



SURYAAMBA SPINNING MILLS LIMITED

BOARD OF DIRECTORS

Sri R. Surender Reddy	Chairman
Sri Virender Kumar Agarwal	Managing Director
Smt. Seema Rani Agarwal	Joint Managing Director
Sri Mayank Agarwal	Whole-time Director
Sri Vithaldas Agarwal	Director
Sri Ravinder Kumar Agarwal	Director
Sri Pundlik Sampatrao Thakare	Director
Sri Sanjiv A. Agrawal	Director

MANAGER (FINANCE)

Sri Nitin B. Halbe

REGISTERED OFFICE

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

AUDITORS

M/s. Brahmaya & Co.,
Flat No.403 & 404,
Golden Green Apartments,
Irrummanzil Colony,
Hyderabad – 500 082.

REGISTRAR & TRANSFER AGENTS

M/s. Sathguru Management Consultants Pvt.Ltd.,
Plot No.15, Hindi Nagar,
Panjagutta,
Hyderabad – 500 034.

BANKERS

State Bank of India
Industrial Finance Branch,
Hyderabad.

Axis Bank Limited
Begumpet Branch,
Hyderabad

FACTORIES

Mouza - Nayakund,
Near Ramtek,
Nagpur District,
Maharashtra.

Contents	Page Nos.
Notice	2-4
Directors' Report	5-10
Compliance Certificate	11-13
Management Discussion and Analysis	14-15
Report on Corporate Governance	16-24
Auditors' certificate on Corporate Governance	25
Certificate by the CEO and CFO	26
Auditor's Report	27-29
Balance Sheet	30
Profit & Loss Account	31
Schedules forming part of the Accounts	32-39
Significant Accounting Policies	40
Notes on Accounts	41-44
Cash Flow Statement	45
Balance Sheet Abstract	46
ECS Mandate Form	47-48
Attendance Slip and Proxy Form	49



NOTICE

Notice is hereby given that 3rd Annual General Meeting of the members of **M/s. Suryaamba Spinning Mills Limited** will be held on Thursday, 23rd September 2010, at 3.00 P.M. at Kamat Lingapur Hotel, 1-10-44/2, Chikoti Gardens, Begumpet, Hyderabad-500016 to transact the following business:

Ordinary Business:

1. Adoption of Accounts

To receive, consider and adopt the Audited Profit & Loss Account for the year ended 31st March 2010 and Balance Sheet as on that date and the Reports of the Directors and Auditors thereon.

2. Declaration of Preference Dividend

To declare dividends on 12% Non Convertible Cumulative Redeemable Preference Shares and 8% Non- convertible Cumulative Redeemable Preference Shares.

3. Declaration of Equity Dividend

To declare dividend on Equity Shares for the year ended 31st March 2010.

4. Re-appointment of Sri Sanjiv A Agrawal

To appoint a director in place of Sri Sanjiv A Agrawal who retires by rotation and being eligible offers himself for re-appointment.

5. Reappointment of Sri Ravinder Kumar Agarwal

To appoint a director in place of Sri Ravinder Kumar Agarwal who retires by rotation and being eligible offers himself for reappointment.

6. Appointment of Statutory Auditors

To Consider and if thought fit, to pass with or without modification (s), the following resolution as an Ordinary Resolution relating to appointment of Statutory Auditors of the Company:

“RESOLVED THAT pursuant to Section 224 and other applicable provisions, if any, of the Companies Act, 1956, M/s.

Brahmayya & Co., Chartered Accountants, Hyderabad (Registration No. 000513S) be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company, at such remuneration plus service tax as applicable and reimbursement of actual out of pocket expenses as may be incurred in the performance of their duties, as the Board of Directors may fix in this behalf”.

Special Business:

7. Increasing of Authorised Capital of the Company

To Consider and if thought fit, to pass with or without modification (s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 16 & 94 and other applicable provisions, if any, of the Companies Act, 1956, the Authorized Share Capital of the Company be and is hereby increased from Rs. 7,00,00,000/- (Rupees Seven Crores Only) to Rs. 13,00,00,000/- (Rupees Thirteen Crores only) by creating fresh 6,00,000 (Six Lac only) Preference Shares of Rs. 100/- each and consequently the Clauses V of the Memorandum of Association of the Company be and is hereby altered by substituting the following new Clause V in place of existing Clause thereof.

‘V. The authorized share capital of the Company is Rs. 13,00,00,000/- (Rupees Thirteen Crores only) divided into 50,00,000 Equity Shares of Rs.10/- each and 800,000 Preference Shares of Rs.100/- each, whether Cumulative Redeemable, Non-cumulative Redeemable, with a power to increase, reduce, subdivide, consolidate, convert in to equity shares in accordance with the provisions of the law from time to time.”



8. Alteration of Articles of Association of the Company

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

“RESOLVED THAT pursuant to the provisions of Section 31 of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof, for the time being in force) the Articles of Association of the Company be and is hereby altered by substituting the following new Article place of the existing Article 3 (a) (i) thereof:

“3 (a) (i) The authorized share capital of the Company is Rs. 13,00,00,000/- (Rupees Thirteen Crores only) divided into 50,00,000 Equity Shares of Rs.10/- each and 800,000 Preference Shares of Rs.100/- each, whether Cumulative Redeemable, Non-cumulative Redeemable, with a power to increase, reduce, subdivide, consolidate, convert in to equity shares in accordance with the provisions of the law from time to time.”

**For and behalf of the Board
For Suryaamba Spinning Mills Ltd**

Place : Nagpur Virender Kumar Agarwal
Date: 02-08-2010 Managing Director

NOTES :

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and on a poll to vote instead of himself. Such proxy need not be a member. The instrument appointing a proxy should however be deposited at the registered office of the Company not Less Than 48 Hours before the Meeting.
2. An explanatory statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of business set out under item no.7 & 8 is annexed.
3. The Registers of Members and Share transfer books will remain closed from 20th September, 2010 to 23rd September, 2010 (Both Days Inclusive) for the purpose of Annual General Meeting.
4. Members are requested to notify immediately any change of address to their depository participants in respect of their holding in Electronic Form and to Company's Registrar and Transfer Agent, i.e. M/s Sathguru Management Consultant (P) Ltd; Unit: Suryaamba Spinning Mills Ltd. in respect of their Physical Folio, if any.
5. Members desiring any further information as regards the Accounts or Operations of the Company are requested to write to the Company so as to reach at least one week prior to the date of Meeting for consideration of the management to deal at the meeting.
6. Corporate Members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
7. Pursuant to the requirement of the Listing Agreement of the Stock Exchange on Corporate Governance, relating to appointment of the Directors / reappointment of the retiring Directors, a statement containing the required details of the concerned Directors forms part of the Report on Corporate Governance.



8. In terms of circulars issued by Securities and Exchange Board of India (SEBI), it is now mandatory to furnish a copy of PAN card to the Company or its RTA in the following cases viz. Transfer of shares, Deletion of name, Transmission of shares and Transposition of shares. Shareholders are requested to furnish copy of PAN card for all the abovementioned transactions.
9. Members are requested to bring their copy of annual report with them at the time of attending the Annual General Meeting.

Explanatory statement

(Pursuant to Section 173(2) of the Companies Act, 1956)

Item No.7 & 8:

The present Authorised share capital of the Company is Rs. 7 Crores consisting of 50,00,000 Equity Shares of Rs. 10/- each and 2,00,000 Cumulative Redeemable Preference Shares of Rs.100. The Paid-up Equity Share Capital of the Company is Rs. 2,22,80,000/- and Preference Share Capital of the Company is Rs. 19,63,700/- . The Company, in order to meet its growth plan in the form of expansion and modernization and to meet other business requirements such as working capital, repayment of debt building capacities for existing lines of businesses, to strengthen its financial position, is required to generate long term resources by issuing securities. The Board of Directors have considered it necessary and desirable to increase the Authorised Capital of the Company as provided in the proposed resolution so that there will be scope for raising finance for the requirements of the Company by the issue of further Capital if and when considered necessary. Increase of Authorised share capital of the Company requires the approval of members pursuant to Section 16 read with Section 94 and pursuant to Section 31 of the Companies Act, 1956.

Board of Directors recommends the resolution for approval of members.

None of the Directors of the Company is, in any way concerned or interested in the above resolution except to the extent to which they may participate in the expanded capital.

**For and behalf of the Board
For Suryaamba Spinning Mills Ltd**

Place : Nagpur Virender Kumar Agarwal
Date: 02-08-2010 Managing Director

**DIRECTORS REPORT**

To,
The Members,
Your Directors have pleasure in presenting their 3rd Annual Report on the business and operations together with Audited Annual accounts of your Company for the Financial year ended 31st March 2010.

FINANCIAL RESULTS

		(Rs. In Lakhs)	
Sl.No.	Particulars	2009-10	2008-09
1	Sales and other Income	8557.62	8649.62
2	Profit Before interest and Depreciation	486.77	454.85
3	Interest and Finance Charges	208.31	182.69
4	Depreciation	182.51	180.31
5	Profit after Interest and Depreciation	95.95	91.84
Provision for Taxation: -			
6	(a) Current Tax	58.00	56.50
7	(b) Deferred Tax	10.55	23.15
8	Balance of Profit (or Loss)	27.41	12.20
Appropriations			
9	Transfer to General Reserve	0.50	0.25
10	Dividend on Equity Share	16.71	22.28
11	Dividend on Preference Share	1.76	2.40
12	Dividend Tax	3.06	4.19
13	Preference Share Redemption Reserve	10.00	15.00
14	Surplus carried over to Balance Sheet	175.26	179.88

Operations:

During the year, your company has achieved a Total turnover of Rs. 8557.62 Lakhs (previous year is Rs.8649.62 Lakhs). The Company has earned a Profit Before Tax of Rs. 95.95 Lakhs as against Rs. 91.84 Lakhs for the previous year. During the year textile industry was recovered from the last year recession and comparatively performed well.

Exports

The export turnover (through merchant export) of your Company during the year was Nil as against Rs. 395.12 Lakhs for the previous year. During the year, the Company did not export its finished product, as the Company was able to do good sales realization in the domestic market itself.

Future Outlook

The economy is on the path of recovery and the Company expects good demand for its products in domestic as well as international markets. Major markets for Indian Textile and Clothing (T & C) export are



the USA and EU and they are showing sign of recovery. The domestic market is also on the path of healthy growth because of the fact that few manufacturing facilities operating abroad are slowing down due to recession. The home-textiles and garment segments are reflecting sound growth both in the domestic and international markets due to good demand of apparels. There is a substantial scope for further growth in these segments. Your Company believes that the competition in the emerging markets will be met by developing production systems based on cost efficiency, high productivity, quality assurance, etc.

Expansion Plan

The Company is implementing expansion plan by addition of 12,096 Spindles adjacent to the existing plant premises at an estimated cost of Rs. 34 Crores. This will bring about further economy in production cost as well as substantial tax savings in future.

The Company has already applied for financial assistance to the lending institutions and the same is in the process of getting necessary sanctions and clearances from the respective authorities.

Deposits

There were no overdue deposits as on 31st March 2010.

Dividend:

Your Directors have recommended payment of dividend on Cumulative Redeemable Preference Shares as per the terms and conditions of the issue. The dividend will absorb a sum of Rs.1,75,956/-. The Corporate dividend tax will be Rs.29,224/-.

Your Directors are also pleased to recommend a dividend of 7.50 % on the Equity Share capital of the Company for the Financial Year ended 31st March 2010. The dividend will absorb a sum of Rs. 16,71,000/-. The Corporate dividend tax will be Rs.2,77,532/-.

Transfer to Reserves:

Your Company proposes to transfer Rs.0.50 akhs (Previous Year Rs.0.25 Lakhs) to General Reserve Account and Rs. 10.00 Lakhs (Previous Year Rs.15.00 Lakhs) to Preference Share Redemption Reserve Account of the Company for the year.

Capital Expenditure

During the year under review, your company has incurred Rs. 260.17 Lakhs (Previous Year Rs.86.97 Lakhs) towards capital expenditure (including capital work - in- progress).

