PARTICULARS	As at 31st March, 2014	As at 31st March, 2013
Finishes Goods		
Inventories at the end of the year :	14653231	18585465
Inventories at the beginning of the year :	18585465	14574203
Change in Finished Goods	3932234	-4011262
Stock in Trade		
Inventories at the end of the year :	32386706	35539777
Inventories at the beginning of the year :	35539777	29983876
Change in Stock in Trade	3153071	-555901
Total	7085305	-9567163

Note 26 : EMPLOYEE BENEFITS EXPENSE (Rs.)

PARTICULARS	As at 31st March, 2014	As at 31st March, 2013
Salary wages & Bonus	1213632	858526
Staff Welfare Expense	71544	137300
Total	1285176	995826

Note 27 : FINANCE COST (Rs.)

PARTICULARS	As at 31st March, 2014	As at 31st March, 2013
Interest expenses	12632218	7971903
Bank Charges	876104	1019867
Interest on TDS	2763	1036
Loan Procurement Charges	917880	0
Interest on VAT/CST	58458	58242
Other Interest Exps	36409	0
Total	14523832	9051048

Note 28 : OTHER EXPENSE

(Rs.)

PARTICULARS	As at 31st March, 2014	As at 31st March, 2013
Manufacturing Service Cost		
Power and Fuel	2746692	2957221
Repairs Maintenance Charges of Factory Building	14040	0
Repairs Maintenance Charges of Plant & Machinery	133749	785270
Insurance	698979	324381
Other Manufacturing Costs	5793264	15590110
Allowances	2786951	2829411
Power Generation Exps.	915787	0
Administrative & General Exps.		
Telephone Postage	382830	313179
Printing Stationery	17956	126140
Rent Rates and Taxes	225105	232080
Auditors Remuneration	100000	75000
Electricity Exps	124180	117181
Travelling Conveyance	1585975	4227539
Legal Professional Charges	1200792	2330926
Donations	13840	0
Subscriptions - Membership Fees	193293	243679
Other Administrative General Exps	60681	912574
Selling Distribution Exps		
Advertising Promotional Exps	97342	128058
Commission Paid	3974962	2203164
Transportation Distribution Exps.	88196	1962974
Other selling Distribution Exps.	2964033	8985112
Other Expenses	12380358	11212296
Prior Period Expenses	3766	29613
Total	36502771	55565908

SANTARAM SPINNERS LIMITED
Notes Forming part of Financial Statements

Note 29 : Additional Information pursuant to Revised Schedule Vi to the Companies Act 1956 is given as under so far as applicable to the Company.

A. Contingent Liabilities & Commitments :

PARTICULARS	2013-2014	2012-2013
Contingent Liabilities & Commitments to the extent not provided for		
Sales Tax Demand		
Pending before Sales Tax Tribunal for the FY 1993-94		36189
Pending before Sales Tax Tribunal(VAT) for the FY 2006-07	956900	956900
Pending before Sales Tax(CST) for the FY 2006-07	914477	914477
Pending before Sales Tax(VAT) for the FY 2008-09	9700	9700
Income Tax Demand		
Pending before Income Tax for the FY 2009-10	-	212650

B. Foreign Expenditure and Earnings :
Expenditure in Foreign Currency

PARTICULARS	2013-2014	2012-2013
Brokerage & Commission	3520897	1136246
Weight Shortage Exps	1199549	402798
Inspection Fees	301255	-
Travelling Exps	-	695587

Earning in Foreign Currency

PARTICULARS	2013-2014	2012-2013
Exports of Goods	222125372	190681036

- C. During the year, there are no Capital Commitment Expenditure.
- D. In the opinion of Board of Directors the current assets, loans and advances are approximately of the value stated if realized in the ordinary course of business. The provisions for all known liabilities are adequate.

- E. We have verified the transactions recorded in the books with such documentary evidence as were made available and produced before us. Where such documentary evidence was not available we have accepted the voucher / entries as certified by management.
- F. Confirmation letters/contra accounts of debit and credit balances of various parties are received by the Company. Balance due to or due by various parties, sundry debtors and sundry creditors, loan and advances, other account and all squared up accounts and other balances are therefore Subject to adjustment on receipt of confirmation
- G. **Contingent Liability related to Micro, Small and Medium Enterprises**
The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act 2006 and hence disclosure relating to amount unpaid to as at year end together with interest paid/payable under this Act have not been given.
- H. **Impairment of Assets :**
The carrying amounts of assets are reviewed at each balance sheet date, if there is any indication of impairment based on internal/external factors. An impairment loss will be recognized wherever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is greater of the assets net selling price and value in use. In assessing the value in use the estimated future cash flows are discounted to the present value at the weighted average cost of capital. During the year there are no impairment losses on assets of the Company.

PARTICULARS	2013-2014	2012-2013
Audit fees	100000	75000
Taxation Matters	50000	-
Other Services	50000	-
Total	200000	75000

- j. In compliance of AS – 17 on “Segment Reporting” issued by the Institute of Chartered Accountants of India, in case of geographical segment, the domestic turnover of the Company is Rs.5694.57 lacs and the export turnover of the Company is Rs.2221.25lacs. The Company mainly deals in cotton and its by products. Since the by-products such as oil, khol etc, turnover is less than 10% of the total turnover, no separate segment is reported.

- K. In compliance of AS – 22 on “Accounting for taxes on Income” issued by Institute of Chartered Accountants of India, the Company has provided Accumulated net deferred tax liability in respect of timing difference as on 31st March, 2014. The item wise details of deferred tax liability as on 31.03.2014 are as under :-

PARTICULARS	2013-2014	2012-2013
Deferred Tax Liability		
Opening balance as on 01.04.2013		
Add(Less) :	4266803	3124592
On Account of Depreciation and Other Expenses	2205233	1142211
Closing Balance as on 31.03.2014	6472036	4266803

- L. As per **Accounting Standard - 18** issued by The Institute of Chartered Accountants of India, the disclosures of transactions with the related parties as define in the Accounting Standards are given below

Key Managerial Personnel	Shri. Kalyanbhai J. Shah Shri. Nirav Shah Shri. Paresh R. Shah Shri. Janak G. Nanavaty Shri. Fenil R. Shah
Relative Key Managerial Personnel	Shri Apurva K. Shah

PARTICULARS	KMP	RKMP
Outstanding Loan Balance at year end	–	305700
(Previous Year)	–	305700

M. **Earning per Share :**

The earnings considered in ascertaining the Company's EPS represent profit for the year after tax. Basic EPS is computed and disclosed using the weighted average number of equity shares outstanding during the year

Sr. No.	PARTICULARS	2013-2014	2012-2013
a	Profit after Tax as per P & L for Eq. Share.Holder	-133340	2797001
b	Weighted Average No. of Eq. Share outstanding	6174400	6174400
c	Nominal Value of Share	10.00	10.00
d	Basic Earning Per Share (Rs.)	-0.02	0.45
e	Diluted Earning Per Share (Rs.)	-0.02	0.45

N. Previous year figures have been regrouped, reconsider wherever necessary.

SIGNATURE TO NOTES '1' TO '29'

For and on behalf of
Jayesh M Shah & Co
Chartered Accountants
F.R.N.: 104173W

Jayesh M. Shah
Proprietor
M. No.: 30638

Place : Ahmedabad
Date : 29-05-2014

For Santaram Spinners Ltd

Kalyan Shah
(Director)

Fenil Shah
(Director)

Janak Nanavati
(Director)

Place : Ahmedabad
Date : 29-05-2014

REPORT ON CORPORATE GOVERNANCE

Corporate Governance for the company means achieving high level of accountability, efficiency, responsibility and fairness in all areas of operation. Our workforce is committed towards the protection of the interest of the stakeholder's viz. shareholders, creditors, investors, customers, employees, etc. Our policies consistently undergo improvements keeping in mind our goal of maximization of value of all the stakeholders.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company's philosophy on Corporate Governance lays strong emphasis on transparency, accountability and ability. The Company has implemented the mandatory requirements of the 'Code of Governance' as mentioned in Clause 49 of the Listing Agreement. The company's belief that good ethics make good business sense and our business practices are in keeping with this spirit of maintaining the highest level of ethical standards. The Compliance Report of the Company vis-a-vis the Stock Exchange Listing Agreement is presented below.