Directors

The Directors Sri Sanjiv A. Agrawal and Sri Ravinder Kumar Agarwal retires by rotation at the ensuing Annual General Meeting and being eligible, offers themselves for re-appointment. Board of Directors recommends their re-appointment.

Directors Responsibility Statement

Pursuant to the requirements of Section 217(2AA) of the Companies Act, 1956, with respect to the Directors Responsibility Statement, the Board of Directors of your Company confirms that:

- i) in the preparation of annual accounts for the year ended 31st March 2010, the applicable accounting standards have been followed and there has been no material departure.
- ii) 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 the end of the financial year ended on 31st March, 2010 and of the profit for the year under review.
- iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities; and
- iv) the Directors have prepared the accounts for the financial year ended 31st March 2010 on a going concern basis.

Corporate Social Responsibility:

As an evolved and concerned corporate citizen, Suryaamba believes that corporate social responsibility (CSR) initiatives are a way to pay back societal debts and obligations. We do not see CSR as charity; nor even as a responsibility; but as an opportunity to change and help the



society. Our CSR activities are conceived to bridge gaps in society and help transform communities around our workplace.

At Suryaamba, CSR activities are undertaken in various manners such as providing donations for social and cultural activities, conducting eye check-up camp, providing cold drinking water during summer season for travelers near to the factory premises.

Auditors

The Board, on the recommendation of the Audit Committee, has proposed that M/s Brahmayya & Co. Chartered Accountants, Hyderabad be appointed as Statutory Auditors of the Company to hold office from the conclusion of the ensuing 3rd Annual General Meeting till the conclusion of the next Annual General Meeting of the Company. M/s Brahmayya & Co. Chartered Accountants, Hyderabad has forwarded their certificate to the Company, stating that their appointment, if made, will be within the limit specified in that behalf in Sub - section (1B) of Section 224 of the Companies Act 1956.

Resolution seeking your approval on this item is included in the Notice of the ensuing Annual General Meeting.

Auditors Qualification:

No Qualification was made by the Auditor in their report on the accounts for the period ended 31st March 2010.

Cost Auditor

In pursuance of Section 233-B of the Companies Act, 1956, your Directors have appointed M/s. G.R. Paliwal & Co., Nagpur, as the Cost Auditor for the financial year 2010-11, subject to the approval of Central Government.

Corporate Governance:

Corporate Governance Report, Management Discussion Analysis Report and Certificate from Auditors of your Company regarding compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange are attached to this Report and forms part of this report.

Conservation of Energy, Technology Absorption, Foreign Exchange Earning and Outgo:

The details as required under the Companies (Disclosure of particulars in the report of Board of Directors) Rules 1988 are given in the Annexure -1 and form part of the report.

Compliance Certificate

The Compliance Certificate for the period 1st April, 2009 to 31st March, 2010, has been obtained from M/s. R & A Associates, Company Secretaries, Hyderabad, as per Section 383A of the Companies Act, 1956, and the same is attached herewith.

Employees

No employee was in receipt of remuneration in excess of the limits prescribed under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rule, 1975 and hence the prescribed information not required to be given.

Acknowledgment

The Board of Directors pleased to place on record their appreciation of the cooperation and support extended by State Bank of India, Axis Bank Ltd., various State and Central Government agencies, Stock Exchange and other Agencies. The Board would like to thank the Company's shareholders, Customers, Suppliers for the support and the confidence, which they have reposed in its management. The Board also wishes to place on record its appreciation of the valuable services rendered by all the employees of the company.

For and on behalf of the Board of Directors
For **Suryaamba spinning Mills Ltd.**

Virender Kumar Agarwal Seema Rani Agarwal
Managing Director Jt. Managing Director

Place : Nagpur
Date : 02-08-2010



Annexure -1

Annexure to Directors Report

Details required under Companies (Disclosure of particulars in report of Board of Directors) Rules, 1988 read with clause (e) of sub- Section (1) of Section 217 of the Companies Act, 1956.

Conservation of Energy

1. Energy conservation measures taken

The company has given priority for energy conservation and it has put continues efforts to reduce consumption of energy and has taken steps of continuous monitoring for replacement of conventional electrical motors etc. with improved technology. Higher productivity achieved by optimizing machinery efficiency also the Company opting for maximum benefits offered by electricity supplier as incentives.

2. The above measures have reflected in reduction of energy consumption during the year.

3. Further in our proposed expansion while selection of Machinery and utilities we are taking maximum care in modern technology and reduction of energy.

FORM - A

Form for Disclosure of particulars with respect to Conservation of Energy:

(Rs. In Lakhs)

Sr. No.	Particulars	2009-10	2008-09
A	Power and Fuel Consumption		
1)	Electricity		
	a) Purchased Unit	15579330	16950660
	Total Amount (Rs. In Lakhs)	629.71	676.28
	Average Rate: (Rs./Unit)	4.04	3.99
	b) Own Generation:		
	Through Diesel Generators	Nil	Nil
	Units (In Lakhs of KWH)	Nil	Nil
	Units per liter of diesel oil	Nil	Nil
2)	Coal (Rs. In Lakhs)	Not Used	Not Used
3)	Furnace Oil	Not Used	Not Used
4)	Others	Not Used	Not Used
B	Consumption per Unit of Production		
	Electricity (Units /kg of yarn)	1.79	1.86
	Coal	Not Used	Not Used
	Furnace Oil	Not Used	Not Used
	Others	Not Used	Not Used

Technology absorption:

Efforts made in technology absorption as per form B



FORM B

Form for disclosure of particulars with respect to absorption

Research & Development (R&D)

In order to meet the changed competitive conditions due to globalization and liberalization of the economy there is an urgent need for upgrading the technology levels currently prevailing in the industry. All these call for the preparation and implementation of proper action plan in which all the stakeholders i.e. the government, the weavers, and the other interest groups get fully involved.

In an effort to adopt cutting edges technology, your company gives particular importance in the research, aiming at the better quality and increased market value.

1. Specific Areas in which R&D carried out by company : The company is having good R&D introduction and development of value added products.
2. Benefits derived as a result of the above R&D : High quality products have been developed, due to which the demand for the products of the company has considerably gone up.
3. Future Plans of Action : To developed more value added products and improve further quality of the products.
4. Expenditure on R&D : Expenditure on in-house R&D has been shown under respective heads of expenditure in the Profit & Loss Accounts as no separate account is maintained.

Technology Absorption adaptation and innovation :

1. Efforts in brief, made towards technology absorption and innovation : The company has adapted indigenous technology and made innovation on the same. We have taken care of adoption of modern technology such as Auto waste collection, Auto doffing for our proposed expansion unit.
2. Benefits derived as result of the above efforts : Product improvement, increase in yield and quality has resulted from these efforts.
3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year) Following information may be furnished : No technology has been imported
 - a) Technology Imported : Nil
 - b) Year Of import : Not Applicable
 - c) Has technology been fully absorbed : Not Applicable
 - d) If not fully absorbed, area where this has not taken place reasons therefore and future plans of actions : Not Applicable

Foreign Exchange Earning & Outgo:

- a) Activities relating to exports, initiatives taken to increase exports, development of new exports markets for production and services and export plans. : Export explorations activities mainly include development of export to new markets and increasing exports to traditional markets.



Total foreign exchange used & earned

	(Rs. in Lakhs)	
	<u>2009-10</u>	<u>2008-09</u>
(i) Foreign Exchange earned	Nil	Nil
FOB value of exports	Nil	Nil
(ii) Foreign Exchange used	Nil	Nil
Import of capital goods	Nil	Nil
Foreign travel	Nil	Nil
Commission on export sales	Nil	Nil
Raw Materials	Nil	Nil
Spares	16.25	14.83

For and on behalf of the Board of Directors
For **Suryaamba Spinning Mills Ltd.**

Place: Nagpur
Date: 02-08-2010

Virender Kumar Agarwal
Managing Director

Seema Rani Agarwal
Jt. Managing Director



Compliance Certificate

To
The Members,
M/s. Suryaamba Spinning Mills Limited,
105, S P Road, Secunderabad – 500 003
Andhra Pradesh.

We have examined the registers, records, books and papers of *M/s. Suryaamba Spinning Mills Limited* (“the Company”) as required to be maintained under the Companies Act, 1956 (“the Act”) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on **31st March, 2010** (i.e. 1st April, 2009 to 31st March, 2010). In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all the registers as stated in **Annexure ‘A’** to this Certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The Company has filed the forms and returns as stated in **Annexure ‘B’** to this Certificate, with the Registrar of Companies, Andhra Pradesh as required under the Act and rules made there under.
3. The Company is a Public Limited Company.
4. The Board of Directors duly met eight (8) times respectively on 23rd May, 2009, 29th June, 2009, 27th July, 2009, 31st August, 2009, 30th October, 2009, 21st December, 2009, 29th January, 2010 and 22nd March, 2010 in respect of which meetings proper notices were given, the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. There were no circular resolutions passed during the financial year.
5. The Company closed its Register of Members, from 11th September, 2009 to 14th September, 2009 and necessary compliance of section 154 of the Act has been made.
6. The annual general meeting for the financial year ended on 31st March, 2009 was held on 14th September, 2009 after giving due notice to the members of the company and other concerned and the resolution passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No extra-ordinary general meeting was held during the financial year.
8. The Company has not advanced any loans to its directors or persons or firms or Companies referred to under section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. As there are no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or Central Government.
12. The Company has not issued any duplicate share certificates during the financial year.
13. The Company has:
 - i) delivered all the certificates on allotment of securities and on lodgment thereof for transfer in accordance with the provisions of the Act.
 - ii) deposited the amount of dividends, both Equity and Preference declared, in separate Bank Accounts namely “M/s. Suryaamba Spinning Mills Ltd Dividend cum Unpaid Equity Dividend A/c” and “M/s. Suryaamba Spinning Mills Ltd Dividend cum Unpaid Pref. Dividend A/c” within five days from the date of declaration of said dividends.
 - iii) paid / posted warrants for dividend(s) to all the members within a period of 30 (Thirty) days from the date of declaration and all unclaimed / unpaid dividend(s) has been retained in the said A/c’s as the said accounts were opened for Dividend payment as well as for unpaid / unclaimed Dividend A/c.



- iv) there was no amount in the unpaid or unclaimed dividend account which remained unpaid or unclaimed for a period of more than seven years to be transferred to Investor Education and Protection Fund.
- v) complied with the requirements of section 217 of the Act.
- 14. The Board of Directors of the Company is duly constituted and the appointment of Additional Directors have been duly made. There was no appointment of alternate directors and directors to fill casual vacancy during the financial year.
- 15. The Appointment of Managing Director and Whole-time Director has been made in compliance with the provisions of section 269 read with Schedule XIII to the Act.
- 16. The Company has not appointed any sole-selling agents during the financial year.
- 17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director and Registrar of Companies during the financial year.
- 18. The Directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
- 19. The Company has not issued any Shares, debentures or other securities during the financial year.
- 20. The Company has not bought back any shares during the financial year.
- 21. There was no redemption of preference shares or debenture during the financial year.
- 22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
- 23. The Company has not invited / accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
- 24. The amount borrowed by the company from financial institutions and banks during the financial year ending 31st March, 2010 is within the borrowing limits of the Company.
- 25. The company has not made loans and advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
- 26. The Company has not altered the provisions of the Memorandum with respect to situation of Company's Registered Office from one state to another.
- 27. The Company has not altered the provisions of the Memorandum with respect to objects of the Company during the year under scrutiny.
- 28. The Company has not altered the provisions of the Memorandum with respect to the name of the Company during the year under scrutiny.
- 29. The Company has altered the provisions of the Memorandum with respect to the Share Capital during the year by passing an Ordinary Resolution in the Annual General Meeting held on 14th September, 2009 for increasing the authorised capital from Rs.5 Crore to Rs. 7 Crore and complied with the provisions of the Act.
- 30. The Company has altered its Articles of Association during the financial year with respect to the Share Capital by passing a Special Resolution in the Annual General Meeting held on 14th September, 2009 for increasing the authorised capital from Rs.5 Crore to Rs. 7 Crore and complied with the provisions of the Act.
- 31. There was no prosecution initiated against or show cause notices received by the Company and no fines and penalties or any other punishment imposed on the Company during the financial year, for offences under the Act.
- 32. The Company has not received any money as security from its employees during the financial year.
- 33. The Company has not constituted a separate Provident Fund trust for its employees as contemplated under Section 418 of the Act.