2. BOARD OF DIRECTORS:

A. Composition and Category of Directors:

Name of Directors	Category of Directorship	No. of other Directorship (Public Companies)	Committee (1) Membership (2) Chairman in other Companies	No. of Board Meetings Attended in the F.Y. 2013-2014	Attendance at the AGM held on 21-09-2013 Yes (Y) No (N)
Kalyanbhai J. Shah Chairman & Managing Director	Executive	2	2	7	Y
Nirav K. Shah Jt. Managing Director	Executive	3	1	7	Y
Janak G. Nanavaty	Non Executive	2	2	6	Y
Fenil R. Shah	Non Executive	1	2	7	Y
Paresh R. Shah	Non Executive	0	0	6	Y

b. Details of the Directors seeking Appointment/Reappointment in forthcoming Annual General Meeting:

Name of Director	Mr. Paresh R. Shah
Date of Birth	07/12/1941
Date of Appointment	22/04/2002
Expertise in specific functional areas	Administration
List of Public Limited Companies	NIL
Chairman/Member of the Committees of the Board of Directors of the Company	Appointed as Member in Audit Committee and Remuneration Committee.
Chairman/Member of the Committees of Directors of other Companies	NIL

c. **Board Procedures:**

The Board of Directors meets once a quarter to review the performance and Financial Results. A detailed Agenda File is sent to all the Directors well in time of the Board Meetings. The Chairman/Managing Director briefs the Directors at every Board Meeting, overall performance of the Company. All major decisions/approvals are taken at the Meeting of the Board of Directors such as policy formation, business plans, budgets, investment opportunities, Statutory Compliance etc. The meetings of the Board of Directors were held on 30/5/2013, 12/08/13, 14/11/13, 31/01/14, 14/2/2014, 3/3/2014, and 27/3/2014.

EXTRA ORDINARY GENERAL MEETING

One Extra Ordinary General Meeting was held as on 27th March, 2014 in order to fill up the casual vacancy caused by the resignation of statutory auditors M/s R S S Associates, with the appointment of M/s Jayesh M Shah & Co., Chartered Accountants, Ahmedabad and to take members' approval for increasing the borrowing powers under section 293(1)(d) of the Companies Act, 1956.

3. AUDIT XOMMITTEE

Name of Directors	Expertise	Functions of the Committee	Attendance
Janak Nanavaty (Chairman) Fenil R. Shah Pareshbhai Shah	All members are Non-executive. Chairman is independent Director and majority are independent. One member has thorough financial and accounting knowledge.	The functions of the Audit Committee are as per Company Law and Listing Agreement with Stock Exchange(s) which include approving and implementing the audit procedures, review of financial reporting system, internal control procedures and risk management policies.	All the members were present at the meeting held on 30/5/2013, 12/08/13, 14/11/13, 31/01/14, 14/2/2014, 3/3/2014, and 27/3/2014.

4. REMUNERATION COMMITTEE:

The Board Committee is vested with the responsibilities to function as per SEBI Guidelines and recommends to the Board Compensation Package for the Managing Director. It also reviews from time to time the overall Compensation structure and related policies with a view to attract, motivate and retain employees.

The Committee comprises the following Directors as members:

- | | | |
|-------------------|----------|---------------------------|
| 1. Janak Nanavaty | Chairman | Non-executive Independent |
| 2. Fenil R. Shah | Member | Non-executive Independent |
| 3. Paresh R. Shah | Member | Non-executive Independent |

All the members attended the meetings held on 30/5/2013, 12/08/13, 14/11/13, 31/01/14, 14/2/2014, 3/3/2014, and 27/3/2014.

Details of Remuneration of Executive / Non-Executive Directors for the financial year ended 31st March, 2014

1. No Managerial Remuneration was paid to any Director.
2. The other Directors were paid Sitting Fees. No Commission or Stock Option has been offered to the Directors.

5. **SHAREHOLDERS / INVESTORS' GRIEVANCES COMMITTEE:**

The Board has constituted a Shareholders/Investors' Grievances Committee for the purpose of effective redressal of the complaints of the shareholders such as Dematerialization, Share Transfer, Non-receipt of Balance Sheet, Dividend Warrants etc.

Mr Kalyanbhai J. Shah, Chairman and Mr. Janak G. Nanavaty Director are the Members of the Committee.

The Company has not received any complaint during the year from the shareholders. The valid request for transfer of shares was completed within 15 days of receipt.

Mr. Kalyanbhai J. Shah, Managing Director is the Compliance Officer for the above purpose.

6. **GENERAL BODY MEETINGS:**

Details of last three Annual General Meetings of the Company are given below:

Financial Year	Date	Time	Venue
2010-2011	19-09-2011	12.00 Noon	259, New Cloth Market, O/s. Raipur Gate, Ahmedabad - 380 002.
2011-2012	28-09-2012	9.30 AM	259, New Cloth Market, O/s. Raipur Gate, Ahmedabad - 380 002.
2012-2013	21-09-2013	9.30 AM	259, New Cloth Market, O/s. Raipur Gate, Ahmedabad - 380 002.

Pursuant to the provisions of Section 192 A of the Companies Act, 1956, there was no matter required to be dealt by the Company to be passed through postal ballot.

7. **DISCLOSURES:**

a) The Company has not entered into any transaction of material nature with the Promoters, the Directors or the Management that may have any potential conflict with the interest of the Company. The Company has no subsidiary.

b) There has neither been any non-compliance of any legal provision of applicable law, nor any penalty, stricture imposed by the Stock Exchange/s or SEBI or any other authorities, on any matters related to Capital Market during the last three years.

8. MEANS OF COMMUNICATIONS:

a) In compliance with the requirements of the Listing Agreement, the Company is regularly intimates Unaudited/ Audited Financial Results to the Stock Exchange/s immediately after they are taken on record by the Board of Directors. Results are displaying on company's Website www.santaramspinnners.com and are not sent individually to the Shareholders.

b) During the year ended on 31st March, 2014, no presentation was made to Institutional Investors or analyst or any other enterprise.

c) Management Discussion and Analysis form part of the Annual Report.

9. SHAREHOLDERS' INFORMATION:

- a) Registered Office : 259, 3rd Floor, New Cloth Market,
Outside Raipur Gate,
Ahmedabad - 380 002
- b) Annual General Meeting : Day : Tuesday
Date : 30th September, 2014
Time : 9.30 A.M..
Venue : 259, New Cloth Market,
Outside Raipur Gate
Ahmedabad - 380 002.
- c) Financial Calendar
- i. 1st quarterly results – Second week of August, 2014.
 - ii. 2nd quarter results – Second week of November, 2014.
 - iii. 3rd quarter results – Second week of February, 2015.
 - iv. 4th quarter results – Second week of May, 2015.
- d) Book Closure Dates : 23rd September, 2014 To 30th September, 2014
(Both days inclusive).
- e) Dividend Payment Date : Not applicable
- f) Listing of Shares on Stock : BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400 001.
- g) Stock Exchange Code : BSE 531323
- h) Stock Price Data :

The shares of the Company have been traded at The BSE during 1st April, 2013 to 31st March, 2014, the details of Stock Price Data during that period are submitted as below.

Month	Open	High	Low	Close	No. of Shares
April 13	3.55	4.29	3.33	3.33	18,471
May 13	3.17	3.48	2.85	3.31	2,315
June 13	3.28	3.28	2.24	2.24	3,620
July 13	2.35	2.58	2.24	2.46	10,937
August 13	2.50	2.50	2.50	2.50	850
September 13	2.62	4.00	2.62	3.64	3,039
October 13	3.80	4.18	3.62	3.98	907
November 13	3.79	3.79	3.26	3.26	3,300
December 13	3.10	4.65	2.95	4.65	5,016
January 14	4.50	5.30	4.13	4.13	13,575
February 14	3.93	3.93	2.82	2.82	9,380
March 14	2.75	2.88	2.28	2.28	5,943

Registrar and Share Transfer Agents:

In terms of SEBI Circular No. D&CC/FITTC/CIR-15/2003 dated 27th December, 2002 read with Circular No. D&CC/FITTC/CI R-18/2003 dated 12th February, 2003, on appointment of common agency for share registry work, the Company has appointed the below mentioned agency as Registrars and Share Transfer Agents (RTA) for both Physical and Demat Segment of Equity Shares of the Company:

Link Intime India Private Limited

C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West),
Mumbai 400078

Unit No. 303, 3rd Floor,
Shoppers Plaza V, Opp.Municipal
Market, Behind Shoppers Plaza II,
Off C G Road, Navrangpura,
Ahmedabad-380009

Tel No. :-079-26465179, Fax No :-079-26465179

E-mail Address: ahmedabad@linkintime.co.in

J) Share Transfer System:

The transfer of shares in physical form is processed and completed by LINK INTIME INDIA PVT. LTD. (Formerly Intime Spectrum Registry Ltd) within a period of 15 days from the date of receipt thereof.