Place: Hyderabad
Date: 02-08-2010

(R. Ramakrishna Gupta)
Partner
C.P. #6696



Annexure -A

Registers maintained by the Company :

- 1) Register of Charges u/s. 143.
- 2) Register of Members u/s. 150.
- 3) Minutes Book of Meeting of Directors u/s. 193.
- 4) Minutes Book of proceedings of General Meetings u/s. 193.
- 5) Register of Contracts, Companies and Firms in which Directors, etc. are interested u/s. 301(3).
- 6) Register of Directors, Managing Director u/s. 303.
- 7) Register of Director's Shareholdings u/s. 307.

Annexure - B

Forms and returns as filed by the Company with the Registrar of Companies, Andhra Pradesh, Hyderabad during the financial year ending 31st March, 2010.

Sl. No.	Form No. / Return	Filed on	Under Section	Event
1.	Form 62	20-04-2009	Rule 4A	Statement in lieu of advertisement as per rule 4A of companies (acceptance of deposits) rules, 1975.
2.	Form-32 A61286019	06-05-2009	303(2)	Resignation of Mr. Kashinath Nevatia as Company Secretary of the Company.
3.	Form-32 A68036474	26-08-2009	303(2)	Appointment of Mr. Mayank Agarwal as Additional Director of the Company.
4.	Form-32 A70811567	13-10-2009	303(2)	Appointment of Smt. Seema Rani Agarwal as Joint Managing Director and Appointment of Mr. Mayank Agarwal as Whole-time Director.
5.	Form 23AC & ACA P35965342	13-10-2009	220	Filed Balance Sheet and Profit and Loss Account for the year ended on 31 st March, 2009.
6.	Form-20B P40807273	13-11-2009	159	Filed Annual Return for the Annual General Meeting held on 14 th September, 2009.
7.	Form-23 A70810957	13-10-2009	192	Increase in Authorised Capital of the Company from Rs. 5 Cr to Rs.7 Cr and Appointment of Mr. Mayank Agarwal as Whole-time Director of the Company.
8.	Form-5 A71493787	27-10-2009	97	Increase in Authorised Capital of the Company from Rs. 5 Cr to Rs.7 Cr.
9.	Form-25C A71659486	29-10-2009	269	Appointment of Mr. Mayank Agarwal as Whole-time Director of the Company.
10.	Form-17 A80347792	12-03-2010	138	Satisfaction of Charge created in favour of AXIS Bank Limited.
11.	Form-8 A80754641	17-03-2010	125	Modification of Charge created in favour of State Bank of India, Industrial Branch, Hyderabad.



MANAGEMENT DISCUSSION AND ANALYSIS

ORGANISATION – PROFILE

Suryaamba Spinning Mills Limited is one of the well-known producers of Yarn. We are basically into manufacturing of Synthetic blended yarns of Polyester / Viscose, 100% Polyester and 100% Viscose with counts ranging from 20s to 45s. Currently the Company has one manufacturing units with a capacity of 28,080 spindles. The unit is located at Mouza-Nayakund in the state of Maharashtra which is ISO certified. The unit has an installed capacity of 28,080 spindles with a production capacity of 28 MTs per day.

INDUSTRY STRUCTURE AND DEVELOPMENT

Textile Industry in India is the second largest employment generator after agriculture. Textile Industry is unique in the terms that it is an independent industry, from the basic requirement of raw materials to the final products, with huge value-addition at every stage of processing. India is the largest producer of Jute, the 2nd largest producer of Silk, the 3rd largest producer of Cotton and Cellulosic Fibre/Yarn and 5th largest producer of Synthetic Fibres/Yarn. Textile sector in India accounts for around 8 per cent of GDP, contributes 14 per cent of the value addition in the manufacturing sector and more than 30 per cent of the export earnings of the country. It is the single largest employer with an estimated workforce of 35 million. India textile industry is one of the leading in the world. Currently it is estimated to be around US\$ 52 billion and is also projected to be around US\$ 115 billion by the year 2012. The current domestic market of textile in India is expected to be increased to US\$ 60 billion by 2012 from the current US\$ 34.6 billion. Improvement in production across product lines has been supported by revival in the demand as well as significant capacity additions/modernization initiatives undertaken by the industry during last few years aided by Technology Upgradation Fund Scheme (TUFs).

SWOT Analysis:

Strengths: our strengths are,

- ◆ Experienced management team with exposure in textile industry to run the operations.
- ◆ Good reputation in the market due to quality and timely supplies.
- ◆ Emphasis on quality of product nurtured across the company.

- ◆ The business model is simple & needs minimum marketing requirement.
- ◆ India has rich resources of raw materials of textile industry. It is one of the largest producers of cotton in the world and is also rich in resources of fibres like polyester, silk, viscose etc.

Weaknesses

There is disadvantage in the form of increased power tariff, other input costs etc.

Opportunities

Booming hosiery manufacturing sector in India, who are probable customers of the Company. Lucrative export market for the yarn especially 40s/ 45s count. High demand in premium innerwear market which generally requires 40s count yarn.

Threats

- ◆ Threat of cheap Chinese import of yarn in Indian as well as global market.
- ◆ Raw materials constitute a significant percentage of the Company's total expenses. However, this is common for any spinning unit.
- ◆ The decline in the TUFs assistance is a major negative for the textile sector.

RISKS AND CONCERNS

In 2009-10 inflation has increased rapidly and touched record highs. Appreciation of the domestic currency from October'09 onwards, however, has impacted the competitiveness of the domestic exporters vis a vis other countries such as China, etc., as the currencies of these countries did not appreciate to the same extent against the USD as that of INR. Usually, growing inflation dampens consumer demand for household goods, including textiles and apparels. If India's inflation continues to stay at such a level, there is a risk that domestic sales would be negatively impacted. We suffer on account of poor infrastructure, high transaction cost, not so favourable labour laws, increased power tariff and fuel cost, uncertainty in the government policies, etc. Structural weaknesses need to be addressed particularly in the wake of growing threat from China and other countries.

OUTLOOK

The economy is on the path of recovery and the Company expects good demand for its products



in domestic as well as international markets. Major markets for Indian Textile and Clothing (T&C) export are the USA and EU and they are showing sign of recovery. The domestic market is also on the path of healthy growth because of the fact that few manufacturing facilities operating abroad are slowing down due to recession. The home-textiles and garment segments are reflecting sound growth both in the domestic and international markets due to good demand of apparels. There is a substantial scope for further growth in these segments. Your Company believes that the competition in the emerging markets will be met by developing production systems based on cost efficiency, high productivity, quality assurance, etc.

INTERNAL CONTROLS AND THEIR ADEQUACY

The Company has a robust internal control system and is supervised periodically by competent professional managers. Periodically, the systems are reviewed and aligned to the needs of the growing needs of the Company. Both external and internal auditors, who have access to all records and information about our Company, regularly check company's internal control systems. The Board and the management review the findings and recommendations of the auditors and take corrective actions wherever necessary.

The Board considers risk assessment, identification of mitigating actions and internal control procedure to ensure that business risks are identified, managed and regularly reviewed at all levels and that Directors are periodically apprised of the key risks.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The gross turnover of your Company for 2009-10 was Rs. 8,557.62 lakhs (Rs. 8,649.62 lakhs in the previous year). The production during the year was 87.03 Lakh Kgs. of yarn (91.00 Lakh kgs. in the previous year).

Your Company has earned a Profit Before Tax of Rs. 95.95 Lakhs for 2009-10 (Rs. 91.84 Lakhs in the previous year). The Company earned a profit after tax of Rs.27.41 Lakhs (Rs.12.20 Lakhs in the previous year). During the year 2009-10, the textile industry was recovered from the previous recession. Irrespective of the prices of raw material touching high in the year and also the impact of appreciation of the dollar against

rupee and the rise in prices of raw material your company performed well in the industry standard.

HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS

The Company recorded higher volumes, revenues, operation profit and net income and improved on several operational primarily because of the commitment, initiatives and high-octane energy demonstrated by the employees at all levels. Human Capital is the most valuable resource of an organization. Development of human capital has always been the thrust area of the Company. The success of any business lies under the qualified, trained & motivated Human Resources. Industrial relations is geared at developing and aligning the operatives to the overall goal of the organization. Company takes adequate steps for maintaining safety and healthy environment for the workers. Your Directors place on record their sincere appreciation for the excellent team work with which the workers and the staff of the Company at all levels contribute for the better performance of the Company.

CAUTIONARY STATEMENT

The management of Suryaamba Spinning Mills Limited has prepared and is responsible for the financial statements that appear in this report. These are in conformity with accounting principles generally accepted in India and, therefore, include amounts based on informed judgments and estimates. The management also accepts responsibility for the preparation of other financial information that is included in this report. Statements in this management discussion and analysis describing the company's objectives, projections, estimates and expectations may be "forward looking statements" within the meaning of applicable laws under regulations. The management has based these forward-looking statements on its current expectations and projections about future events. Such statements involve known and unknown risks, significant changes in the political and the economic environment in India or key markets abroad, tax laws, litigation, labour relations, exchange rate fluctuations, interest and other costs and may cause actual results to differ materially.



REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Suryaamba Spinning Mills Limited believes in highest standard of Corporate Governance practices and is committed to abide by those standards and even to go beyond statutory requirements. The Board of Directors exercises its fiduciary responsibilities in attainment of the highest levels of transparency, accountability and equity in all facets of its operations, and in all its interaction with its stakeholders, including shareholders, employees and the Government. This is intended to enhance and retain investors' trust.

2. BOARD OF DIRECTORS

Composition, category of Directors and attendance record for the year 2009-2010:

The Board of Directors along with its Committees provides leadership and guidance to the company's management and directs, supervises and controls the performance of the Company. The Board comprises a combination of Executive and Non Executive Directors. Presently it consists of 8 Directors out of which 3 are Executive Directors, 4 are Non-executive Independent Directors and one Non-executive non-independent Director. The Non Executive Directors bring independent views and judgment in the decision making process of the Board.

Constitution of the Board and participation of Directors at meetings of the Board during the year 2009-10.

Name of the Director	Category	Board meetings Attended	Attendance at last AGM held on 14.09.2009	ShareHolding
Sri R. Surender Reddy	Non-Executive Independent	-	Yes	Nil
Sri Ravinder Kumar Agarwal	Non-Executive Independent	-	Not Present	Nil
Sri Sanjiv A Agrawal	Non-Executive Independent	8	Not Present	Nil
Sri Pundlik Sampatrao Thakare	Non-Executive Independent	8	Not Present	Nil
Sri Vithaldas Agarwal	Non-Executive/ Promoter	-	Yes	14600
Sri Virender Kumar Agarwal	Executive/ Promoter	8	Yes	891191
Smt Seema Rani Agarwal	Executive/ Promoter	7	Not Present	427250
Sri Mayank Agarwal	Executive/ Promoter	3	Not Present	27600

Note: Sri Mayank Agarwal appointed as a Wholtime Director in the Board Meeting held on 27th July, 2009 effective from 1st August, 2009 for a period of three years.



Number of other Companies' Directorships & Committee Membership / Chairmanship:

Name of the Director	Other Directorships	Committee Membership	Committee Chairmanship
Sri R. Surender Reddy	9	5	4
Sri Ravinder Kumar Agarwal	2	Nil	Nil
Sri Sanjiv A Agrawal	Nil	Nil	Nil
Sri Pundlik Sampatrao Thakare	Nil	Nil	Nil
Sri Vithaldas Agarwal	1	Nil	Nil
Sri Virender Kumar Agarwal	Nil	Nil	Nil
Smt Seema Rani Agarwal	Nil	Nil	Nil
Sri Mayank Agarwal	Nil	Nil	Nil

Other Directorships do not include alternate Directorships, Directorships in Private Companies, Section 25 Companies and of Companies incorporated outside India. Chairmanship / Membership of Board Committees include only Audit and Shareholders / Investors Grievance Committees.