In case of Shares in electronic form, the transfers are processed by NSDL/CDSL through the respective Depository Participants

k) Distribution of Shareholding as on 31st March, 2014:

No. of Equity Shares held	No. of Equity Shares holders	% of Share holders	No. of Shares held	% of Share holding
1 - 500	2904	85.9172	737794	11.9492
501 -1000	200	5.9172	167256	2.7089
1001 -2000	106	3.1361	165957	2.6878
2001 -3000	48	1.4201	125585	2.0340
3001 -4000	31	0.9172	108907	1.7638
4001 -5000	29	0.8580	136528	2.2112
5001 -10000	21	0.6213	162982	2.6396
10001- 999999	41	1.2130	4569391	74.0054
Grand Total	3380	100.0000	6174400	100.0000

i) Category of Shareholders as on 31st March, 2014:

Category	No. of Shares held	% of Share holding
Promoters (Directors & Relatives)	2773604	44.92
Financial Institutions	-	-
Banks	-	-
Mutual Fund	-	-
Bodies Corporate	30312	0.49
NRIs	193909	3.14
Clearing Member	14820	0.24
Public	3161355	51.20
HUF	400	0.01
Grand total	6174400	100.00

- m) Outstanding GDRs I ADRs/Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity: The Company has not issued any GDRs/ADRs.
- n) **Dematerialisation** : The Company has entered into Shares Agreement with NSDL/CDSL for Dematerialisation of Shares. As on 31st March, 2014 total of 45,68,441 Shares of the Company which form 73.99% of the Share Capital of the Company stands dematerialized.

10. PLANT LOCATIONS:

Survey No. 1433, Near Rajpur Bus Stand, Taluka:Kadi, Dist: Mehsana (N. Guj.)

11. ADDRESS FOR CORRESPONDENCE:

Link Intime India Private Limited

C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West),
Mumbai 400078

Unit No. 303, 3rd Floor,
Shoppers Plaza V, Opp.Municipal
Market, Behind Shoppers Plaza II,
Off C G Road, Navrangpura,
Ahmedabad-380009

Tel No. :-079-26465179, Fax No :-079-26465179

E-mail Address: ahmedabad@linkintime.co.in

For any assistance regarding Correspondence dematerialisation of shares, share transfers, transactions, change of address, non-receipt of dividend or any other query, relating to shares:

Registered Office : 259, 3rd Floor, New Cloth Market,
Outside Raipur Gate,
Ahmedabad - 380 002.
Telephone Nos. : (079) 2216 7030, 22167040
Fax No. : (079) 2217 0077
e-mail address : santaramltd@gmail.com
Compliance Officer : Mr. Kalyan J Shah

By order of the Board of Directors

Date : 12-08-2014
Place : Ahmedabad

Sd/-	Sd/-	Sd/-
Kalyan J Shah	Fenil R Shah	Janak Nanavati
(Director)	(Director)	(Director)
(Din: 00397398)	(Din: 01558417)	(Din: 00472925)

MANAGEMENT DISCUSSION AND ANALYSIS

a. Industry Structure and Developments:

The textile industry is the largest industry of modern India. It accounts for over 20 percent of industrial production and is closely linked with the agricultural and rural economy. Being an agro-based industry the production of raw material varies from year to year depending on weather and rainfall conditions. Accordingly the price fluctuates too.

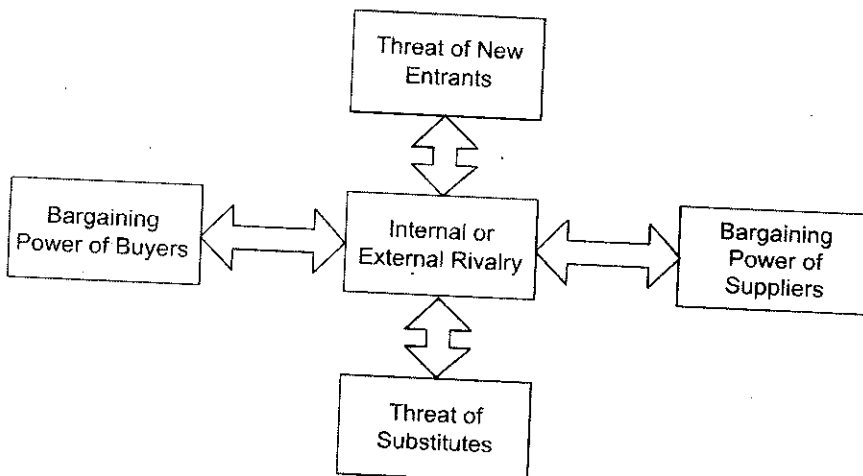
The scenario of the textile industry is changing from time to time as change in the Indian Economy level. However, at present small scale cotton growers are not often able to protect themselves against the fluctuations in the market prices. In addition, with a lower degree of investment in cotton growing infrastructure in these countries, growers face lower switching costs. Thus, your Company is in the process of changing its activities to give boost to its cotton ginning & export activity.