Number of Board meetings held and their dates:

During the period under review Eight Board meetings were held on 23rd May 2009, 29th June 2009, 27th July 2009, 31st August 2009, 30th October 2009, 21st December 2009, 29th January 2010, and 22nd March 2010. The maximum time-gap between any two consecutive meetings did not exceed four months.

Re-appointment of Retiring Directors:

In accordance with the Articles of Association of the Company, Sri Sanjiv A. Agrawal and Sri Ravinder Kumar Agarwal, Director of the Company will retire at the ensuing 3rd Annual General Meeting of the Company and, being eligible, offer himself for re-appointment.

Brief Resume of Director seeking re-appointment

Sri Sanjiv A Agrawal (49)

Sri Sanjiv A Agrawal, aged about 49 years is a non-executive director of the Company, he is a holder of degree in B.Tech. He is having a rich experience of over 17 years in the field of Business. He is not holding any directorship in other Companies.

Sri Ravinder Kumar Agarwal (63)

Sri Ravinder Kumar Agarwal, aged about 63 years is a non-executive director of the Company. He is a graduate of Bachelor of Commerce. He has over 35 years of experience in the field of Textile Sector. He holds directorships in the following Companies:

- ◆ Suryajyothi Spinning Mills Limited
- ◆ Paneja Fabrics India Limited

3. Audit Committee

In compliance with Clause 49 of the listing agreement and Section 292A of the Companies Act, 1956, Board of Directors of the Company has constituted an Audit Committee in the Board Meeting held on 26th February, 2008.



a) Brief description of terms of reference: The terms of reference include the following:

1. Authority to investigate into any matter that may be prescribed under the Act and for the purpose the audit committee shall have full access to information contained in records of the Company and external professional advice, if necessary.
2. Conduct discussions with auditors periodically about internal control systems, the scope of audit including the observations of the auditors.
3. Review of quarterly, half yearly and annual financial statements.
4. Recommendations made by audit committee on any matter relating to the financial statements shall be binding on the board.
5. Review of Company's financial and risk management policies.

b) Composition and Chairperson:

1.	Sri Pundlik Sampatrao Thakare	Chairman
2.	Sri Ravinder Kumar Agarwal	Member
3.	Sri Sanjiv A Agrawal	Member

All the members of the Committee are Non-Executive and Independent Directors.

c) Meetings and Attendance during the year:

During the year under review, Five Audit Committee meetings were held on 29th June 2009, 27th July 2009, 31st August 2009, 30th October 2009, and 29th January 2010. The attendance of each member of the Committee is given below:

Sl. No.	Name	No. of Meetings attended
1.	Sri Pundlik Sampatrao Thakare	5
2.	Sri Sanjiv A Agrawal	5
3.	Sri Ravinder Kumar Agarwal	-

4. REMUNERATION COMMITTEE

a) Brief description of terms of reference:

To formulate a remuneration policy, review and recommend remuneration payable to Executive Directors of the Company.

b) Composition and Chairperson:

Sl. No.	Name	Designation
1.	Sri Ravinder Kumar Agarwal	Chairman
2.	Sri Sanjiv A Agrawal	Member
3.	Sri Pundlik Sampatrao Thakare	Member

All the members of the Committee are Non-Executive and Independent Directors.

c) Attendance during the year:

During the year under review, one Remuneration Committee meeting was held on 27th July 2009. The attendance of each member of the Committee is given below:

Sl. No.	Name	No. of Meetings attended
1.	Sri Ravinder Kumar Agarwal	-
2.	Sri Sanjiv A Agrawal	1
3.	Sri Pundlik Sampatrao Thakare	1



d) Remuneration policy:

To periodically review the remuneration package of Managerial Personnel and recommend suitable revision to the Board.

e) Details of remuneration paid to Directors:

A detail of remuneration paid to Managerial Persons of the Company during the year 2009-2010 is given below:

Sri Virender Kumar Agarwal - Managing Director			
Salary (Rs.)	Perquisites(Rs.)	Contribution to Provident Fund (Rs.)	Total(Rs.)
11,40,000	7,60,000	1,36,800	20,36,800

Smt Seema Rani Agarwal – Joint Managing Director			
Salary (Rs.)	Perquisites(Rs.)	Contribution to Provident Fund (Rs.)	Total(Rs.)
9,60,000	5,44,000	1,15,200	16,19,200

Sri Mayank Agarwal – Whole time Director			
Salary (Rs.)	Perquisites(Rs.)	Contribution to Provident Fund (Rs.)	Total(Rs.)
5,14,400	2,91,456	61,728	8,67,584

The Company does not have any stock option plan or performance linked incentive for the Executive Directors. The appointments are made for a period of such years on such terms and conditions mentioned in the respective resolutions passed by the shareholders of the Company in general meetings, which do not provide for severance fees.

A detail of Sitting Fees paid to the Non-Executive Directors for attending Board and Committee meetings during the financial year 2009-2010 is given below:

Sl. No.	Name of the Director	Sitting Fees paid (Rs.)
1.	Sri. Pundlik Sampatrao Thakare	28000
2.	Sri. Sanjiv A Agrawal	28000

5. SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE

a) Composition and brief terms of reference:

The role of the Committee is to periodically review and redress the shareholders and investor’s complaints pertaining to transfer of shares, non receipt of annual reports, non-receipt of declared dividends, etc. The Committee oversees the performance of the Registrar and Transfer Agents and recommends measures for overall improvement in the quality of investor services.

The Board of Directors has delegated the power of approving transfer of shares to the Managing Director of the Company and the details regarding the transfers are placed before the Board of Directors at the subsequent meeting for their approval.

The composition of the Committee and the details of meetings attended by its members are given below:

Sl. No.	Name	Designation
1.	Sri Sanjiv A Agrawal	Chairman
2.	Sri Ravinder Kumar Agarwal	Member
3.	Sri Pundlik Sampatrao Thakare	Member



b) Name and designation of the Compliance Officer :

Sri Virender Kumar Agarwal, Managing Director, has been appointed as Compliance officer w.e.f. 18th March 2009.

Number of Shareholders complaints received so far :

No Complaints received by the Company during the year-ended 31.03.2010.

c) Number of Shareholders complaints not resolved to the satisfaction of shareholders :

There were no complaints received from shareholders during the period under review.

d) Number of pending share transfers :

There were no transfers pending.

2. GENERAL BODY MEETINGS

a) Location, date and time for last three Annual General meetings are:

Financial year	Date	Venue	Time
2007-08	18.09.2008	Kamat Lingapur Hotel, 1-10-44/2, Chikoti Gardens, Begumpet, Hyderabad - 500016	4.00 P.M.
2008-09	14.09.2008	Kamat Lingapur Hotel, 1-10-44/2, Chikoti Gardens, Begumpet, Hyderabad - 500016	3.00 P.M.

For the year ended 31st March 2009, there were no resolutions passed through postal ballot. At the ensuing Annual General Meeting, there is no resolution proposed to be passed through postal ballot.

b) Special Resolution passed in the previous three (3) Annual General Meetings (AGMs)

At the AGM held on 18th September, 2008 a Special Resolution passed relating to change in place of keeping records/registers.

At the AGM held on 14th September, 2009 Special Resolutions were passed to transact the following Special Business :

1. Appointment of Smt Seema Rani Agarwal as a Joint Managing Director of the Company.
2. Appointment of Sri Mayank Agarwal as an Additional Director of the Company.
3. Increasing of Authorised Capital of the Company from Rs.5 Crores to Rs.7 Crores

c) Details of Extra-Ordinary General Meetings held during the Financial Year: Nil

d) Whether special resolutions were put through postal ballot last year, details of voting pattern: Nil

e) Person who conducted the postal ballot exercise: Not Applicable

f) Whether any resolution is proposed to be conducted through postal ballot. Nil

g) Procedure for Postal Ballot : Not Applicable

7. DISCLOSURES

a) CEO and CFO Certificate

The Managing Director and Manager (Finance) have given a Certificate to the Board of Directors as contemplated in Clause 49 of the listing agreement and the same is disclosed at the end of this Report.

b) Disclosures on materially significant related party transactions, i.e., transactions of the Company of material nature with the promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large.



There were no materially significant related party transactions having potential conflict with the interests of the company at large. Transactions with related parties are disclosed in Note No. 17 of Notes on Accounts under Schedule 21.

- c) Details of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchanges or Securities and Exchange Board of India (SEBI) or any other statutory authority on any matter related to the Capital Markets during the last 3 years: Nil
- d) Whistle Blower Policy:
The Company has not established a whistle blower policy. We further affirm that during the year 2009-10, No person has denied access to the audit committee.
- e) The Company has fulfilled the following non-mandatory requirements as prescribed in Annexure I D to clause 49 of the Listing Agreement with the Stock Exchanges:
 - 1. The Company has set up a Remuneration Committee. Please see the para on Remuneration Committee for details.

8. MEANS OF COMMUNICATION.

- a) Half yearly report sent to each household of shareholders :
No, as the results of the Company are published in the Newspapers having wide circulation.
- b) Newspapers in which Quarterly results normally published :
During the year under review, the Company has published the un-audited results as per listing requirement with the Stock Exchange in Financial Express (English Daily) and Andhra Prabha / Prajashakti(Telugu Daily).
- c) Website, where the results and other official news releases are displayed.
www.Suryaamba.com
- d) Whether the Management Discussion and Analysis is a part of the Annual Report.
The Management Discussion and Analysis is a part of the Annual Report.

9. GENERAL SHAREHOLDER INFORMATION

- a) Annual General Meeting
 - Date : 23rd September, 2010
 - Time : 3.00 P.M.
 - Venue : Kamat Lingapur Hotel,
1-10-44/2, Chikoti Gardens
Begumpet, Hyderabad - 500016
- b) Financial Calendar : 1st April to 31st March
- c) Date of Book closure : 20-09-2010 to 23-09-2010
- d) Dividend Payment Date : Within 30 days from the date of Annual General Meeting.
- e) Listing on Stock Exchanges : The Company's shares are listed in Bombay Stock Exchange Limited (BSE).

The Company's shares are listed at the following Stock Exchanges:

Name and Address of the Stock Exchange	Scrip Code
Bombay Stock Exchange Limited, Mumbai (BSE) Phiroze Jeejeebhoy Towers, Dalal street, Mumbai - 400 001.	533101

The listing fee for the year 2009-10 has been paid to Stock Exchange.



f) Market Price Data: Monthly High and Low prices of Suryaamba Spinning Mills Ltd at Bombay Stock Exchange (BSE) for the year ended 31st March 2010 are furnished hereunder:

Month	Bombay Stock Exchange	
	High (Rs.)	Low (Rs.)
April 2009	NA	NA
May 2009	NA	NA
June 2009	NA	NA
July 2009	NA	NA
August 2009	NA	NA
September 2009	41.00	23.50
October 2009	32.90	25.25
November 2009	33.45	26.05
December 2009	34.75	26.50
January 2010	35.00	28.30
February 2010	32.50	27.15
March 2010	36.95	26.35

Note: As the shares of the Company are listed from 3rd September, 2009, monthly High and Low price prior to that period is not applicable.

g) Registrar & Transfer Agents:

M/s. Sathguru Management Consultants Private Limited
Plot No.15, Hindi Nagar, Panjagutta, Hyderabad- 500 034.
Phone No. 040-23356975/23356507/23350586
Fax No.040-23354042.
E-Mail: info@sathguru.com

h) Share transfer System:

The Board of Directors has delegated the power of approving transfer of shares to the Managing Director of the Company and the details regarding the transfers are placed before the Board of Directors at the subsequent meeting for their approval. The Company's Registers and Share Transfer Agent is Sathguru Management Consultants Private Limited, Hyderabad, who look after shares transfers and other related works.

The Company ensures that all transfers are affected within a period of one month from the date of their lodgment with the Company.

In terms of SEBI circular No. D&CC/FITTC/CR-16 dated 31-12.2002, Secretarial Audit will conduct on a quarterly basis by a practicing Company secretary for the purpose of, inter alia, reconciliation of the total submitted equity share capital with the depositories and in the physical form with the total issued/paid up equity capital of the Company. Certificates so placed before the Board of Directors and are also forwarded to Bombay Stock Exchange Limited, where the shares of the Company are listed.