b. Opportunities and Threats:

The country's domestic market offers much potential for growth and numerous business opportunities as demand for textile products is expected to keep step with increased purchasing power augering well for the Industry. Experts are of the opinion that the era of domination of the world's textile and apparel market by goods originating in China has reached its zenith and that the base is gradually shifting to India and Pakistan. Cotton prices which have been highly volatile are of major concern for textile manufacturers along with ever increasing energy prices.

Opportunities

- * Large, Potential Domestic and International Market
- * Market is gradually shifting towards Branded Readymade Garments.
- * Greater Investment and Foreign Direct Investment opportunities are available.
- * Increased Disposable Income and Purchasing Power of Indian Customer opens New Market Development.
- * Emerging Retail Industry and Malls provide huge opportunities for the Apparel, Handicraft and other segments of the industry.



Threats

- ⇨ Competition from other developing countries, especially China. Continuous Quality Improvement is need of the hour as there are different demand patterns all over the world.
- ⇨ Elimination of Quota system will lead to fluctuations in Export Demand.
- ⇨ Threat for Traditional Market for Power loom and Handloom Products and forcing them for product diversification.
- ⇨ Geographical Disadvantages.
- ⇨ International labor and Environmental Laws.

c. Segment wise Performance:

The Company has identified its activities as single segment. Hence, the Company's performance is to be viewed as a single segment company operating in textile industry.

d. Recent Trend and Future Outlook:

With the increasing trend in the cotton ginning and export of variety cotton and with the implementation of expansion project in cotton ginning business, it will provide new dimension to the working. The Company has made the four times profit during the year & the Company has also expanding its business by exporting materials to other countries.

e. Expansion & Future Proposal:

The Company wants to manufacture at reduce production cost to compete in sluggish market and stabilise its position, it has decided to generate power by setting Wind Energy based power project having total capacity of 0.80 MW at Revenue survey no. 64, Jamanagar consumed at manufacturing unit of M/s. Santaram Spinners Limited under the provision of the Wind Power Generation Policy 2007 with the approval of Gujarat Energy Development Agency (GEDA).

f. Risks and Concerns:

Like any other industry, the textile industry is also exposed to risk of competition, government policies, natural factor etc. As the Company is exporting raw materials/ finished product, the Company has risk on account of Exchange Rate fluctuations. The Company has taken necessary measures to safeguard its assets/interests etc.

- g. Internal Control Systems and their Adequacy:**
The Company has proper and adequate system of Internal Controls to ensure that all the assets are safeguarded, protected as against loss from unauthorised use or disposition and that transactions are authorised, recorded and reported correctly. The Company conducted the audit of various departments through an independent internal auditor. The views of the statutory auditors are also consider to ascertain the adequacy of the internal control system
- h. Financial Performance with respect to Operational Performance:**
The financial performance of the Company for the year 2013-14 is described in the Directors' Report under the head 'Production, Sales and Working Results'.
- i. Material Developments in Human Resources and Industrial Relations Front:**
Your Company has undertaken certain employees' development initiatives which have very positive impact on the morale and team spirit of the employees. The Company has continued to give special attention to Human Resources/Industrial Relations development. Industrial relations remained cordial throughout the year and there was no incidence of strike, lock-out etc.
- j. Cautionary Statement:**
Statement in this Management Discussion and Analysis Report, describing the Company's objectives, estimates and expectations may constitute 'Forward Looking Statements' within the meaning of applicabl laws or regulations. Actual results might differ materially from those eithe expressed or implied.

By order of the Board of Directors

Date : 12-08-2014
Place : Ahmedabad

Sd/-	Sd/-	Sd/-
Kalyan J Shah	Fenil R Shah	Janak Nanavati
(Director)	(Director)	(Director)
(Din: 00397398)	(Din: 01558417)	(Din: 00472925)

AUDITORS' REPORT ON CORPORATE GOVERNANCE

To,
The Members,
SANTARAM SPINNERS LIMITED
259 3rd Floor, New Cloth Market,
Outside Raipur Gate,
Ahmedabad-380002
Gujarat

We have examined the compliance of Corporate Governance by Santaram Spinners Limited for the year ended on 31st 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 was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the corporate Governance. It is neither an audit nor an expression of to opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievance(s) is/ are pending for a period exceeding for one month against the Company as per the records maintained by the Shareholders/Investors Grievance Committee.