(i) Distribution of Shareholding:

(i) Shareholding pattern as on 31st March 2010

Sl.No	Category	No. of Shares held	Percentage of shareholding
1.	Promoters	1380381	61.96
2.	Mutual Funds and UTI	104	0.01
3.	Banks, Financial Institutions, Insurance Companies (Central/ State Government Institutions/ Non-Government Institutions)	870	0.04
4.	Corporate Bodies	80972	3.63
5.	Public	751765	33.74
6.	NRI/OCBs		
	Others	13908	0.62
	TOTAL	2228000	100

(ii) Distribution of Shareholding as on 31st March 2010

No. of Equity Shares held	Share Holders		Shares	
	Number	% to	in Rs.	% of
1 - 5000	3176	92.87	3022680	13.57
5001-10000	119	3.48	864390	3.88
10001-20000	59	1.73	837860	3.76
20001-30000	17	0.50	421810	1.89
30001-40000	10	0.29	334620	1.50
40001-50000	7	0.20	304790	1.37
50001-100000	18	0.53	1346780	6.04
100001- Above	14	0.41	15147070	67.99
TOTAL	3420	100	22280000	100
Physical mode	921	26.93	1203390	5.40
Demat mode	2499	73.07	21076610	94.60

j) Dematerialization of Shares & Liquidity:

The shares of the company are compulsorily traded in DEMAT form in the Stock Exchanges where they are listed. The shares are available for dematerialization on both the Depositories viz., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

As on 31.03.2010, 21076610 Equity shares were dematerialized representing 94.60% of the total paid up equity share capital of the Company. The ISIN allotted to the company's scrip is INE360J01011.

k) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on Equity: Nil.



l) Plant Locations:

Mouza-Nayakund
Near Ramtek,
Nagpur, Maharashtra.

m) Address for Correspondence:

i) For transfer/dematerialization of shares, change of address of members and other queries relating to the shares of the company:

Sathguru Management Consultants Private Limited
Plot No.15, Hindi Nagar,
Panjagutta, Hyderabad-500 034.
Phone No. 23350586/23356507.
Fax No.23354042.
Email: sta@sathguru.com

ii) Any queries relating to dividend, annual reports etc.

The Compliance Officer,
Suryaamba Spinning Mills Limited
Surya Towers, 1st Floor, 105, Sardar Patel Road,
Secunderabad - 500 003.
Andhra Pradesh.
Phone No.040-27819908/27819909
Fax No. 040-27846859.
E-mail: samba.ngp@gmail.com

n) Auditors Certificate on Corporate Governance

A certificate issued by the Statutory Auditors of the Company with regard to compliance of conditions of Corporate Governance is attached to this report.

NON-MANDATORY REQUIREMENTS

a) Chairman of the Board

A Non-Executive Chairman heads the Board of Directors of the Company.

b) Remuneration Committee

The Board has constituted a Remuneration Committee consisting of the following three Non-Executive and Independent Directors:

- | | | |
|----------------------------------|---|----------|
| 1. Sri Ravinder Kumar Agarwal | - | Chairman |
| 2. Sri Sanjiv A Agrawal | - | Member |
| 3. Sri Pundlik Sampatrao Thakare | - | Member |

The Committee reviews and recommends to the Board with regard to remuneration package payable to the Managerial Personnel.

c) Shareholder Rights

As the quarterly, half yearly and annual results are published in leading newspapers having wide circulation; the same are not sent to individual shareholders of the Company.

d) Postal Ballot

The Company had no occasion to place a resolution requiring Postal Ballot for shareholders' approval.

**For and on behalf of the Board
For Suryaamba Spinning Mills Ltd.**

Place: Nagpur
Date: 02-08-2010

Virender Kumar Agarwal
Managing Director

Seema Rani Agarwal
Joint Managing Director



AUDITOR'S CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE

To the Members of
SURYAAMBA SPINNING MILLS LIMITED,
HYDERABAD (A.P).

We have examined the compliance of conditions of Corporate Governance by SURYAAMBA SPINNING MILLS LIMITED, Secunderabad (A.P) for the year ended on 31st March, 2010, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

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

for BRAHMAYYA & CO.
Chartered Accountants
Firm Regn. No.000513S

(K.S.RAO)
Partner
Membership No.15850

Place: Hyderabad
Date : 2nd August, 2010



**Certificate by the Chief Executive Officer (CEO) and
Chief Financial Officer (CFO)**

We, Virender Kumar Agarwal, Managing Director and N.B. Halbe, Manager (Finance) of Suryaamba Spinning Mills Limited hereby certify to the Board that:

- a) We have reviewed the financial statements and the cash flow statements for the year ended 31st March, 2010 and certify that to the best of our knowledge and belief. These statements do not contain any materially untrue statement nor omit any material fact not contain statements that might be misleading; and These statements together present a true and fair view of the Company's affairs and are in compliance with the 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, which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls in the Company 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 the operation of internal controls, if any, of which we are aware and the steps that we have taken or propose to take and rectify the identified deficiencies.
- d) We have indicated to the auditors and the Audit Committee of:
- i) Significant changes in the internal control during the year;
- ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- iii) There are no instances of significant fraud of which we have become aware.
- e) We affirm that we have not denied any personnel access to the Audit Committee of the Company (in respect of matters involving alleged misconduct).
- f) We further declare that all Board Members and designated Senior Management have affirmed compliance with the Code of Conduct for the Current year.

Virender Kumar Agarwal
Managing Director

Place : Nagpur
Date : 02-08-2010

N.B. Halbe
Manager (Finance)



AUDITORS' REPORT

To the Members of SURYAAMBA SPINNING MILLS LIMITED, HYDERABAD.

1. We have audited the attached Balance Sheet of SURYAAMBA SPINNING MILLS LIMITED, HYDERABAD (A.P) as at 31st March, 2010 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 (as amended), issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - ii) 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.
 - iii) The Balance Sheet, Profit and Loss Account and Cash Flow statement dealt with by this

report are in agreement with the books of account.

- iv) In our opinion, the Balance Sheet, Profit and Loss account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
- v) On the basis of written representations received from the Directors, as on 31st March, 2010 and taken on record by the Board of Directors, we report that, none of the Directors is disqualified as on 31st March, 2010 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
- vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read in conjunction with the Schedules annexed therewith give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) in the case of the balance sheet, of the state of affairs of the Company as at 31st March, 2010;
 - b) in the case of the profit and loss account, of the Profit of the Company for the year ended on that date; and
 - c) in the case of cash flow statement, of the cash flows for the year ended on that date.

for BRAHMAYYA & CO.
Chartered Accountants
Firm Regn.No.000513S

(K.S.RAO)

Partner

Membership No.15850

Place: Hyderabad

Date : 2nd August, 2010



Annexure to the Auditor's Report: referred to in paragraph 3 of our report of even date,

Re: SURYAAMBA SPINNING MILLS LIMITED, HYDERABAD.

1. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) As explained to us, the management has physically verified most of the fixed assets during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of the assets. As informed, no material discrepancies were noticed on such verification.
- c) During the year the Company has not disposed off any of its fixed assets.
2. a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- b) In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) The Company is maintaining proper records of inventory. The discrepancies noticed on physical verification between the physical stocks and book records were not material.
3. a) During the year, the Company has neither taken nor granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- b) In view of our comment in paragraph 3(a) above, (III) (b), (c), (d) and (e) of paragraph 4 of the aforesaid order are not applicable to the Company.
- f) In our opinion the rate of interest and other terms and conditions on which loans have been taken from the other parties listed in the register maintained under Section 301 of the Companies Act, 1956 are not prima facie prejudicial to the interest of the Company.
- g) According to the information and explanation given to us, terms have been stipulated for payment of the principal amount and interest thereon. The Company is regular in payment of the principal amount and interest thereon.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and with regard to sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
5. a) According to the information and explanations given to us by the Management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register to be maintained under that section
- b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
6. The Company has not accepted any deposits from the public. Hence the provisions of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956, and the Companies (Acceptance of Deposits) Rules, 1975, do not apply to this Company.
7. In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
8. We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 in respect of yarn and are of the



- opinion that prime facie the prescribed accounts and records have been made and maintained. The Central Government has not prescribed the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 for any other products of the Company.
9. a) According to the records of the Company, apart from certain instances of delays the company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Sales Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it.
- b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income-tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty, Excise Duty and Cess were in arrears as at March 31, 2010 for a period of more than six months from the date they became payable.
10. The Company has no accumulated losses as at the end of the financial year. The Company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institutions and Banks.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi/mutual benefit fund/ society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
14. The Company is not dealing or trading in shares, securities, debentures and other investments. Therefore, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
16. In our opinion and according to the information and explanations given to us the term loans were applied for the purpose for which the loans were raised.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
18. During the year, the Company has not made any preferential allotment of shares to parties and Companies covered in the Register maintained under section 301 of the Companies Act, 1956.
19. During the year, the Company has not issued any debentures , therefore the question of creating security or charge in respect thereof does not arise
20. During the year, the Company has not made any public issue and therefore the question of disclosing the end use of money raised by public issue does not arise.
21. Based upon the audit procedures performed and according to 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.

for BRAHMAYYA & CO.
Chartered Accountants
Firm Regn.No.000513S

(K.S.RAO)
Partner

Membership No.15850

Place: Hyderabad
Date : 2nd August, 2010



SURYAAMBA SPINNING MILLS LIMITED

BALANCE SHEET AS AT 31st MARCH, 2010

	Sch. Ref.	Rs.	As at 31.03.2010 Rs.	Rs.	As at 31.03.2009 Rs.
SOURCES OF FUNDS:					
<i>Share Holders Funds:</i>					
Share Capital	1	24,243,700		24,243,700	
Reserves and Surplus	2	<u>171,207,406</u>	195,451,106	<u>170,620,394</u>	194,864,094
<i>Loan Funds:</i>					
Secured Loans	3	131,560,364		139,220,768	
Unsecured Loans	4	<u>11,376,747</u>	142,937,111	<u>11,376,747</u>	150,597,515
<i>Deferred Tax Liability</i>			34,246,340		33,191,371
Total			<u>372,634,557</u>		<u>378,652,980</u>
APPLICATION OF FUNDS:					
<i>Fixed Assets</i>					
Gross Block	5	395,662,483		389,520,822	
Less : Depreciation		<u>173,945,295</u>		<u>155,694,023</u>	
Net Block		221,717,188		233,826,799	
Add : Capital Work -in-Progress		<u>19,876,022</u>	241,593,210	<u>-</u>	233,826,799
<i>Current Assets, Loans and Advances:</i>					
Inventories	6	49,093,858		39,415,366	
Sundry Debtors	7	84,542,077		103,672,029	
Cash and Bank Balances	8	7,912,536		6,300,369	
Loans and Advances	9	<u>41,231,404</u>		<u>41,190,677</u>	
		182,779,875		190,578,441	
Less : Current Liabilities and Provisions	10	<u>52,063,512</u>	130,716,363	<u>46,123,670</u>	144,454,771
<i>Miscellaneous Expenditure</i>	11		324,984		371,410
Total			<u>372,634,557</u>		<u>378,652,980</u>
Accounting Policies and Notes to Accounts	21				

The Schedules referred to above form an integral part of the Balance Sheet.

As per our report of even date

For and on behalf of the Board

for **BRAHMAYYA & CO.**

Chartered Accountants

K.S. Rao

Partner

Membership No. 15850

Place : Nagpur

Date : 02nd Aug, 2010

VIRENDER KUMAR AGARWAL

Managing Director

SEEMA RANI AGARWAL

Joint Managing Director

NITIN HALBE

Manager(Finance)



SURYAAMBA SPINNING MILLS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st March,2010

	Sch. Ref.	Current Year Rs.	Previous Year Rs.
INCOME			
Sales	12	854,550,999	863,616,904
Less: Excise duty		-	-
Net Sales		854,550,999	863,616,904
Other Income	13	1,211,213	1,344,693
Total		855,762,212	864,961,597
EXPENDITURE			
Raw material Consumed	14	596,121,816	602,871,439
Stores Consumed	15	20,500,744	21,001,173
Power and Fuel		62,971,318	67,628,444
Payments & Benefits to Employees	16	62,874,318	59,370,270
Other expenses	17	66,859,316	56,956,679
Finance charges	18	20,831,558	18,269,080
Depreciation		18,251,272	18,031,247
(Increase)/Decrease in Stocks	19	(2,290,249)	11,442,180
Preliminary Expenditure written off		46,426	46,426
Total		846,166,519	855,616,938
		9,595,693	9,344,659
Less: Prior Period Adjustments	20	-	(160,476)
Profit for the year		9,595,693	9,184,183
Less : Provision for Taxation			
- For the year		5,500,000	5,000,000
- For earlier years		300,000	200,000
- Deferred tax		1,054,969	2,314,622
- Fringe Benefit tax		-	450,000
Profit after Tax		2,740,724	1,219,561
Add : Profit brought forward from last year		17,988,794	21,181,183
Profit available for appropriation		20,729,518	22,400,744
APPROPRIATIONS			
Proposed Dividend:			
Equity Share Capital		1,671,000	2,228,000
Preference Share Capital		175,956	239,584
Corporate Dividend Tax		306,756	419,366
General Reserve		50,000	25,000
Preference shares redemption reserve		1,000,000	1,500,000
Balance Carried to Balance Sheet		17,525,806	17,988,794
Total		20,729,518	22,400,744
Earnings per share (Face value Rs. 10/- each) (Basic and Diluted)		1.14	0.42
Accounting Policies and Notes to Accounts	21		

The Schedules referred to above form an integral part of the Profit and Loss Account.

As per our report of even date

for and on behalf of the Board

for **BRAHMAYYA & CO.**

Chartered Accountants

K.S. Rao

Partner

Membership No. 15850

Place : Nagpur

Date : 02nd Aug, 2010

VIRENDER KUMAR AGARWAL

Managing Director

SEEMA RANI AGARWAL

Joint Managing Director

NITIN HALBE

Manager(Finance)



SURYAAMBA SPINNING MILLS LIMITED

SCHEDULES FORMING PART OF THE ACCOUNTS

	As at 31.03.2010 Rs.	As at 31.03.2009 Rs.
SCHEDULE 1		
SHARE CAPITAL:		
<i>Authorised</i>		
50,00,000 (45,00,000) Equity Shares of Rs.10/- each	50,000,000	45,000,000
2,00,000 (50,000) Preference Shares of Rs.100/- each	<u>20,000,000</u>	<u>5,000,000</u>
<i>Issued, Subscribed and Paid up</i>		
22,28,000 (22,28,000) Equity Shares of Rs. 10/- each	22,280,000	22,280,000
4,715 (4,715) 12% Cumulative Redeemable Preference Shares of Rs.100/- each (Series IV)	471,500	471,500
14,922 (14,922) 8% Cumulative Redeemable Preference Shares of Rs.100/- each (Series VII)	<u>1,492,200</u>	<u>1,492,200</u>
Total	<u>24,243,700</u>	<u>24,243,700</u>

SCHEDULE 2

RESERVES AND SURPLUS :

	Balance as on 01.04.2009 Rs.	Additions during the year Rs.	Deductions during the year Rs.	Balance as at 31.03.2010 Rs.	Balance as at 31.03.2009 Rs.
RESERVES :					
<i>Capital Reserves :</i>					
Securities Premium	25,230,000			25,230,000	25,230,000
Subsidy	3,000,000			3,000,000	3,000,000
Preference Share Redemption Reserve	4,376,600	1,000,000		5,376,600	4,376,600
<i>Other Reserves :</i>					
General Reserve	120,025,000	50,000		120,075,000	120,025,000
SURPLUS :					
Profit and Loss Account	17,988,794	17,525,806	17,988,794	17,525,806	17,988,794
Total	<u>170,620,394</u>	<u>18,575,806</u>	<u>17,988,794</u>	<u>171,207,406</u>	<u>170,620,394</u>



SCHEDULES FORMING PART OF THE ACCOUNTS

	As at 31.03.2010 Rs.	As at 31.03.2009 Rs.
SCHEDULE 3		
SECURED LOANS :		
<i>A) RUPEE TERM LOANS :</i>		
1) State Bank of India Term Loan -1	36,533,320	50,866,660
2) Axis Bank Ltd., Corporate Loan - 1	-	2,499,998
Total (A)	<u>36,533,320</u>	<u>53,366,658</u>
<i>B) WORKING CAPITAL LOANS :</i>		
State Bank of India	73,701,335	70,789,504
Axis Bank Ltd.	19,907,429	15,064,606
Total (B)	<u>93,608,764</u>	<u>85,854,110</u>
<i>C) VEHICLE HIRE PURCHASE LOANS :</i>	Total (C)	-
	<u>1,418,280</u>	-
Total (A+B+C)	<u>131,560,364</u>	<u>139,220,768</u>

Notes :

- Loans referred in A are secured by pari passu first charge on immovable properties of the Company present and future and second charge on movable properties (charges created /to be created) first charge being in favour of Bankers for their working capital facility. The loans further secured by personal gurantees of two Promotor Directors of the company.
- Working Capital loans from bank referred to in B above are secured by hypothecation of stock in trade, raw materials, stock in process, stores and spares and receivables present and future and by a second charge on the present and future immovable properties of the Company on pari passu basis. The loan further secured by personal guarantees of two Promotor Directors of the company.
- Hire purchase loans referred to C above are secured by hypothecation of the respective assets(vehicles) and guaranteed by the Managing Director of the Company.

SCHEDULE 4

UNSECURED LOANS :

Loans from Directors	11,376,747	11,376,747
Total	<u>11,376,747</u>	<u>11,376,747</u>



SCHEDULE FORMING PART OF THE ACCOUNTS

**SCHEDULE - 5
FIXED ASSETS**

Description	Gross Block				Depreciation				Net Block	
	As at 01.04.2009	Additions	Deductions	As at 31.03.2010	Upto 01.04.2009	For the Year	Deductions	Upto 31.03.2010	As at 31.03.2010	As at 31.03.2009
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Land	1,423,246			1,423,246					1,423,246	1,423,246
Factory Buildings	49,046,889			49,046,889	15,306,120	1,638,164		16,944,284	32,102,605	33,740,769
Non Factory Buildings	44,247,587	3,433,008		47,680,595	5,533,180	732,735		6,265,915	41,414,680	38,714,407
Plant & Machinery	260,077,591			260,077,591	118,075,669	13,732,100		131,807,769	128,269,822	142,001,922
Testing Equipment	1,622,809			1,622,809	356,484	77,082		433,566	1,189,243	1,266,325
Electrical Installations	19,648,248			19,648,248	9,876,227	1,037,425		10,913,652	8,734,596	9,772,021
Data Processing Equipment	3,148,556	65,725		3,214,281	2,279,792	250,898		2,530,690	683,591	868,764
Workshop Equipment	286,209	10,400		296,609	203,320	13,799		217,119	79,490	82,889
Weighing Machinery	312,983			312,983	178,337	14,867		193,204	119,779	134,646
Water Works	692,948			692,948	124,504	11,295		135,799	557,149	568,444
Furniture & Fixture	3,813,034	18,444		3,831,478	1,793,341	184,679		1,978,020	1,853,458	2,019,693
Office Equipment	2,646,181	114,190		2,760,371	951,631	124,317		1,075,948	1,684,423	1,694,550
Vehicles	2,554,541	2,499,894		5,054,435	1,015,418	433,911		1,449,329	3,605,106	1,539,123
Add : Capital Work in Progress	389,520,822	6,141,661		395,662,483	155,694,023	18,251,272		173,945,295	221,717,188	233,826,799
		19,876,022		19,876,022					19,876,022	
Total	389,520,822	26,017,683		415,538,505	155,694,023	18,251,272		173,945,295	241,593,210	233,826,799
Previous Year	382,935,302	8,696,811	2,111,291	389,520,822	139,316,196	18,031,247	1,653,420	155,694,023	233,826,799	



SURYAAMBA SPINNING MILLS LIMITED

SCHEDULES FORMING PART OF THE ACCOUNTS

	As at 31.03.2010 Rs.	As at 31.03.2009 Rs.
SCHEDULE 6		
INVENTORIES :		
(Valued and certified by the management)		
(Valued at cost unless otherwise stated)		
Raw Materials	27,344,518	20,184,690
Stores & Spares	9,532,669	9,304,254
Yarn	4,190,100	6,190,625
Stocks-in-process	8,010,673	3,702,978
Waste (at realisable value)	15,898	32,819
Total	<u>49,093,858</u>	<u>39,415,366</u>
SCHEDULE 7		
SUNDRY DEBTORS :		
(Unsecured and considered good)		
Due over six months	-	-
Others	84,542,077	103,672,029
Total	<u>84,542,077</u>	<u>103,672,029</u>
SCHEDULE 8		
CASH AND BANK BALANCES :		
Cash on Hand	698,228	24,260
With Scheduled Banks		
In Current Accounts	6,596,308	5,909,109
In Deposit Accounts	618,000	367,000
Total	<u>7,912,536</u>	<u>6,300,369</u>
SCHEDULE 9		
LOANS AND ADVANCES :		
(Unsecured, considered good recoverable in Cash or in kind or for value to be received)		
Advances for Suppliers and Expenses	3,021,737	2,920,289
Advances for Capital Works	10,672,168	10,572,168
Advances to Staff and Workers	397,629	224,266
Other Advances	19,702,148	19,953,252
Accrued Interest	326,724	441,290
Deposits Recoverable	6,661,927	6,660,427
Prepaid Expenses	276,694	333,233
Tax Deducted at Source	172,377	85,753
Total	<u>41,231,404</u>	<u>41,190,678</u>



SURYAAMBA SPINNING MILLS LIMITED

SCHEDULES FORMING PART OF THE ACCOUNTS

	As at 31.03.2010 Rs.	As at 31.03.2009 Rs.
SCHEDULE 10		
CURRENT LIABILITIES & PROVISIONS :		
CURRENT LIABILITIES :		
Sundry Creditors for Raw materials & stores :		
- Due to Micro, Small and Medium Enterprises	2,589,478	708,480
- Others	21,068,377	13,448,827
Sundry Creditors for : Capital Goods	-	7,500
“ : Expenses	19,188,265	22,046,904
“ : Other Finance	3,011,668	1,872,997
PROVISIONS :		
For : Income tax (net)	4,015,738	4,915,738
Fringe Benefit Tax (net)	36,274	236,274
Equity Dividend	1,671,000	2,228,000
Preference Dividend	175,956	239,584
Corporate Dividend Tax	306,756	419,366
Total	<u>52,063,512</u>	<u>46,123,670</u>

SCHEDULE 11

MISCELLANEOUS EXPENDITURE :

(to the extent not written off or adjusted)

Preliminary Expenditure	371,410	417,836
Less : Written off during the year	46,426	46,426
Total	<u>324,984</u>	<u>371,410</u>



SURYAAMBA SPINNING MILLS LIMITED

SCHEDULES FORMING PART OF THE ACCOUNTS

	Current Year Rs.	Previous Year Rs.
SCHEDULE 12		
SALES		
Yarn	853,729,221	862,802,917
Waste	693,713	639,257
Scrap Sales	128,065	174,730
Total	<u>854,550,999</u>	<u>863,616,904</u>
SCHEDULE 13		
OTHER INCOME		
Interest earned (TDS Rs.86624 [Previous Year Rs.85753])	391,636	382,154
Excess Provision written Back	-	768,195
Miscellaneous Income	326,719	8,925
Credit Balances written back	492,858	185,419
Total	<u>1,211,213</u>	<u>1,344,693</u>
SCHEDULE 14		
RAW MATERIAL CONSUMED		
Opening Stock	20,184,690	11,025,228
Add: Purchases	603,281,644	612,030,901
	<u>623,466,334</u>	<u>623,056,129</u>
Less: Closing Stock	27,344,518	20,184,690
Total	<u>596,121,816</u>	<u>602,871,439</u>
SCHEDULE 15		
STORES CONSUMED		
Consumable Stores	9,532,589	8,783,190
Packing Material consumed	10,968,155	12,217,983
Total	<u>20,500,744</u>	<u>21,001,173</u>
SCHEDULE 16		
PAYMENTS AND BENEFITS TO EMPLOYEES		
Salaries, Wages and Bonus	52,127,977	48,918,096
Contribution to Provident fund and other funds	4,711,245	4,425,432
Welfare Expenses	3,313,237	2,686,708
Gratuity	2,721,859	3,340,034
Total	<u>62,874,318</u>	<u>59,370,270</u>