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.

Date: 29/05/2014
Place: Ahmedabad

For Jayesh M. Shah & Co
Chartered Accountants

Sd/-
Jayesh M. Shah
(Proprietor)
M. No. 30638

CEO/CFO CERTIFICATION:
(Under Clause 49(V) of Listing Agreement)

We Certify that

- a. We have reviewed the financial statements and the cash flow statement for the year 2013-14 and that to the best of our knowledge and belief:
 - These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - These statements together present true and fair view of the Company's affairs and are in compliance with existing 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 2013-14 which are fraudulent, illegal or violative of the Company's code of conduct;
- c. We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of the internal control, if any, of which we are aware of and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee -
 - Significant changes in internal control over the financial reporting during the year 2013-14;
 - Significant changes in accounting policies during the year 2013-14 and that the same have been disclosed in the notes to the financial statements; and
 - Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over the financial reporting.

By order of the Board of Directors

Date : 12-08-2014
Place : Ahmedabad

Sd/-
Kalyan J Shah
(Director)
(Din: 00397398)

Sd/-
Fenil R Shah
(Director)
(Din: 01558417)

Sd/-
Janak Nanavati
(Director)
(Din: 00472925)

SANTARAM SPINNERS LIMITED

Registered Office : 259, 3rd floor, New Cloth Market,
Outside Raipur Gate, Ahmedabad - 380 002.

ATTENDANCE SLIP

Please complete this Attendance slip and hand it over at the entrance of the Meeting Hall. It helps us to make proper arrangements. Failures to bring this Attendance Slip create unnecessary inconvenience to you. Please write below

Reg.FolioNo/DPID-CLID.....

I hereby record my presence at the Annual General Meeting of the Company held at 259, 3rd Floor, New Cloth Market, Outside Raipur Gate, Ahmedabad-380002 on the 30th Day of September, 2014 at 9.30 A.M.

Full Name of the Members/Proxy.....
..... (In Block Letters, to be filled in if the proxy attends instead of the Member).....

Application to the members holding shares in electronic form.

Members/ Proxy Signature

Notes :

1. This meeting is only for members. Please, therefore, do not bring person in the meeting who is not a member.

Please bring this attendance slip duly signed and hand it over to the representative of the Company at the entrance of the meeting place.

Form No. MGT-11**Proxy form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L17110GJ1983PLC006462

Name of the company: SANTARAM SPINNERS LIMITED

Registered office: 259, 3rd Floor, New Cloth Market, Outside Raipur Gate, Ahmedabad-380002.

Name of the member (s)	
Registered address	
E-mail Id:	
Folio No/ Client Id:	
DP ID:	

I/We, being the member (s) of shares of the above named company, hereby appoint:

1. Name:
 Address:
 E-mail Id:
 Signature:.....,or failing him,

2. Name:
 Address:
 E-mail Id:
 Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the company, to be held on the 30th day of September, 2014 at 9.30 a.m. at 259, 3rd Floor, New Cloth Market, Outside Raipur Gate, Ahmedabad-380002 and at any adjournment thereof in respect of such resolutions as are indicated below:

Res. No.	Description	For	Against
1	Adoption of Annual Accounts and Reports thereon for the Financial year ended 31st March, 2014		
2	Re-election of Mr. Paresh Shah as a Director of the Company		
3	Re-appointment of M/s. Jayesh M Shah & Co, Chartered Accountants, Ahmedabad as a Statutory Auditors of the Company and to fix their remuneration for the financial year ending as on 31 st March, 2015		
4	Reappointment of Mr. Kalyan Shah as a Managing Director of the Company:		
5	Reappointment of Mr. Nirav Shah as a Joint Managing Director of the Company:		

Signed this..... day of..... 2014

Signature of Shareholder

Signature of Proxy holder(s)

Affix Rs. 1 /- Revenue Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

If Undelivered, please return to:-
Santaram Spinners Limited
259,3rd Floor, New Cloth Market,
O/s Raipur Gate,
Ahmedabad-380002.
Telephone Nos.: (079) 22167030/40