**SCHEDULES FORMING PART OF THE ACCOUNTS**

	Current Year	Previous Year
	Rs.	Rs.
SCHEDULE 17		
OTHER EXPENSES		
Rent	766,000	330,000
Rates and Taxes	813,029	542,693
Sales Tax	27,747,350	29,172,340
Printing and Stationery	270,306	239,740
Postage, telegrams and telephones	450,220	533,625
Travelling and Conveyance	698,621	1,188,867
Selling Expenses	1,363,697	2,075,208
Insurance	565,280	788,372
Managerial Remuneration	4,523,584	2,391,754
Auditors Remuneration	55,150	44,120
Cost Audit Fees	30,000	30,000
Repairs and maintenance :		
Buildings	3,170,050	1,041,225
Machinery	8,377,639	7,483,184
Others	538,442	697,647
Professional charges	525,829	1,007,016
Vehicle Maintenance	1,481,651	1,558,192
Office Maintenance	13,187,761	4,783,104
Miscellaneous expenses	2,178,114	2,359,447
Loss on sale of Asset	-	359,831
Debit Balances written Off	116,592	330,314
Total	<u>66,859,316</u>	<u>56,956,679</u>
SCHEDULE 18		
FINANCE CHARGES		
Interest on term loans	3,367,387	5,282,010
Interest on Working Capital Loans	11,443,629	10,331,205
Interest on others	1,902,522	1,170,046
Bank charges	4,118,020	1,485,819
Total	<u>20,831,558</u>	<u>18,269,080</u>

**SCHEDULES FORMING PART OF THE ACCOUNTS**

	Current Year Rs.	Previous Year Rs.
SCHEDULE 19		
(INCREASE) / DECREASE IN STOCKS		
OPENING STOCK		
Yarn	6,190,625	17,446,834
Stock in process	3,702,978	3,921,768
Waste	32,819	-
Total	<u>9,926,422</u>	<u>21,368,602</u>
CLOSING STOCK		
Yarn	4,190,100	6,190,625
Stock in process	8,010,673	3,702,978
Waste	15,898	32,819
Total	<u>12,216,671</u>	<u>9,926,422</u>
(Increase)/ Decrease in Stocks	<u>(2,290,249)</u>	<u>11,442,180</u>
SCHEDULE 20		
PRIOR PERIOD ADJUSTMENT		
Income :		
Sales Tax Refund	-	77,889
Insurance premium refund	-	50,737
	<u>-</u>	<u>128,626</u>
Expenditure :		
Providend Fund	-	216,488
Electricity charges and others	-	72,614
	<u>-</u>	<u>289,102</u>
Total	<u>-</u>	<u>(160,476)</u>



SCHEDULES FORMING PART OF THE ACCOUNTS

SCHEDULE-21

A. SIGNIFICANT ACCOUNTING POLICIES

ACCOUNTING CONVENTION:

The Financial statements are prepared based on historical cost convention.

FIXED ASSETS:

Tangible Fixed Assets are stated at cost net of depreciation as provided in the statements. Depreciation is provided on Straight line method as per Section 205 read with Schedule XIV of the Companies Act, 1956, on the basis of continuous process plant.

INVENTORIES:

Inventories are valued at the lower of cost and net realisable value. The Raw Materials and Stores and Spares are computed by using FIFO method.

FOREIGN EXCHANGE TRANSACTIONS:

Foreign currency transactions are recorded at the rates prevailing on the date of the transactions. Monetary assets and liabilities in foreign currency are translated at year end rate or at the rates of exchange fixed under contractual arrangements. Exchange differences arising on settlement of transactions and translation of monetary items are recognised as income or expense.

CONTINGENT LIABILITIES:

No liability is provided in respect of contingent liabilities, but only mentioned by way of note to accounts.

RETIREMENT BENEFITS :

Company's contribution to Provident fund determined under the relevant statute and charged to revenue. The gratuity contribution has been made on the basis of actuarial valuation under AS15 given by SBI life insurance Company.

The Liability for leave encashment is provided for on the basis of accrued leaves at the close of the year.

ACCOUNTING FOR INCOME TAX :

Current tax represents the amount that otherwise would have been payable under the Income-tax Act, 1961, had the financial year been reckoned as the basis for computation of tax payable under the prevailing tax laws.

DEFERRED INCOME TAX :

Deferred tax is recognised, subject to the consideration of prudence, on timing differences, being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

MISCELLANEOUS EXPENDITURE :

Preliminary expenses are amortised over a period of ten years in equal instalments.

SALES:

Sales represent the amount realised or realisable for goods sold including freight and sales tax thereon.



SURYAAMBA SPINNING MILLS LIMITED

B. NOTES ON ACCOUNTS ANNEXED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2010

		2009-2010		2008-2009	
		Rs.		Rs.	
1	Contingent Liabilities not provided for on account of :				
	Bank Guarantee		656,118		337,010
2	Licensed/Registered Capacity : No. of Spindles		28,080		28,080
3	Installed Capacity: No. of Spindles		28,080		28,080
(The figures have been certified by the Management and not verified by the auditors being a technical matter)					
		2009-2010		2008-2009	
		Kgs.	Rs.	Kgs.	Rs.
4	Production & Sales:				
a)	Opening Stocks:				
	Yarn	71,782	6,190,626	213,519	17,446,834
	Stock In Process	53,353	3,702,978	56,584	3,921,768
	Waste	6,251	32,819		
	Total	131,386	9,926,423	270,103	21,368,602
b)	Production:	8,703,270		9,100,771	
c)	Sales:				
	Yarn	8,732,183	853,729,221	9,242,508	862,802,917
	Waste	133,406	693,713	126,593	639,257
	Scrap	12,482	128,065	17,030	174,730
	Total	8,878,071	854,550,999	9,386,131	863,616,904
d)	Closing Stocks:				
	Yarn	42,869	4,190,100	71,782	6,190,626
	Stock In Process	104,936	8,010,673	53,353	3,702,978
	Waste	3,057	15,898	6,251	32,819
	Total	150,862	12,216,671	131,386	9,926,423
5	Stocks of Raw Materials:				
a)	Opening Stocks				
	Polyester Staple Fibre	296,634	17,539,468	164,770	10,655,063
	Viscose Staple Fibre	23,809	2,645,222	3,103	370,181
	Total	320,443	20,184,690	167,873	11,025,244
b)	Purchase of Raw Materials :				
	Polyester Staple Fibre	8,794,949	582,508,884	9,101,098	579,982,772
	Viscose Staple Fibre	166,498	20,772,759	275,943	32,048,129
	Total	8,961,447	603,281,643	9,377,041	612,030,901
c)	Raw materials consumed :				
	Polyester Staple Fibre	8,740,211	573,905,177	8,969,234	573,098,367
	Viscose Staple Fibre	181,192	22,216,638	255,237	29,773,088
	Total	8,921,403	596,121,815	9,224,471	602,871,455
d)	Closing Stocks				
	Polyester Staple Fibre	351,372	26,143,175	296,634	17,539,468
	Viscose Staple Fibre	9,115	1,201,343	23,809	2,645,222
	Total	360,487	27,344,518	320,443	20,184,690



SURYAAMBA SPINNING MILLS LIMITED

SCHEDULE-21 (Contd.)

	2009-2010		2008-2009	
	%	Rs.	%	Rs.
6 a) Percentage of Raw Material Consumed :				
Indigenous	100.00%	596,121,815	100.00%	602,871,455
Imported	0.00%		0.00%	
	<u>100.00%</u>	<u>596,121,815</u>	<u>100.00%</u>	<u>602,871,455</u>
b) Spare parts & components consumed :				
Indigenous	82.38%	7,852,803	83.25%	7,376,157
Imported	17.62%	1,679,786	16.75%	1,483,918
	<u>100.00%</u>	<u>9,532,589</u>	<u>100.00%</u>	<u>8,860,075</u>
7 Auditors' Remuneration :				
As Auditors		55,150		44,120
		<u>55,150</u>		<u>44,120</u>
8 Managerial Remuneration :				
a) Managing Director :				
Salary		1,140,000		1,140,000
Perquisites		760,000		766,960
Contribution to Provident Fund		136,800		136,800
		<u>2,036,800</u>		<u>2,043,760</u>
b) Joint Managing Director :				
Salary		960,000		240,000
Perquisites		544,000		107,994
Contribution to Provident Fund		115,200		-
		<u>1,619,200</u>		<u>347,994</u>
c) Executive Director :				
Salary		514,400		-
Perquisites		291,456		-
Contribution to Provident Fund		61,728		-
		<u>867,584</u>		<u>-</u>
	Total (a+b+c)	<u>4,523,584</u>		<u>2,391,754</u>
9 Computation of profits in accordance with Section 198 of the Companies Act 1956				
Profit for the year before taxation as per profit and loss account		9,595,693		9,184,183
Add: Managerial remuneration		4,523,584		2,391,754
Net Profit in accordance with Section 198 of the Companies Act 1956		14,119,277		11,575,937
Maximum remuneration to whole time directors 10%		1,411,928		1,157,594
Note : Minimum remuneration paid to the Directors.				



SCHEDULE-21 (Contd.)

	2009-2010 Rs.	2008-2009 Rs.
10 DEFERRED TAXATION :		
<i>Deferred Tax Liability (A)</i>		
Depreciation	35,647,271	34,839,798
<i>Deferred Tax Assets (B)</i>		
Benefits to Employees	1,400,931	1,648,427
<i>Deferred Tax Liability (A-B)</i>	34,246,340	33,191,371
11 Earnings Per Share (EPS)		
Profit after tax and extra ordinary items	2,740,724	1,219,561
Less : Preference dividend provided	175,956	239,584
Corporate Dividend Tax	29,224	40,717
Profit attributable to Equity Shareholders	2,535,544	939,260
No of Equity shares (Face value Rs. 10/- each)	2,228,000	2,228,000
Weighted average No. of Shares*	2,228,000	2,228,000
Earnings Per Share (EPS)	1.14	0.42
12 a) Value of Imports on C.I.F basis in respect of		
Raw Materials	Nil	Nil
Spares	1,679,786	1,483,918
Capital Goods	Nil	Nil
b) Expenditure in foreign currency on account of		
Foreign Travel	Nil	Nil
13 The Company has opted for exempted route under Excise rules w.e.f 31st July, 07. Accordingly, the CENVAT benefit not availed from the said date.		
14 Interest paid, payable and accrued and due to Micro and small enterprises - Nil.		
15 Details of Non convertible cumulative redeemable preference shares.		

Nature	Series	Amount Rs.	Date of issue	Date of Redemption
12% CRPSs of Rs.100/- each	IV	4,71,500	21-10-2003	20-10-2010
8% CRPSs of Rs.100/- each	VII	14,92,200	30-10-2004	29-10-2011
	Total	19,63,700		

16 The Company's operations predominantly comprises of only one reportable product segment i.e. Yarn as per Accounting Standard - 17 "Segment Reporting" issued by the Institute of Chartered Accountants of India.



17 Disclosure in respect of related parties pursuant to Accounting Standard 18:

List of related parties with whom the transactions have taken place and relationships:

Sr. No.	Name of the party	Relationship
1	Shri Virender Kumar Agarwal	Key Management personnel
2	Smt. Seema Agarwal	Key Management personnel
3	Shri Mayank Agarwal	Key Management personnel
4	Relatives of Key Management personnel	Others

During the period following transactions were carried out with related party in the ordinary course of business.

SI No.	Nature of transaction	2009-10		2008-09	
		Key Management Personnel	Others	Key Management Personnel	Others
		Rs.		Rs.	Rs.
1	Preference shares repaid	-	-	912,900	-
2	Deposited repaid	-	-	10,714,320	46,000
3	Loans accepted	-	-	11,376,747	-
4	Interest paid	1,029,904	-	1,117,037	3,812
5	Managerial remuneration	4,523,584	-	2,391,754	-
6	Rent paid	766,000	-	330,000	-
7	Salary	-	-	-	432,000

18 Paise have been rounded off to the nearest rupee.

19 Previous Year's figures have been regrouped wherever necessary.

20 Additional information pursuant to provisions of Part IV of Schedule VI of the Companies Act, 1956 is furnished in Annexure "A".

As per Our Report of even date

for and on behalf of the Board

for BRAHMAYYA & CO.,
Chartered Accountants

K.S.RAO
Partner
Membership No.15850

VIRENDER KUMAR AGARWAL
Managing Director

SEEMA RANI AGARWAL
Joint Managing Director

Place: Nagpur
Date: 02nd Aug, 2010

NITIN HALBE
Manager (Finance)



SURYAAMBA SPINNING MILLS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2010

	Period Ended 31.03.2010		Period Ended 31.03.2009	
	Rs.	Rs.	Rs.	Rs.
A. Cash Flow from Operating Activities :				
Net profit before tax		9,595,693		9,184,183
Add : Depreciation	18,251,272		18,031,247	
Finance Charges	16,713,538		16,783,261	
Debit Balance written off	116,592			
Loss on Sale of Assets			359,831	
Misc Exp. Written off	46,426	35,127,828	46,426	35,220,765
		44,723,521		44,404,948
Less : Interest received	391,636		382,154	
Credit balance written back	492,858		185,419	
Excess provision written Back			768,195	
Income Tax, FBT&Dividend Paid (Net)	7,020,019	7,904,513	1,398,837	2,734,605
Operating Profit before working capital changes		36,819,008		41,670,343
Add : Decrease/(Increase) in Inventories	(9,678,492)		4,186,370	
Decrease/(Increase) in Receivables	19,129,952		(22,113,005)	
Decrease/(Increase) in Loans and Advances	(40,726)		24,744,538	
(Decrease)/Increase in Current Liabilities	7,773,080	17,183,814	(9,170,434)	(2,352,531)
Net Cash Inflow from Operating Activity		54,002,822		39,317,812
B. cash Flow from Investing Activities :				
Outflow :				
Acquisition of Fixed Assets including Capital Work In Progress		(26,017,683)		(8,696,811)
Inflow :				
Sale of Assets			98,040	
Interest Received	391,636	391,636	382,154	480,194
Net Cash Outflow from Investing Activity		(25,626,047)		(8,216,617)
C. Cash Flow from Financing Activity :				
Inflow :				
Hire Purchase Loan	1,965,000			
Increase/(Derease) in Bank Borrowings	7,754,654		8,629,668	
Increase/(Derease) in Unsecured Loans		9,719,654	616,427	9,246,095
Outflow :				
Redemption of Preference Share Capital			912,900	
Repayment of Term Loans	16,833,338		16,966,666	
Repayment of Hire Purchase Loans	546,720		176,584	
Dividend (Preference Paid)	239,584		214,128	
Dividend (Equity Paid)	2,151,082			
Interest Paid	16,713,538	36,484,262	16,783,261	35,053,539
Net Cash Outflow from Financing Activity		(26,764,608)		(25,807,444)
Net Increase/(decrease) in Cash/Cash Equivalents during the Financial Year (A+B+C)		1,612,167		5,293,751
Add : Cash/Cash Equivalent at the beginning of the year		6,300,369		1,006,618
Cash/Cash Equivalent at the close of the year		7,912,536		6,300,369

As per Our Report of even date

for and on behalf of the Board

for BRAHMAYYA & CO.
Chartered Accountants

K.S.RAO
Partner
Membership No.15850

VIRENDER KUMAR AGARWAL
Managing Director

SEEMA RANI AGARWAL
Joint Managing Director

Place: Nagpur
Date: 02nd Aug, 2010

NITIN HALBE
Manager (Finance)



SURYAAMBA SPINNING MILLS LIMITED

Annexure "A" forming part of Schedule 21

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE AS AT 31ST MARCH 2010

I. Registration Details

Registration No.

U	1	8	1	0	0	A	P	2	0	0	7	P	L	C	0	5	3	8	3	1
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

Balance Sheet Date

3	1	0	3	2	0	1	0
---	---	---	---	---	---	---	---

 State Code

0	1
---	---

II. Capital raised during the year (Amount in Rs.thousands)

Public Issue

			N	I	L
--	--	--	---	---	---

 Rights Issue

			N	I	L
--	--	--	---	---	---

Bonus Issue

			N	I	L
--	--	--	---	---	---

 Private placement (CRPS)

			N	I	L
--	--	--	---	---	---

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. thousands)

Total Liabilities

3	7	2	6	3	4
---	---	---	---	---	---

 Total Assets

3	7	2	6	3	4
---	---	---	---	---	---

Sources of Funds

Paid-up Capital

Equity Share Capital

	2	2	2	8	0
--	---	---	---	---	---

 Reserves & Surplus

1	7	1	2	0	7
---	---	---	---	---	---

Preference Share Capital

		1	9	6	4
--	--	---	---	---	---

 Secured Loans

1	3	1	5	6	0
---	---	---	---	---	---

Deferred Tax liability

	3	4	2	4	6
--	---	---	---	---	---

 Unsecured Loans

	1	1	3	7	7
--	---	---	---	---	---

Application of Funds

Net Fixed Assets

2	4	1	5	9	3
---	---	---	---	---	---

 Investments

			N	I	L
--	--	--	---	---	---

Net Current Assets

1	3	0	7	1	6
---	---	---	---	---	---

 Misc.Expenditure

			3	2	5
--	--	--	---	---	---

Accumulated Losses

			N	I	L
--	--	--	---	---	---

IV. Performance of Company (Amount in Rs. thousands)

Turnover & Other Income

8	5	5	7	6	2
---	---	---	---	---	---

 Total Expenditure

8	4	6	1	6	7
---	---	---	---	---	---

Profit before Tax

		9	5	9	5
--	--	---	---	---	---

 Profit after Tax

		2	7	4	1
--	--	---	---	---	---

Earning per share in Rs.

		1	.	1	4
--	--	---	---	---	---

 Equity Dividend rate %

			7	.	5
--	--	--	---	---	---

V. Generic Names of Three Principal Products/Services of Company (As per monetary terms)

Item Code No.(ITC Code)

5	5	0	9	0	2
---	---	---	---	---	---

5	5	0	9	0	1
---	---	---	---	---	---

5	5	0	9	0	7
---	---	---	---	---	---

Product Description

P	O	L	Y	E	S	T	E	R	Y	A	R	N
---	---	---	---	---	---	---	---	---	---	---	---	---

V	I	S	C	O	S	E	Y	A	R	N
---	---	---	---	---	---	---	---	---	---	---

P	V	Y	A	R	N
---	---	---	---	---	---



ELECTRONIC CLEARING SERVICE (ECS) FOR PAYMENT OF DIVIDEND

To
The Shareholders,
M/s. Suryaamba Spinning Mills Limited

The Company has introduced Electronic Clearing Service (ECS) for payment of dividend. This would facilitate shareholders to receive the dividend electronically and the payment would consequently be faster and loss of dividend in postal transit would be eliminated.

Under this method, the Company would issue payment instructions to the Clearing House of Reserve Bank of India through the bankers of the Company. The Clearing House would furnish to the service branches of the destination banks branch wise credit reports indicating the beneficiary details such as names of the branches where the accounts are maintained, the names of the beneficiaries, account type, account numbers and the respective amounts. The service branch would in turn pass on the advices to the concerned branches for their bank, which would credit the beneficiary's accounts on the appointed date. An advice of remittance would be sent by the Company to the shareholders opting for electronic transfer.

Considering the benefits envisaged in ECS for payment of dividend, shareholders are advised to avail this facility. Securities and Exchange Board of India and the Ministry of Company Affairs, Government of India, have made it mandatory on the part of the Companies to offer ECS facility, wherever the said facility is available.

If shareholder holding shares in physical form wish to participate in this scheme, please fill in the ECS Mandate Form printed overleaf in legible and readable form in English preferable in capital letter sign and return the same to the Registrar and Transfer Agents of the Company immediately. Please note that the information provided by you should be accurate and complete in all respects and duly certified by your bankers. In lieu of Bank Certification, you may attach a blank cancelled cheque or a photocopy of a cheque for verification of the particulars provided by you in the ECS Mandate Form.

In case you required any clarification/assistance, please fee free to contact the Company.

ELECTRONIC CLEARING SERVICE (ECS) MANDATE FORM FOR DIVIDEND

M/s. Sathguru Management Consultants Private Limited.

(Unit: **SURYAAMBA SPINNING MILLS LIMITED**)

Plot No.15, Hindi Nagar, Panjagutta, Hyderabad- 500 034.

Shareholders authorization to receive dividends through Electronic Credit Clearing Mechanism.

Registered Folio No.	ECS Ref. No.: (For office use only)
Name of the first / Sole Shareholder	
Bank Name	
Branch Address & Telephone No. of Branch	
Bank Account Number (As appearing on the Cheque Books)	
9 digit code number of the Bank and Branch appearing on the MICR cheque issued by the Bank. (Please attach a blank cancelled cheque, or a photocopy (Xerox copy) of a Cheque issued to you by your bank, for verification of the above particulars.	
Account Type (Please tick the option)	Savings () Current ()
Account No. (as appearing on the Cheque Book)	
Bank Account Ledger Folio No. (if any)	
Effective date of this mandate	

I hereby declare that the particulars given above are correct and complete. If the payment transaction is delayed or not effected at all for any reasons, including but not limited to incomplete or incorrect information, I will not hold M/s. Suryaamba Spinning Mills Limited responsible. I agree to discharge the responsibility expected of me as a participant under the scheme.

I, further undertake to inform the Company of any subsequent change(s) in the above particulars.

Place: _____

Date: _____

(Signature of Shareholder)

Note:

In case of shareholders holding the equity shares in demat form, the ECS form be sent to their respective Depository Participant(s) with whom the account is maintained.

BANKER'S CERTIFICATION

Certified that the particulars furnished above are correct as per our records.

Banker's Seal :

Date :

Signature of the Authorised
official of the Bank



**3rd Annual General Meeting
Suryaamba Spinning Mills Limited**

ATTENDANCE SLIP

Registered office : Surya Towers, 1st Floor, 105, Sardar Patel Road, Secunderabad - 500 003.

Date : 23rd September, 2010 Venue : Kamat Lingapur Hotel, 1-10-44/2, Chikoti Gardens,
Time : 3.00 P.M. Begumpet, Hyderabad-500016

Name of the shareholder Folio no. / DPID and No. of shares :
Client ID no.

I certify that I am a registered shareholder of the Company, hold above-mentioned shares in the Company, and hereby record my presence at the 3rd Annual General Meeting of the Company.

Member's/Proxy signature

Note: Shareholder/Proxy holder wishing to attend the meeting must bring the Admission Slip and hand over at the entrance duly signed.

- ☐ - - - - - TEAR HERE - - - - -

**3rd Annual General Meeting
Suryaamba Spinning Mills Limited**

PROXY FORM

Registered office : Surya Towers, 1st Floor, 105, Sardar Patel Road, Secunderabad - 500 003.

Red. Folio no.: No. of shares
DP ID no. Client ID no.

I/We _____ of _____ being Member/Members of Suryaamba Spinning Mills Limited hereby appoint _____ of _____ as my/our proxy to attend and vote for me/us on my/our behalf at the 3rd Annual General Meeting of the Company to be held on Thursday, 23rd September 2010, at 3.00 P.M. at Kamat Lingapur Hotel, 1-10-44/2, Chikoti Gardens, Begumpet, Hyderabad-500016 or at any adjournment thereof.

As witness my/our hand (s) this _____ day of _____ of 2010
Signed by the said _____

Affix Re. 1.00
Revenue stamp
and Sign Across

Note: 1) The Proxy need not be a member of the Company
2) The Proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting.