







BANNARI AMMAN SPINNING MILLS LIMITED

Regd. Office : 252, Mettupalayam Road, Coimbatore - 641 043 Tamilnadu INDIA
Telephone : 0422-2435555 Fax : 0422-4383325 E-mail : shares@bannarimills.com

THE MANAGER
LISTING DEPARTMENT
NATIONAL STOCK EXCHANGE OF INDIA LIMITED
"EXCHANGE PLAZA"
BANDRA-KURLA COMPLEX
BANDRA (EAST)
MUMBAI 400 051

FORM A

1.	Name of the Company	Bannari Amman Spinning Mills Limited
2.	Annual financial statements for the year ended	31 st March 2013
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable
5.	<ul style="list-style-type: none">CEO/Managing Director	 S V ARUMUGAM Chairman & Managing Director
	<ul style="list-style-type: none">CFO	 C S BALAKUMAR General Manager - Accounts
	<ul style="list-style-type: none">Auditor of the company	 P R VITTEL Partner, P N Ragavendra Rao & Co
	<ul style="list-style-type: none">Audit Committee Chairman	 C S KIPRABHU Director



BANNARI AMMAN
Spinning Mills Ltd.



23rd
Annual Report
2013

CONTENTS

Board of Directors	1
Notice to Shareholders.....	2
Directors' Report	4
Annexure to Directors' Report	8
Corporate Governance	10
Management Discussion and Analysis.....	18
Auditor's Certificate on Corporate Governance	20
Independent Auditor's Report	21
Balance Sheet.....	26
Profit and Loss Account	27
Notes to Financial Statement	28
Cash Flow Statement	55
Financial Performance - Year wise	57

IMPORTANT COMMUNICATION

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by companies and has issued a circular clarifying that the companies would be in compliance of Section 219(1) of Companies Act 1956 in case copy of notice calling Annual General Meeting, Audited Financial Statements, Directors' Report, Auditors' Report etc is sent by electronic mail to its members. Hence, members who have not registered their e-mail addresses so far are requested to register their e-mail addresses with the depository through their Depository Participants to enable the company to send the notice calling Annual General Meeting, Audited Financial Statements, Directors' Report, Auditors' Report etc. through e-mail. Members who hold shares in physical form are requested to register their e-mail address with the Registrar and Share Transfer Agent viz. LINK INTIME INDIA PRIVATE LIMITED, COIMBATORE.

**BOARD OF DIRECTORS**

Sri S V Arumugam	-	Chairman & Managing Director
Sri K N V Ramani	-	Director
Sri C S K Prabhu	-	Director
Dr K R Thillainathan	-	Director
Sri S Palaniswami	-	Director
Sri K Sadhasivam	-	Director

CHIEF EXECUTIVE OFFICER

Sri A Senthil

COMPANY SECRETARY

Sri N Krishnaraj

AUDITORS

M/s P N Raghavendra Rao & Co
Chartered Accountants
Coimbatore - 641 009

INTERNAL AUDITORS

M/s Srivatsan & Gita
Chartered Accountants
Coimbatore - 641 018

COST AUDITOR

Sri M. Nagarajan
Cost Accountant
Coimbatore - 641 018

REGISTERED OFFICE

252, Mettupalayam Road
Coimbatore - 641 043 Tamilnadu
Ph No : 0422 - 2435555
<http://www.bannarimills.com>

BANKERS

The Karur Vysya Bank Limited
Corporation Bank
ICICI Bank Limited
Oriental Bank Of Commerce
Indian Overseas Bank
Bank Of Maharastra
Indian Bank
IDBI Bank
Allahabad Bank



NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the 23rd Annual General Meeting of the Members of the Company will be held at Nani Kalai Arangam, Mani Higher Secondary School, Pappanaickenpalayam, Coimbatore – 641 037 on the Monday the 23rd day of September 2013 at 9.15 A.M to transact the business set out in the agenda given below:

You are requested to make it convenient to attend the Meeting.

AGENDA

ORDINARY BUSINESSES

1. To receive and adopt the Balance Sheet as at 31st March, 2013 and the Statement of Profit and Loss for the year ended on that date together with the reports of the Directors' and the Auditors thereon.
2. To declare Dividend.
3. To appoint a Director in the place of Sri S Palaniswami, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in the place of Dr K R Thillainathan, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors and fix their remuneration.

Notes :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies, in order to be effective, should be deposited with the Company, forty eight hours before the meeting.
3. The Register of Members and the Share Transfer Books of the Company will remain closed 17.9.2013 to 23.9.2013 (both days inclusive).
4. The dividend remaining unclaimed for a period of 7 years will be transferred to Investor Education and Protection Fund established under Section 205C of the Companies Act, 1956 on the respective due dates; upon such transfer, no claim shall lie against the company or the Central Government for such unclaimed dividend.
5. Members are requested to bring their copy of the Annual Report along with them to the meeting.

Coimbatore
18th May, 2013

BY ORDER OF THE BOARD
N KRISHNARAJ
Company Secretary



RE-APPOINTMENT OF DIRECTORS

A brief resume in respect of the proposed reappointment of Directors is given below in terms of Clause 49 of the Listing Agreement.

Name	:	Sri S Palaniswami
Age	:	69 years
Qualification	:	B.E., Electrical Engineering
Date of Appointment	:	26.5.2008
Experience	:	He has more than 33 years of experience in the field of Vertical Transportation Elevators, Escalators and allied products.
Other Directorships	:	Shiva Taxyarn Limited
Member of Committees	:	Audit Committee - Member
Member of Committees in other Public Limited Companies	:	Shiva Taxyarn Limited Audit Committee - Member Remuneration Committee - Member
Number of Shares held in the Company	:	172

Name	:	Dr K R Thillainathan
Age	:	59 years
Qualification	:	M B B S
Date of Appointment	:	26.5.2008
Experience	:	He has more than 33 years of experience in Medical Profession
Other Directorships	:	Shiva Taxyarn Limited
Member of Committee	:	Nil
Member of Committees in other Public Limited Companies	:	Shiva Taxyarn Limited Remuneration Committee - Member
Number of Shares held in the Company	:	Nil

BY ORDER OF THE BOARD

N KRISHNARAJ

Company Secretary

Coimbatore

18th May, 2013

**DIRECTORS' REPORT**

Dear Members,

Your Directors have pleasure in presenting the 23rd Annual Report together with audited accounts of the Company for the year ended 31st March, 2013.

FINANCIAL RESULTS :**(Rs in Lakhs)**

	2012-2013	2011-2012
Profit before Depreciation	7,648.08	326.47
Less: Depreciation	3,575.65	3,722.63
Less : Taxes	1,340.61	-1,758.55
Less : Extra Ordinary Item (Net of Tax Expenses)	-	-
Profit after Tax	2,731.81	-1,637.61
Surplus brought forward from last year	-611.25	1,026.36
Amount available for appropriation	<u>2,120.56</u>	<u>-611.25</u>
Appropriations:		
Provision for Equity Dividend	315.09	-
Provision for Tax on Dividend	53.55	-
Transfer to General Reserve	1,000.00	-
Surplus carried over to Balance Sheet	751.92	-
Total	<u>2,120.56</u>	<u>-</u>

DIVIDEND

Your Directors are glad to recommend payment of dividend of ₹ 2 per equity share of ₹ 10/- each to the equity shareholders (Last year Nil per share of ₹ 10/- each). The dividend is free from income tax in the hands of shareholders.

REVIEW OF OPERATIONS**Spinning Division**

During the year under review, the Spinning Mills produced 17790.26 tonnes (14696.59 tonnes) inclusive of purchased quantity 226.97 tonnes (56.68 tonnes) of Yarn and sold 17286.64 tonnes (16136.67 tonnes) of Yarn. The sales include 9337.58 tonnes (8603.05 tonnes) by way of Export. The total sales of this division amounted to ₹ 40210.94 Lakhs (₹ 34489.74 Lakhs) of which export sales amounted to ₹ 20499.79 Lakhs (₹ 18382.30 Lakhs) constituting 50.98% (53.30%) of the total revenue.



Weaving Division

The Weaving Division specializes in manufacturing wider-width cotton fabric. During the year under review, 61.28 Lakh metres (66.93 Lakh Metres) of Fabric were produced and 69.58 Lakh Metres (70.21 Lakh metres) of Fabric were sold.

Wind Mill Division

The company has 4 windmills of 1250 KW each totaling 5MW in Radhapuram Taluk, Tirunelveli District, Tamilnadu, 25 Nos windmills, each of 800 KW capacity totaling 20 MW capacity in Dharapuram Taluk, Tirupur District and Palani Taluk, Dindigul District, Tamilnadu and 3 Windmills of 1650 KW each in Kongalnagaram, Udumalpet Taluk, Tirupur District, Tamilnadu. The total installed capacity of Windmills is 29.95 MW and the whole of the power generated is captively consumed by the Spinning Units. The windmills produced 618.25 Lakh units of wind energy as against 528.55 lakh units produced in the last year.

Processing and Technical Textiles Division

During the year under review, 7.74 Lakh Metres (16.03 Lakh Metres) of Coated Fabric were produced and 8.81 Lakh metres (16.52 Lakh Metres) of Coated Fabric were sold. During the year under review 2.53 Lakh metres of Canvas were produced and 2.50 Lakh metres of Canvas were sold. The end products/applications of these fabrics include Home Textiles, upholstery, apparel fabric, performance and industrial fabric. During the year under review, 0.37 Lakh Metres (3.35 Lakh Metres) of Breathable water proof Fabric were produced and 0.74 Lakh metres (3.46 Lakh metres) were sold under the Brand name Quick dry.

Garment Division

During the year under review, 5.32 lakh pieces of Garments were produced inclusive of purchased quantity 0.47 lakhs pieces and sold 5.14 lakh pieces. The total sales of this division amounts to ₹ 1934.63 lakhs of which export sales amounted to ₹ 1894.35 lakhs.

Prospects for the Current Year

The revival of Dying units in Tirupur, Tamilnadu, improvements in Garments Export coupled with stability in cotton prices is expected to contribute favorably to the working results of the company. In the current year also the power supply situation in the state of Tamilnadu remains severely affected. However the company has identified alternate sources of power to overcome power shortage. Barring unforeseen circumstances the overall performance of the company expected to be satisfactory.

PUBLIC DEPOSITS

During the year under review, the Company has not accepted any deposits from the Public.



DIRECTORS

Sri S Palaniswami and Dr K R Thillainathan, Directors will retire by rotation at the ensuing annual general meeting and they are eligible for re-appointment.

Sri S K Sundararaman ceased to be a Director of the Company by resignation with effect from 31.5.2012. The Board wishes to place on record its appreciation for the valuable services rendered by Sri S K Sundararaman during his tenure of office as Director and Executive Director in the growth of the Company.

AUDIT COMMITTEE

The Audit Committee comprises of

1. Sri C S K Prabhu - Chairman (Non- Executive Independent Director)
2. Sri K N V Ramani - Member (Non- Executive Independent Director) and
3. Sri S Palaniswami - Member (Non- Executive Independent Director)

PARTICULARS OF EMPLOYEES

None of the Employee is drawing remuneration in excess of the limits specified under Section 217(2A) of the Companies Act, 1956. Hence the information required under section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 and forming part of the Director's report is not furnished.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars required to be included in terms of Section 217(1) (e) of the Companies Act, 1956 with regard to conservation of energy, technology absorption, foreign exchange earnings and outgo are given in Annexure -I.

DIRECTOR'S RESPONSIBILITY STATEMENT

As stipulated in Section 217 (2AA) of the Companies Act, 1956 your Directors confirm that:

- (i) Your Directors have followed the applicable accounting standards in the preparation of annual accounts;
- (ii) Your 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 2012-2013 and of the profit of the company for that period;
- (iii) Your 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) Your Directors have prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE

A separate section on Corporate Governance, Management Discussion and Analysis and a certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under clause 49 of the Listing Agreement form part of this Annual Report.

AUDITORS

The present Auditors of the Company M/s P.N.Raghavendra Rao & Co, Chartered Accountants, Coimbatore, are retiring at the ensuing Annual General Meeting and are eligible for re-appointment.

COST AUDITOR

Sri M Nagarajan, Cost Accountant, Coimbatore has been appointed as Cost Auditor to conduct Cost Audit of the Company for the financial year 2012 – 2013 with the approval of Central Government.

INDUSTRIAL RELATIONS

The relationship with employees continued to remain cordial throughout the year under review.

ACKNOWLEDGEMENT

Your Directors acknowledge with gratitude the timely assistance and help extended by the Bankers for having provided the required bank facilities. Your Directors wish to place on record their appreciation of the contributions made by the employees at all levels for the excellent performance of your company.

Coimbatore

18th May, 2013

BY ORDER OF THE BOARD

S V ARUMUGAM

Chairman & Managing Director



ANNEXURE I

Information pursuant to Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988

A. CONSERVATION OF ENERGY

Energy conservation continues to be the top priority of the Company and efforts are being made to benchmark it with global standards. Various studies are being conducted for reduction of consumption of energy on a continuous basis.

a. Energy Conservation Measures taken:

(i) Humidification plant fans blade angle optimized according to the outside climate conditions.

b. Additional Investments and Proposals, if any, being implemented for reduction of consumption of energy:

The Company has plans to install latest energy saving machineries for reduction of consumption of power in the process of production in the spinning units.

c. Impact of the measures (a) and (b) above for reduction of energy consumption and consequent impact on cost of production of goods:

The above measures already implemented have resulted in reduction of power consumption and consequent reduction in cost of production of finished goods.

FORM A-PARTICULARS WITH RESPECT OF ENERGY CONSERVATION

PARTICULARS	Current Year	Previous Year
I. POWER AND FUEL CONSUMPTIONS		
1. Electricity		
a) Purchased (includes power availed from Wind Mills)	828.60	768.30
Amount spent (₹ in Lakhs)	5,825.30	3,605.47
Rate per unit (₹)	7.03	4.69
b) Own Generation		
i) Through Diesel Generator		
Total Units produced (in Lakhs)	56.55	40.25
Units produced per litre of diesel (Units)	3.14	3.32
Amount spent (₹ in lakhs)	673.53	441.30
Cost per unit (₹)	11.91	10.96
ii) Through steam turbine/generator	Nil	Nil



PARTICULARS	Current Year	Previous Year
2. Coal	Nil	Nil
3. Furnace oil	Nil	Nil
4. Others /Internal Generation	Nil	Nil
II. CONSUMPTION PER UNIT OF PRODUCTION	Current Year	Previous Year
Product : COTTON YARN		
Production in MT	17,563.29	14,639.91
Electricity consumed in units (in Lakhs)	799.30	739.02
Electricity consumed per Kg of yarn (Units)	4.55	5.05

B) TECHNOLOGY ABSORPTION RESEARCH AND DEVELOPMENT (R&D)

1. Specific areas in which R&D carried out by the Company : Nil
2. Benefits derived as a result of above R&D : Nil
3. Future Plan of Action : Nil
4. Expenditure on R&D : Nil
5. Technology absorption, adaptation and innovation : Nil
 - i) Efforts in brief, made towards technology absorption : Nil

Adaptation and innovation
 - ii) Benefits derived as a result of above effects : Nil
 - iii) Imported Technology : Nil

C) FOREIGN EXCHANGE EARNINGS AND OUTGO

- i) Total Foreign Exchange used Remittance in Foreign Currency on account of :

Travelling	: ₹ 29,27,949/-
Commission	: ₹ 1,81,70,417/-
Interest	: ₹ 2,39,78,449/-
Purchase of Spares and Capital Goods	: ₹ 11,74,87,120/-
Purchase of Raw Materials	: ₹ 33,70,30,596/-
- ii) Foreign Exchange earned : ₹ 2,32,30,60,012/-

Coimbatore
18th May, 2013

BY ORDER OF THE BOARD
S V ARUMUGAM
Chairman & Managing Director



REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on Corporate Governance envisages the attainment of high levels of transparency, accountability, fairness and equity in all facets of procedures and reporting systems.

Bannari Amman Spinning Mills Limited has adopted a Code of Conduct which lays down standards of values, ethics and business principles of management.

BOARD OF DIRECTORS

The Board comprises of 7 Directors viz., 1 Executive Directors and 6 Non Executive Directors. 6 Directors are Independent Directors.

NAME OF THE DIRECTOR	CATEGORY	NUMBER OF DIRECTORSHIPS HELD IN OTHER COMPANIES*	NUMBER OF BOARD COMMITTEE MEMBERSHIP HELD IN OTHER COMPANIES**	
			Chairman	Member
1. Sri S V Arumugam	Executive	7	1	2
2. Sri S K Sundararaman#	Executive	3	-	1
3. Sri V Venkata Reddy	Non-Executive Independent	2	2	1
4. Sri K N V Ramani	Non-Executive Independent	6	2	1
5. Sri C S K Prabhu	Non-Executive Independent	3	1	3
6. Dr K R Thillainathan	Non-Executive Independent	1	-	-
7. Sri S Palaniswami	Non-Executive Independent	1	-	1
8. Sri K Sadhasivam	Non-Executive Independent	-	-	-

Resigned w.e.f. 31.5.2012

* Excluding private companies which are not subsidiary of public limited companies.

** Only Committees formed under Clause 49 of the Listing Agreement are considered.

BOARD MEETINGS AND ANNUAL GENERAL MEETING

During the financial year, 4 Board Meetings were convened by giving advance notices to the Directors. The meetings were held on 30.5.2012, 13.8.2012, 9.11.2012 and 14.2.2013.

The Board is given all material information which are incorporated in the Agenda papers for facilitating meaningful and focused discussions at the meetings.



Details of attendance of each Director at the Board Meetings and at the last Annual General Meeting held on 24.9.2012 :

NAME OF THE DIRECTOR	NUMBER OF BOARD MEETINGS ATTENDED	LAST AGM ATTENDED YES / NO
1. Sri S V Arumugam	4	Yes
2. Sri V Venkata Reddy	-	No
3. Sri K N V Ramani	4	Yes
4. Sri C S K Prabhu	3	Yes
5. Dr K R Thillainathan	2	Yes
6. Sri S Palaniswami	2	Yes
7. Sri K Sadhasivam	3	Yes

AUDIT COMMITTEE

The Audit Committee consists of Directors, of which 3 are independent.

- | | | |
|----------------------|---|------------------------|
| 1. Sri C S K Prabhu | - | Chairman - Independent |
| 2. Sri K N V Ramani | - | Member - Independent |
| 3. Sri S Palaniswami | - | Member - Independent |

The terms of reference of the Audit Committee are as set out in Clause 49 of the Listing Agreement, which inter-alia includes the following:

- Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct and sufficient.
- Quarterly and Annual financial statements before submission to the Board for approval.
- Review with management, external and internal auditors the adequacy of internal control system, significant findings and follow-up thereon.
- Company's financial and risk management policies.
- Management discussion and analysis of financial condition and result of operations.

During the financial year, the Audit Committee met 4 times and the attendance of each member is furnished below:

Name of the Member	No of Meetings Attended
1. Sri C S K Prabhu	3
2. Sri K N V Ramani	4
3. Sri S Palaniswami	3



REMUNERATION COMMITTEE

The Remuneration Committee consists of 3 Directors, all of whom are independent.

1. Sri K N V Ramani - Chairman
2. Sri C S K Prabhu - Member
3. Sri V Venkata Reddy - Member

The terms of reference specified by Board of Directors to the Remuneration Committee are as under:

- (a) Recommending remuneration payable to Managing Director and other Directors as and when necessity arises.
- (b) Reviewing sitting fees payable to Directors for attending Board Meetings, Committee Meetings etc.,

Remuneration paid to Managing Director and Executive Director are as follows :

Name	Designation	Remuneration Received ₹
Sri S V Arumugam	Managing Director	40,32,000
Sri S K Sundararaman [#]	Executive Director	4,48,000

[#] Resigned w.e.f. 31.5.2012

All the non - executive Directors are paid a sitting fee of ₹ 5,000/- for each Board Meeting attended by them. The Members of Audit Committee are paid a sitting fee of ₹ 5,000/- for each Committee Meeting attended by them.

SHAREHOLDING OF NON-EXECUTIVE DIRECTORS AS ON 31.3.2013

Name of the Director	No. of sharesheld
Sri V Venkata Reddy	Nil
Sri K N V Ramani	Nil
Sri C S K Prabhu	Nil
Dr K R Thillainathan	Nil
Sri S Palaniswami	172
Sri K Sadhasivam	Nil



INVESTOR'S GRIEVANCE COMMITTEE

The Investor's Grievance Committee was formed to specifically look into shareholders/investors complaints, if any, on transfer of shares, non-receipt of Balance Sheet, non-receipt of declared dividend, etc., and also the action taken by the Company on those matters.

The Investor's Grievance Committee consists of :

1. Sri C S K Prabhu - Chairman
2. Sri S V Arumugam - Member

Sri N Krishnaraj, Company Secretary is the compliance Officer.

The company has not received any complaints from the investors for redressal during the year and there was no complaint pending at the beginning of the year for redressal.

In terms of the Clause 5A of Listing Agreement entered into with Stock Exchange, the Company has opened Demat Suspense Account in the name "**Bannari Amman Spinning Mills Limited Unclaimed Shares Demat Suspense Account**" and transferred the shares which remains unclaimed and are lying in the escrow account out of the Initial Public Offer made by the Company.

Unclaimed Shares	No. of share holders	No. of shares
Outstanding at the beginning of the year	24	1266
Approached for transfer during the year	Nil	Nil
Transferred to the shareholder during the year	Nil	Nil
Balance at the end of the year	24	1266

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

CEO & CFO CERTIFICATION

The Managing Director and General Manager - Accounts (Head of finance function) have furnished a certificate relating to financial statements and internal controls and systems to the Board of Directors as prescribed under Clause 49 of the listing agreement and Board took the same on record.

INSIDER TRADING

In compliance with SEBI Regulations in prevention of insider trading the company has framed a comprehensive Code of Conduct for its management staff. The Code lays down guidelines and procedures to be followed and disclosures to be made by the management staff while dealing with the shares of the company.

**GENERAL BODY MEETING**

Location and time where last three Annual General Meetings were held :

AGM	Date	Venue	Time
20 th	20.9.2010	Nani Kalai Arangam, Mani Higher Secondary School, Pappanaickenpalayam, Coimbatore 641 037	10.15 AM
21 st	29.9.2011	Nani Kalai Arangam, Mani Higher Secondary School, Pappanaickenpalayam, Coimbatore 641 037	10.00 AM
22 nd	24.9.2012	Nani Kalai Arangam, Mani Higher Secondary School, Pappanaickenpalayam, Coimbatore 641 037	9.15 AM

DISCLOSURES

- i) None of the transactions with related parties during the year 2012-2013 were in conflict with the interest of the company.
- ii) There was no instance of non-compliance of any matter related to the capital markets during the last 3 years.

MEANS OF COMMUNICATION

- i) The quarterly/half-yearly/annual financial results of the Company are announced within the stipulated period and are normally published in English and Tamil newspapers.
- ii) The Management Discussion and Analysis forms part of the Annual Report, which is posted to the shareholders of the company.

SHAREHOLDERS' INFORMATION**Annual General Meeting**

Day and Date : Monday and 23.9.2013
Time : 9.15 A.M
Venue : Nani Kalai Arangam
Mani Higher Secondary School
Pappanaickenpalayam,
Coimbatore 641 037

Financial Calendar

Results Announced : 18.5.2013
Posting of Annual Report : On or before 28.8.2013
Last date of receipt of Proxy forms : 21.9.2013
Dividend payment Date : on or before 1.10.2013



Announcement of quarterly Results : During first/second week of August and November 2013. February and May 2014 or as stipulated by SEBI from time to time.

Date of Book Closure for the purpose of Annual General Meeting

17.9.2013 to 23.9.2013 (both days inclusive)

Share Price Movement

The high and low quotations of the Company's shares on the National Stock Exchange of India Limited (Designated Stock Exchange) together with Nifty from April 2012 to March 2013 were:

MONTH	SHARE PRICE AT NSE		NIFTY - INDEX	
	High (₹. Ps.)	Low (₹. Ps.)	High	Low
April 2012	60.50	52.10	5378.75	5154.30
May	58.70	50.10	5279.60	4788.95
June	61.00	46.00	5286.25	4770.35
July	66.00	57.15	5348.55	5032.40
August	87.70	58.40	5448.60	5164.65
September	89.80	80.00	5735.15	5215.70
October	91.45	82.25	5815.35	4888.20
November	95.75	76.75	5885.25	5548.35
December	95.55	76.00	5965.15	5823.15
January 2013	125.95	95.00	6111.80	5935.20
February	117.75	105.05	6052.95	5671.90
March	112.70	108.00	5971.20	5604.85

Based on the closing quotation of ₹ 108.00 as at 31.3.2013 at NSE Mumbai, the market capitalization of the company was ₹ 170.15 Crores.

SHARE DETAILS

The Company's Equity Shares are listed on the following Stock Exchanges :

Exchange	Stock Code	Exchange	Stock Code
Bombay Stock Exchange Limited	532674	National Stock Exchange of India Limited	BASML
Phiroze Jeejeebhoy Towers		"Exchange Plaza"	
Dalal Street, Mumbai 400 001		Bandra-Kurla Complex	
		Bandra (E) Mumbai 400 051	



The company has paid Annual Listing Fees for the year 2013-2014.

DEMATERIALISATION OF SHARES

The shares of the company are in compulsory demat segment. The company's shares are available for trading in the depository systems of both the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL). Members have option to hold their shares in demat form (i.e electronic mode) either through the NSDL or CDSL. ISIN allotted to our company is INE186H01014.

SHARE TRANSFER AGENT

Link Intime India Private Limited

Suriya, 35, Mayflower Avenue, Behind Senthil Nagar
Sowripalayam Road, Coimbatore - 641 028.

Phone : (0422) 2314792, 2315792

Fax : (0422) 2314792

E-mail : coimbatore@linkintime.co.in

Share Transfer documents, Non Receipt of share certificates sent for transfer, nomination forms and change of address may directly be sent to the above address.

SHARE TRANSFER SYSTEM

The Share Transfers in physical form are registered and returned within 15 days from the date of receipt if the documents are in order. The share transfers are approved by the Share Transfer Committee who usually meet twice in a month, if needed.

SHAREHOLDING PATTERN AS ON 31.3.2013

Category	No of Shares Held	Percentage of Shareholding
Promoter's Holding	87,51,250	55.55
Banks/FIs/Mutual Funds	2,86,214	1.82
Private Corporate Bodies	20,01,406	12.70
Indian Public	46,23,580	29.35
NRI/OCBs	91,819	0.58
Total	1,57,54,269	100.00

PLANT LOCATIONS :

Spinning Division	
NaduKandanur Pirivu, Morepatty Post Vadamadurai, Dindigul 624 802. Tamilnadu	Velvarkottai, Dindigul Trichy National Highway 45 Vedasandur Taluk, Dindigul 624 803. Tamilnadu



Weaving Division	Technical Textile Division
Karanampet - Paruvai Road Paruvai Post, Coimbatore - 641 658	Kovai – Sathy Main Road, Kunnathur Village Ganesapuram Post, S S Kulam (Via) Coimbatore - 641 107

Windmill Division	
Irukandurai & Dhanakarkulam Villages Radhapuram Taluk Tirunelveli District, Tamilnadu	Chinnapudur Village Dharapuram Taluk Erode District, Tamilnadu
Melkaraipatti & Kottathurai Villages Palani Taluk Dindigul District Tamilnadu	Virugalpatti & Illuppanagaram Village Udumelpet Taluk Tirupur District Tamilnadu

Garments Division
Palladam Hitech Weaving Park Sukkampalayam Village K N Puram (Po) Palladam- 641 662

Address for Correspondence
All investor related queries and complaints may be sent to the following address: The Company Secretary Bannari Amman Spinning Mills Limited 252, Mettupalayam Road, Coimbatore - 641 043 E-mail: shares@bannarimills.com

Coimbatore
18th May, 2013

BY ORDER OF THE BOARD
S V ARUMUGAM
Chairman & Managing Director



MANAGEMENT DISCUSSION AND ANALYSIS

COMPANY'S BUSINESS

The Company's business is manufacture of Cotton yarn, woven and coated fabrics, Garments, Processing and wind power generation. The company has two modern spinning units near Dindigul, Tamilnadu with installed capacity of 1,44,240 spindles, Weaving unit near Palladam, Tamilnadu with installed capacity of 135 Looms, Processing & Technical Textiles near Annur, Tamilnadu with capacity to produce 24 Lakhs meters of coated fabric per annum and 32 windmills with installed capacity 29.95 MW of Power. The whole of the power produced by the wind mills is captively consumed by the spinning units.

INDUSTRY STRUCTURE AND DEVELOPMENTS

Contribution of Indian Textile Industry is about 11 percent to industrial production, 14 per cent to the manufacturing sector, 4 percent to the GDP and 12 per cent to the country's total export earnings. It provides direct employment to over 35 million people, the second largest provider of employment after agriculture. Besides, another 54.85 million people are engaged in its allied activities.

Indian textile and clothing industry is the second largest producer of cotton and yarn in the world. The Indian textile industry is amongst the very few in the world that is truly vertically integrated from raw material to finished products (from fibre to retail). Indian textile industry has leveraged its strong manufacturing position to improve its export performance.

India is one of the largest exporters of readymade garments and made-ups to the World. India is considered as the second most preferred destination for major global retailers due to its strength of vertical and horizontal integration. India's position has improved from being the 9th largest exporter of textiles and clothing in 1999 to becoming the 5th largest exporter in 2008. India has emerged as an important sourcing base for leading brands. The strength of the country's products is reflected in the repeat orders from these brands / companies and increase in their outsourcing from India.

Overall demand outlook for the textile industry for the financial year 2013-14 is expected to remain stable; the commodity prices and exchange rates being key factors for the industry. However, with the US and EU accounting for more than 70% of Indian apparel exports, the concerns over the economic health of these countries continues to put pressure on the Indian apparel exporters in the medium term.

OPPORTUNITIES, RISKS AND CONCERNS

The cotton economy has fallen into the spiraling price trap. Textile industry is worried about the shortage of cotton in the domestic market. With the decline in exports more than compensating the decline in production compared to last year, we should have a higher availability for domestic consumption this year. Market arrivals have tapering off and unless the quantities stuck with procurement agencies and traders are released the industry will face the kind of hardships that had led it to huge losses and debt restructuring in the recent past. The rising power cost, power shortage and higher interest rates have been areas of concern for the industry for quite some time.

The cotton industry is presently facing challenges like slow demand and a loss in margins, but a recovery is expected on account of falling cotton prices, though this could be negated by further volatility in input costs or forex movements.



The opportunities of this sector may creep up depending upon the recovery of the euro zone crises.

A supportive financial package with reduced interest costs may offer more stability to the industry in the present context.

The industry may show more positive growth in the scenario of removal of the uncertainties thrown up by frequent changes in cotton export policy.

SEGMENT-WISE AND PRODUCT-WISE PERFORMANCE

The entire operations of the Company relate to only one segment viz Textiles therefore, segment/product-wise details are not applicable.

OUTLOOK

With the optimum utilization of very modern machinery and the measures taken by the company overcome Power crisis, it is expected that the Company would be able to improve efficiency. The company has been taking steps to increase the export sales as well as up-country sales for improving the sales turnover.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY.

The Company has adequate system of internal controls to ensure that all the assets are safeguarded and are productive. Necessary checks and balances are in place to ensure that transactions are adequately authorized and reported correctly. The Internal Auditors of the Company conduct Audits of various departments to ensure that the necessary controls are in place. The Audit Committee of the Board reviews these and the Company, when needed, takes corrective actions

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE.

The year 2012-13 has been the good year for the spinning industry. The company has been able to increase its topline to Rs.559.72 Crores The detailed performance has already been discussed in the Directors Report.

HUMAN RESOURCES / INDUSTRIAL RELATIONS :

Beyond Balance Sheet lies company's singly biggest Asset Human Resources. The Company is of firm belief that the Human Resources are the driving force that propels a company towards progress and success. The Company continued its policy of attracting and recruiting best available talent so that it can face business challenges ahead. The company also offers attractive compensation package to retain and motivate its professionals so that they can give their best.

Coimbatore

18th May, 2013

BY ORDER OF THE BOARD

S V ARUMUGAM

Chairman & Managing Director



DECLARATION ON CODE OF CONDUCT

To
The Members
Bannari Amman Spinning Mills Limited

In compliance with the requirements of clause 49 of the listing agreement with the stock exchanges, I declare that the Board of Directors and members of senior management have affirmed the compliance with the code of conduct during the financial year ended 31.3.2013.

Coimbatore
18th May, 2013

S V ARUMUGAM
Chairman & Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE :

To
The Members
Bannari Amman Spinning Mills Limited

We have examined the compliance of conditions of Corporate Governance by Bannari Amman Spinning Mills Limited for the year ended on 31st March 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the company.

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

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

Coimbatore
18th May, 2013

For **P N RAGAVENDRA RAO & Co.**
Chartered Accountants
P R VITTEL
Partner
M.No.200/18111
ICAI Firm Regn. No. 003328S



INDEPENDENT AUDITOR'S REPORT

To the Members of Bannari Amman Spinning Mills Limited

Report on the Financial Statements

We have audited the accompanying financial statements of M/s. Bannari Amman Spinning Mills Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management as well as evaluating the overall presentation of the financial statements.

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

Opinion

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



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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act.
 - (e) On the basis of the written representations received from the directors as on 31st March 2013 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

Coimbatore

18th May, 2013

For **P N RAGAVENDRA RAO & Co.**

Chartered Accountants

P R VITTEL

Partner

M.No.200/18111

ICAI Firm Regn. No. 003328S



ANNEXURE TO AUDITOR'S REPORT

The Annexure referred to in our report to the members of M/s. Bannari Amman Spinning Mills Limited ("the Company") on the accounts of the company for the year ended 31st March, 2013.

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

1. a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
c) Fixed assets disposed off during the year were not substantial, and therefore, do not affect the going concern assumption.
2. a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of the order are not applicable to the Company.
b) According to the information and explanations given to us and on the basis of our examination of the books of accounts, the Company has not taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Thus sub clauses (f) & (g) are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the company.
5. a) In our opinion and according to the information and explanations given to us, the particulars of all contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.



- b) In our opinion and according to the information and explanations furnished to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. The Company has not accepted any deposits from the public. Therefore the provisions of clause 4(vi) of the Companies (Auditor's Report) Order, 2003 are not applicable.
7. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
8. As per information & explanation given by the management, maintenance of cost records has been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
9. a) According to the records, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth tax, Service tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were outstanding as at 31st March, 2013 for a period of more than six months from the date they became payable.
- b) The disputed statutory dues aggregating to ₹ 204.04 Lakhs that have not been deposited on account of matters pending before appropriate authority are as under :

Name of the Statute	Nature of the Dues	Amount (₹. In Lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty	11.59	7.12.2008 to 7.7.2009	CESTAT, Chennai
Central Excise Act, 1944	Excise Duty	55.73	7.12.2008 to 6.7.2009	CESTAT, Chennai
Central Excise Act, 1944	Excise Duty	0.40	1.4.2009 to 6.7.2009	CESTAT, Chennai
Central Excise Act, 1944	Excise Duty	0.93	1.4.2009 to 6.7.2009	CESTAT, Chennai
Central Excise Act, 1944	Excise Duty	0.24	14.9.2007 to 30.9.2011	Assistant Commissioner (Central Excise), Madurai
Central Excise Act, 1944	Excise Duty	0.12	14.9.2007 to 30.9.2011	Assistant Commissioner (Central Excise), Madurai
Central Excise Act, 1944	Excise Duty	0.03	1.10.2011 to 3.10.2012	Assistant Commissioner (Central Excise), Madurai



Name of the Statue	Nature of the Dues	Amount (Rs. In Lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax Act, 1956	Sales Tax and Penalty	87.55	Assessment year 2009-10	High Court of Madras, Chennai
Central Sales Tax Act, 1956	Sales Tax	46.60	Assessment year 2008-09	High Court of Madras, Chennai
Income Tax Act, 1961	Income Tax	0.85	Assessment year 2010-11	CIT (Appeals), Coimbatore

10. The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
11. In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of dues to financial institutions or banks.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund/nidhi/mutual benefit fund/society. Therefore, the provisions of clause (xiii) of paragraph 4 of the order are not applicable to the Company.
14. According to information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.
15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. In our opinion, the term loans have been applied for the purpose for which they have been 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 the no funds raised on short term basis have been used for long term investments.
18. According to the information and explanations given to us, 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. The Company has not issued any debentures during the year.
20. The Company has not raised any money by way of public issue during the year.
21. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For **P N RAGAVENDRA RAO & Co.**
Chartered Accountants

P R VITEL
Partner

M.No.200/18111

ICAI Firm Regn. No. 003328S

Coimbatore

18th May, 2013


BALANCE SHEET AS AT 31.3.2013

PARTICULARS	Note No.	As at 31.3.2013 ₹	As at 31.3.2012 ₹
I. EQUITY AND LIABILITIES :			
1. SHAREHOLDERS' FUNDS			
(a) Share Capital	2	15,75,42,690	15,75,42,690
(b) Reserves and Surplus	3	1,99,22,46,217	1,75,59,28,401
2. NON-CURRENT LIABILITIES			
(a) Long Term Borrowings	4	2,48,39,35,527	2,64,18,94,013
(b) Deferred Tax Liabilities (Net)		52,40,70,553	39,00,09,280
(c) Other Long Term Liabilities	5	1,08,87,307	1,12,73,657
(d) Long Term Provisions	6	-	1,07,35,027
3. CURRENT LIABILITIES			
(a) Short Term Borrowings	7	66,32,09,584	89,17,07,536
(b) Trade Payables	8	32,82,04,067	38,74,39,144
(c) Other Current Liabilities	9	73,25,81,192	68,28,93,770
(d) Short Term Provisions	10	4,65,90,963	48,68,318
TOTAL		6,93,92,68,100	6,93,42,91,836
II. ASSETS :			
1. NON-CURRENT ASSETS			
(a) Fixed Assets	11		
(i) Tangible Assets		4,42,28,41,915	4,63,78,92,267
(ii) Capital Works in Progress		6,96,33,820	1,51,79,084
(iii) Foreign Currency Monetary Items			
Translation Reserve A/c		3,20,83,109	5,04,71,034
(b) Non Current Investments	12	22,66,70,336	17,49,26,335
(c) Long Term Loans and Advances	13	35,45,15,803	35,85,27,673
(d) Other Non Current Assets	14	2,64,91,545	3,34,06,934
2. CURRENT ASSETS			
(a) Inventories	15	90,85,00,728	99,22,61,294
(b) Trade Receivables	16	44,64,36,108	32,61,79,382
(c) Cash and Bank Balances	17	21,89,88,198	12,47,04,295
(d) Short Term Loans and Advances	18	18,48,71,526	14,17,95,384
(e) Other Current Assets	19	4,82,35,012	7,89,48,154
TOTAL		6,93,92,68,100	6,93,42,91,836

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

As per our report of even date attached

For **P N RAGHAVENDRA RAO & CO**
Chartered Accountants

P R VITTEL

Partner

Membership No. 200/18111

ICAI Firm Regn. No: 003328S

Coimbatore

18th May, 2013

S V ARUMUGAM

Chairman & Managing Director

K SADHASIVAM

Director

N KRISHNARAJ

Company Secretary



STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.3.2013

PARTICULARS	Note No.	Year Ended 31.3.2013 ₹		Year Ended 31.3.2012 ₹
1. Revenue from operations	20	5,59,71,50,492		4,59,72,50,658
2. Other income	21	1,09,24,085		2,25,76,824
3. Total revenue		5,60,80,74,576		4,61,98,27,482
4. Expenses				
(a) Cost of materials consumed	22	3,19,74,66,719		3,17,98,20,225
(b) Purchases of stock-in-trade	23	6,57,39,511		1,00,07,179
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	10,42,71,240		23,11,54,176
(d) Employee benefits expenses	25	25,68,68,080		1,897,11,277
(e) Finance costs	26	38,04,80,996		3,263,83,489
(f) Depreciation and amortisation expenses		35,75,65,043		3,722,62,517
(g) Other expenses	27	83,84,40,493		6,501,04,736
Total expenses		5,20,08,32,081		4,95,94,43,599
5. Profit / (Loss) before exceptional and extraordinary items and tax		40,72,42,495		(33,96,16,117)
6. Profit / (Loss) before extraordinary items and tax		40,72,42,495		(33,96,16,117)
7. Profit / (Loss) before tax		40,72,42,495		(33,96,16,117)
8. Tax expense :				
(a) Current tax expense for current year	8,14,80,060	-	-	-
(b) (Less): MAT credit	8,14,80,060	-	-	-
(c) Current tax expense relating to prior year		-	9,33,550	-
(d) Deferred tax		13,40,61,266	(17,67,88,553)	(17,58,55,003)
9. Profit / (Loss) for the year		27,31,81,229		(16,37,61,114)
10. Earnings per share (of ₹ 10/- each):				
(a) Basic (i) Continuing operations		17.34		(10.39)
(ii) Total operations		17.34		(10.39)
(b) Diluted (i) Continuing operations		17.34		(10.39)
(ii) Total operations		17.34		(10.39)
Earnings per share (excluding extraordinary items) (of ₹ 10/- each):				
(a) Basic (i) Continuing operations		17.34		(10.39)
(ii) Total operations		17.34		(10.39)
(b) Diluted (i) Continuing operations		17.34		(10.39)
(ii) Total operations		17.34		(10.39)

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

As per our report of even date attached

For **P N RAGHAVENDRA RAO & CO**
Chartered Accountants

P R VITTEL

Partner

Membership No. 200/18111

ICAI Firm Regn. No: 003328S

Coimbatore

18th May, 2013

S V ARUMUGAM

Chairman & Managing Director

K SADHASIVAM

Director

N KRISHNARAJ

Company Secretary



1. Notes to Financial Statements for the year ended 31st March 2013

NOTE - 1

Significant accounting policies

- i. The accompanying Financial Statements have been prepared on a going concern basis under the historical cost convention on accrual basis of accounting in conformity with Generally Accepted Accounting Principles in India ("Indian GAAP") to comply with Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of Companies Act, 1956.
- ii. Investments: Investments are carried individually at cost and are treated as long-term investments. The diminution in the market value of investment is recognized when diminution is considered permanent.
- iii. Valuation of Inventory.
 - Raw materials and stores & spares: At cost determined on First in First out basis or net realizable value, whichever is lower.
 - Finished goods and by products: At cost or net realizable value, whichever is lower. The cost has been measured on the weighted average cost basis and includes cost of purchase, cost of conversion and other costs incurred in bringing the inventory to their present location and condition.
 - Stock in Process : At estimated weighted average cost basis.
- iv. The Fixed Assets are carried at historical cost less accumulated depreciation. Cost includes related taxes, duties, freight, insurance etc., attributable to acquisition and installation of assets and borrowing cost incurred up to the date of commencing operations, but excludes duties and taxes that are recoverable from taxing authorities. The fixed assets shown in the books are not revalued.
- v. The Company has provided depreciation on straight-line basis in respect of fixed assets other than Windmill Units at the rates prescribed in Schedule XIV to the Companies Act, 1956. In respect of Windmill assets, the depreciation has been provided on written down value basis at the rates prescribed in Schedule XIV to the Companies Act, 1956.

For assets costing Rs.5000/- or less, 100% depreciation has been charged in the year of purchase of such assets. For other assets acquired during the year pro-rata charge has been made from the date of first use. In the year of disposal of assets, depreciation is charged up to the date of disposal.
- vi. The Foreign Currency transactions are recorded at the exchange rate prevailing on the date of the transaction. Foreign currency monetary items as at the Balance Sheet date are reported at the closing rate or at the rate at which it is likely to be realized from or required to be disbursed. Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognized as income or expense in the Statement of Profit and Loss.
- vii. The exchange differences on restatement / settlement of long term foreign currency loans are accumulated in a "Foreign currency translation reserve" until repayment of the loan. "Foreign Currency Monetary item Translation difference Account" has been amortized as per notification G.S.R.225(E) of the Ministry of Corporate Affairs, Government Of India dated 31.3.2009 as amended by notification G.S.R.913(E) dated 29.12.2011.
- viii. The Company has opted for Life Insurance Corporation Employees Group Gratuity Scheme to



cover its gratuity liability. Contribution paid/payable by the company to LIC of India is charged to revenue on the basis of actuarial valuation towards demand worked out by LIC.

Provident fund/pension fund and gratuity liability are Defined Contribution Schemes and contributions are charged to Profit and Loss Account of the year in which the contribution to the respective funds are due.

Short term employee benefits including compensated absences are provided for based on the expected obligation on an undiscounted basis as per Accounting Standard 15 (Revised).

- ix. Borrowing costs attributable to the acquisition, construction and installation of qualifying capital assets are capitalized till the period before they are put into use.
- x. The carrying value of assets at each balance sheet date is reviewed for impairment. If any indication of impairment exists the recoverable amount of such assets is estimated and appropriate provision is recognized in the accounts.
- xi. Current tax is determined at the current rates of income tax on taxable income and tax credits are computed in accordance with the provisions of the Income Tax Act, 1961.
- xii. Deferred tax is recognized on timing difference between the accounting income and the taxable income for the year and quantified using the rates and tax laws that prevail as at the balance sheet date. The deferred tax assets are recognized and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.
- xiii. Government grants have been recognized based on the reasonable assurance that the Company will comply with the conditions attached to the grants and the grants will be received. Government grants relating to borrowing cost have been reduced from the borrowing cost thereby reducing the cost of the asset. Government grants relating to periods after the acquisition, construction and installation of qualifying assets are in the nature of revenue grants and have been recognized on a systematic basis in the profit and loss account. Export benefits are accounted for in the year of exports based on the eligibility and there is no uncertainty in receiving the same.
- xiv. The Company has operated only one business segment which is textile segment and hence segment report is not furnished.
- xv. Provisions, Contingent liabilities and Contingent Assets: Provision is recognized only when there is a present obligation as a result of past event and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are shown by way of notes attached to and forming part of the Balance Sheet. Contingent Assets are neither recognized nor disclosed in the financial statements.
- xvi. Assets taken on lease by the Company in its capacity as lessee where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalized at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.
- xvii. Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. The lease rentals paid under such agreements are accounted in the profit and loss account.



PARTICULARS	As at 31.3.2013 ₹		As at 31.3.2012 ₹
2. Share Capital			
a. AUTHORISED			
160,00,000 (PY 160,00,000) Equity Shares of ₹.10/- each	16,00,00,000		16,00,00,000
50,000 (PY 50,000) Cumulative preference Shares of ₹.100/- each	50,00,000		50,00,000
Total	16,50,00,000		16,50,00,000
ISSUED , SUBSCRIBED AND FULLY PAID UP			
1,57,54,269 (PY 1,57,54,269) Equity Shares of ₹.10/- each	15,75,42,690		15,75,42,690
Total	15,75,42,690		15,75,42,690

b. Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Name of the Share holder	As at 31.3.2013		As at 31.3.2012	
	No.of shares	Amount in ₹.	No.of shares	Amount in ₹.
Equity Shares				
At the beginning of the period	1,57,54,269	15,75,42,690	1,57,54,269	15,75,42,690
At the end of the period	1,57,54,269	15,75,42,690	1,57,54,269	15,75,42,690

Terms/rights attached to the equity shares

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

c. Details of shareholders holding more than 5% shares in the company.

Name of the Share holder	As at 31.3.2013		As at 31.3.2012	
	No.of shares	% of holding	No.of shares	% of holding
Equity Shares				
Murugan Enterprise P Ltd	78,03,733	49.53	78,03,733	49.53
Gagandeep Credit Capital P Ltd	9,13,122	5.80	8,33,919	5.29



PARTICULARS	As at 31.3.2013 ₹	As at 31.3.2012 ₹
3. Reserves and Surplus		
a. General Reserve		
Opening balance	1,02,39,78,091	1,02,39,78,091
Add: Transferred from surplus in Statement of Profit and Loss	10,00,00,000	-
Closing balance	1,12,39,78,091	1,02,39,78,091
b. Share Premium Account	79,30,76,230	79,30,76,230
c. Surplus / (Deficit) in Profit and Loss Account		
Opening balance	(6,11,25,920)	10,26,35,195
Add : Profit / (Loss) for the year	27,31,81,229	(16,37,61,114)
Less : Dividends proposed to be distributed to equity shareholders ₹ 2/-(two) per share (31.3.2012 Nil per share)	3,15,08,538	-
Tax on dividend	53,54,876	-
Transferred to :		
General Reserve	10,00,00,000	-
Closing balance	7,51,91,896	(6,11,25,920)
Total	1,99,22,46,217	1,75,59,28,401
4. Long Term Borrowings		
a. Term loans from Banks - Secured		
ICICI Bank	33,12,50,000	3,37,50,000
Corporation Bank	12,17,27,506	18,41,27,506
Bank of Maharashtra	23,43,75,000	29,68,75,002
Oriental Bank of Commerce	65,58,85,780	84,33,85,780
Indian Bank	33,14,92,004	24,47,42,004
Indian Overseas Bank	79,69,67,721	1,02,50,41,609
(b) Long-term maturities of finance lease obligations		
Unsecured	1,22,37,516	1,39,72,112
Total	2,48,39,35,527	2,64,18,94,013



b. Name of the Bank and Details of the loan

ICICI Bank Limited

"ICICI Bank Ltd - Rupee Term Loan under Technology Upgradation Fund Scheme - Outstanding as at 31.3.2013 ₹.337.50 Lakhs (31.3.2012 - ₹.562.50 Lakhs) - Current maturity for 31.3.2013 - ₹.225 Lakhs (31.3.2012 - ₹.225 Lakhs)"

ICICI Bank Limited

"ICICI Bank Ltd - Rupee Term Loan Outstanding as at 31.3.2013 ₹.4000.00 Lakhs (31.3.2012 - Nil) - Current maturity for 31.3.2013 - ₹.800 Lakhs (31.3.2012 - Nil)"

Corporation Bank

"Corporation Bank - Rupee Term Loan under Technology Upgradation Fund Scheme - Outstanding as at 31.3.2013 ₹.1561.28 Lakhs (31.3.2012 - ₹.1961.28 Lakhs) - Current maturity for 31.3.2013 - ₹.400 Lakhs (31.3.2012 - ₹.400 Lakhs)"

"Corporation Bank - Rupee Term Loan under Technology Upgradation Fund Scheme -

Securities and other Terms & Conditions

"Security : Hypothecation of specified movable properties including the machinery spares, tools and accessories of the spinning unit situated at Vadamadurai Village, Vendasandhur Taluk, Dindigul District.

Repayment : 32 quarterly instalments starting from December 2006. Loan has been further secured by the personal gurantee of Managing Director of the Company.

Rate of Interest : 8.50% to 9.10% per annum.

"Security : First charge on entire movable and immovable fixed assets of spinning unit I situated at Vadamadurai Village, Vendasandhur Taluk, Dindigul District and entire movable fixed assets of weaving division situated at Karanampettai, Paruvai Road, Coimbatore 641658. Second charge on the current assets of Spinning Unit I situated at Vadamadurai Village, Vendasandhur Taluk, Dindigul.

Repayment : 20 quarterly instalments starting from April 2013.

Rate of Interest : 12.75% per annum.

"First charge by way of Equitable Mortgage over factory land and building and hypothecation of other movable assets financed by the bank for the expansion project ranking pari-passu with other banks. Second charge on the above fixed assets to be extended to the bankers who are extending working capital facilities to the company.

Repayment : 32 Quaterly instalments starting from Dec 2009.

Rate of Interest : 14.85% per annum.

"Exclusive First charge on the Windmill- Unit I and all related equipments, systems and accessories. Exclusive First charge on the



Outstanding as at 31.3.2013 ₹. 280 Lakhs (31.3.2012 - ₹. 504 Lakhs) - Current maturity for 31.3.2013 - ₹. 224 Lakhs (31.3.2012 - ₹. 224 Lakhs)"

Bank of Maharashtra

"Bank of Maharashtra - Rupee Term Loan under Technology Upgradation Fund Scheme - Outstanding as at 31.3.2013 ₹. 2968.75 Lakhs (31.3.2012 - ₹. 3593.75 Lakhs) - Current maturity for 31.3.2013 - ₹. 625 Lakhs (31.3.2012 - ₹. 625 Lakhs)"

Oriental Bank of Commerce

"Oriental Bank of Commerce - Rupee Term Loan under Technology Upgradation Fund Scheme - Outstanding as at 31.3.2013 ₹. 8433.86 Lakhs (31.3.2012 - ₹. 10308.86 Lakhs) - Current maturity for 31.3.2013 - ₹. 1875 Lakhs (31.3.2012 - ₹. 1875 Lakhs)"

Indian Bank

"Indian Bank - Rupee Term Loan Outstanding as at 31.3.2013 ₹. 1862.50 Lakhs (31.3.2012 - ₹. 2235 Lakhs) - Current maturity for 31.3.2013 - ₹. 372.50 Lakhs (31.3.2012 - ₹. 372.50 Lakhs)"

"Indian Bank - Rupee Term Loan Outstanding as at 31.03.2013 ₹. 1824.92 Lakhs (31.03.2012 -

Windmill- Unit I and all related equipments, systems and accessories. Loan has been further secured by the personal guarantee of Managing Director of the Company.

Repayment : 32 quarterly instalments starting from August 2006.

Rate of Interest : 9.00% per annum.

"First charge by way of Equitable Mortgage over factory land and building and hypothecation of other movable assets financed by the bank for the expansion project ranking pari-passu with other banks. Second charge on the above fixed assets to be extended to the bankers who are extending working capital facilities to the company.

Repayment : 32 Quarterly instalments starting from March 2010.

Rate of Interest : 13.00% per annum.

"First charge by way of Equitable Mortgage over factory land and building and hypothecation of other movable assets financed by the bank for the expansion project ranking pari-passu with other banks. Second charge on the above fixed assets to be extended to the bankers who are extending working capital facilities to the company.

Repayment : 32 Quarterly instalments starting from October 2009.

Rate of Interest : 12.75% per annum.

"Exclusive First charge by way of Mortgage and hypothecation on windmill unit III assets being financed by the Bank.

Repayment : 32 Quarterly instalments starting from June 2011.

Rate of Interest : 12.70% per annum.

"Exclusive First charge by way of equitable mortgage over factory land and building where construction is proposed and



₹.584.92 Lakhs) - Current maturity for 31.3.2013 - Nil (31.3.2012 - Nil)"

Indian Overseas Bank

"Indian Overseas Bank - Rupee Term Loan under Technology Upgradation Fund Scheme Outstanding as at 31.3.2013 ₹. 5587.20 Lakhs (31.3.2012 - ₹.6837.20 Lakhs) - Current maturity for 31.3.2013 - ₹.1250 Lakhs (31.3.2012 - ₹.1250 Lakhs)"

"Indian Overseas Bank - Rupee Term Loan Outstanding as at 31.3.2013 ₹. 2951 Lakhs (31.3.2012 - ₹. 3371 Lakhs) - Current maturity for 31.3.2013 - ₹.420 Lakhs (31.3.2012 - ₹. 420 Lakhs)"

"Indian Overseas Bank - Foreign Currency Term Loan Outstanding as at 31.3.2013 ₹.1671.48 Lakhs (31.3.2012 - ₹. 2282.22 Lakhs) - Current maturity for 31.3.2013 - ₹.570 Lakhs (31.3.2012 - ₹.570 Lakhs)"

exclusive charge on fixed assets to be purchased out of the loan.

Repayment : 32 Quarterly instalments starting from June 2014.

Rate of Interest : 12.20% per annum.

"First charge by way of Equitable Mortgage over factory land and building and hypothecation of other movable assets financed by the bank for the expansion project ranking pari-passu with other banks. Second charge on the above fixed assets to be extended to the bankers who are extending working capital facilities to the company.

Repayment : 32 Quarterly instalments starting from October 2009.

Rate of Interest : 13.00% per annum.

"Exclusive First charge on windmill unit IV & V assets situated at Chinnapudur village, Dharapuram Taluk, Tamilnadu and Kongalnagaram, Udumalpet Taluk, Tirupur District, Tamilnadu.

Repayment : 32 Quarterly instalments starting from June 2012.

Rate of Interest : 13.00% per annum.

"Exclusive First charge on windmill unit II assets situated at Chinnapudur village, Dharapuram Taluk, Tamilnadu

Repayment : 14 Half-yearly instalments starting from June 2009.

Rate of Interest : 7.50% per annum.



PARTICULARS	As at 31.3.2013 ₹	As at 31.3.2012 ₹
5. Other Long Term Liabilities		
(a) Others :		
(i) Trade / security deposits received	14,57,307	18,43,657
(ii) Others (Advance received for sale of land)	94,30,000	94,30,000
Total	1,08,87,307	1,12,73,657
6. Long Term Provisions		
(a) Provision for employee benefits :		
(i) Provision for post-employment payments	-	1,07,35,027
Total	-	1,07,35,027
7. Short Term Borrowings		
(a) Loans repayable on demand From banks		
(i) Secured	66,32,09,584	89,17,07,536
Total	66,32,09,584	89,17,07,536

Name of the Bank and Details of the loan

The Karur Vysya Bank Limited

"Karur Vysya Bank Ltd - Working Capital Limit
₹.750 Lakhs Outstanding as at 31.3.2013
₹.131.66 Lakhs (31.3.2012 - ₹.726.35 Lakhs)"

Corporation Bank

"Corporation Bank - Working Capital Limit
₹. 5250 Lakhs Outstanding as at 31.3.2013
₹.1389.44 Lakhs (31.3.2012 - ₹.1575.78 Lakhs)"

ICICI Bank Limited

"ICICI Bank Limited - Working Capital Limit
₹.1500 Lakhs Outstanding as at 31.3.2013
₹.851.41 Lakhs (31.3.2012 - Nil)"

Securities and other Terms & Conditions :

"Security : First Charge by way of Hypothecation of Raw materials, Stock in-process, Finished goods of the Spinning Unit-I. Second charge on the Fixed Assets of the Spinning Unit - I.

Rate of Interest : 12.25% per annum.

"Security : First Charge by way of Hypothecation of Raw materials, Stock in-process, Finished goods of the Spinning Unit - I and II. Second charge on the Fixed Assets of the Spinning Unit - I and II.

Rate of Interest : 13.85% per annum.

"Security : First Charge by way of Hypothecation of Raw materials, Semi-finished and Finished goods, Consumable stores and Spares and other movable properties both present and future for Limit upto ₹1500 Lakhs.

Rate of Interest : 3.50% per annum.



"ICICI Bank Limited - Short Term Loan Outstanding as at 31.3.2013 ₹. Nil (31.3.2012 - ₹.3000 Lakhs)"

Oriental Bank of Commerce

"Oriental Bank of Commerce - Working Capital Limit ₹. 5000 Lakhs (Interchangeable of Cash credit / Rupee Packing Credit / Packing Credit in Foreign Currency Loan) Outstanding as at 31.3.2013 ₹.1659.64 Lakhs (31.3.2012 - ₹.98.89 Lakhs)"

Indian Overseas Bank

"Indian Overseas Bank - Working Capital Limit (Interchangeable of Cash credit / WCFC / Rupee Packing Credit / Packing Credit in Foreign Currency Loan) Outstanding as at 31.3.2013 ₹.1060.92 Lakhs (31.3.2012 - ₹.2506.40"

Security : First Charge by way of Hypothecation of Raw materials, Semi-finished and Finished goods, Consumable stores and Spares and other movable properties both present and future.

"Security : Pari-pasu first charge on current assets of the company belonging to expansion project along with other banks who have extended Working Capital Finance for expansion project under multiple banking arrangements. Pari-pasu second charge on Fixed Assets of the company belonging to expansion project along with other banks who have extended Working Capital Finance for expansion project under multiple banking arrangements.

Rate of Interest : 12.50% per annum for OCC A/c.

Rate of Interest : 4.00% per annum for PCFC A/c.

"Security : Pari-pasu first charge on current assets of the company belonging to expansion project along with other banks who have extended Working Capital Finance for expansion project under multiple banking arrangements. Pari-pasu second charge on Fixed Assets of the company belonging to expansion project along with other banks who have extended Working Capital Finance for expansion project under multiple banking arrangements.

Rate of Interest : 13.00% per annum for OCC A/c.

Rate of Interest : 4.00% per annum for PCFC A/c.

**Bank of Maharashtra**

"Bank of Maharashtra - Working Capital Limit
₹. 500 Lakhs Outstanding as at 31.3.2013
₹. Nil (31.3.2012 - ₹. 478.36 Lakhs)"

Allahabad Bank

"Allahabad Bank - Working Capital Limit
(Interchangable of Cash credit / Packing
Credit / Packing Credit in Foreign Currency
Loan) ₹. 4500 Lakhs Outstanding as at
31.3.2013 ₹. 1423.26 Lakhs (31.3.2012 -
₹. 507.96 Lakhs)"

"Security : Pari-pasu first charge on current
assets of the company belonging to
expansion project along with other banks
who have extended Working Capital
Finance for expansion project under
multiple banking arrangements.

Rate of Interest : 12.75% per annum.

Security : Pari-pasu first charge on current
assets of the company belonging to
expansion project along with other banks
who have extended Working Capital
Finance for expansion project under
multiple banking arrangements.

Rate of Interest : 13.00% per annum for OCC
A/c.

Rate of Interest : 3.95% per annum for PCFC
A/c.



PARTICULARS	As at 31.3.2013 ₹	As at 31.3.2012 ₹
8. Trade Payables		
Acceptances (Refer Note 31)	32,82,04,067	38,74,39,144
Total	32,82,04,067	38,74,39,144
9. Other Current Liabilities		
(a) Current maturities of long-term debt	67,61,50,000	62,71,38,457
(b) Current maturities of finance lease obligations	14,09,804	-
(c) Interest accrued but not due on borrowings	28,81,451	1,03,90,314
(d) Interest accrued and due on borrowings	1,86,14,401	-
(i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	1,24,97,058	98,22,639
(ii) Payables on purchase of fixed assets	93,48,015	2,00,43,523
(iii) Contractually reimbursable expenses	2,08,164	-
(iii) Advances from customers	1,10,72,299	1,54,98,837
(viii) Others (Advance received for sale of machinery)	4,00,000	-
Total	73,25,81,192	68,28,93,770
10. Short Term Provisions		
(a) Provision for employee benefits :		
(i) Provision for bonus	86,18,032	48,68,318
(ii) Provision for post-employment medical benefits	7,09,517	-
(b) Provisions - others :		
(i) Provision for proposed equity dividend	3,15,08,538	-
(ii) Provision for tax on proposed dividends	53,54,876	-
(iii) Provision - others (Impairment loss)	4,00,000	-
Total	4,65,90,963	48,68,318



**NOTE NO. : 11
FIXED ASSETS**

(In Rupees)

S.No. PARTICULARS		GROSS BLOCK			DEPRECIATION				NET BLOCK		
		As at 1.4.2012	Addition	Deletion	As at 31.3.2013	Upto 31.3.2012	For the year	Withdrawn	Upto 31.3.2013	As at 31.3.2013	As at 31.3.2012
1	Land & Site Development	10,91,23,600	1,69,98,160	13,529	12,61,08,231	-	-	-	-	12,61,08,231	10,91,23,600
2	Building										
	Own use	1,19,15,25,731	2,11,39,808	-	1,21,26,65,540	19,14,42,625	3,59,77,775	-	22,74,20,400	98,52,45,139	1,00,00,83,106
	Taken Under Finance Lease *	2,64,26,767	1,57,83,001	-	4,22,09,768	-	11,13,781	-	11,13,781	4,10,95,987	2,64,26,767
3	Plant & Machinery	5,16,76,21,393	7,39,70,833	10,63,870	5,24,05,28,356	1,69,26,98,954	31,44,89,571	54,477	2,00,71,34,049	3,23,33,94,307	3,47,49,22,438
4	Office Equipment	2,23,03,849	51,50,941	-	2,74,54,790	85,97,849	33,70,254	-	1,19,68,103	1,54,86,688	1,37,06,001
5	Furniture & fitting	76,68,902	14,95,776	-	91,54,678	28,43,008	5,41,014	-	33,84,022	57,70,656	48,15,894
6	Vehicle	1,45,47,574	98,49,686	20,84,150	2,23,13,110	59,98,137	20,61,195	12,33,556	68,25,776	1,54,87,334	85,49,437
7	Tools & Implements	3,75,286	-	-	3,75,286	1,10,263	11,451	-	1,21,714	2,53,572	2,65,023
(A)		6,53,95,83,103	14,43,88,205	31,61,549	6,68,08,09,759	1,90,16,90,836	35,75,65,043	12,88,033	2,25,79,67,844	4,42,28,41,915	4,63,78,92,267
Capital Work In progress											
1	Buildings	1,08,00,901	1,43,52,904	1,08,00,901	1,43,52,904	-	-	-	-	1,43,52,904	1,08,00,901
2	Plant & Machinery	43,78,183	5,52,80,916	43,78,183	5,52,80,916	-	-	-	-	5,52,80,916	43,78,183
(B)		1,51,79,084	6,96,33,820	1,51,79,084	6,96,33,820	-	--	-	-	6,96,33,820	1,51,79,084
Total for the year (A+B)		6,55,47,62,187	21,40,22,025	1,83,30,633	6,75,04,43,579	1,90,16,90,836	35,75,65,041	12,88,033	2,25,79,67,844	4,49,24,75,735	4,65,30,71,351
Previous Year		6,35,39,00,570	22,28,34,876	2,19,73,265	6,55,47,62,181	1,54,30,43,319	37,23,49,352	1,37,01,835	1,90,16,90,836	4,65,30,71,345	4,81,08,57,235



PARTICULARS	As at 31.3.2013 ₹		As at 31.3.2012 ₹
12 Non Current Investments			
I. NON-TRADE, QUOTED - AT COST - FULLY PAID UP			
INVESTMENT IN EQUITY INSTRUMENTS OF OTHER ENTITIES :			
i) 250 Equity Shares (P.Y : 250) of Bannari Amman Sugars Ltd of ₹.10 each	31,434		31,434
ii) 17 Equity Shares (P.Y : 17) of Moil Ltd of ₹10 each	6,056		6,056
Total	37,490		37,490
II. NON-TRADE, UN QUOTED - AT COST			
A. IN GOVERNMENT SECURITIES :			
Kisan Vikas Patra	3,000		3,000
B. IN EQUITY INSTRUMENTS OF OTHER ENTITIES:			
i) 344039 (P.Y.344039) Preference Shares of ₹100/- each in Anamallais Agencies P Ltd fully paid	2,72,58,686		2,72,58,686
ii) Nil (P.Y 18333) Equity Shares of ₹10/- each in Bannari Amman Flour Mill Limited	-		55,00,000
iii) 20000 Equity Shares of ₹ 10/- each in SIMA Textile Processing Centre Limited	2,00,000		2,00,000
C. IN EQUITY INSTRUMENTS OF JOINT VENTURE :			
i) 18626869 (PY 12902469) Equity Shares of ₹10/- each in Young Brand Apparel P Ltd	19,91,71,160		14,19,27,159
Total	22,66,32,846		17,48,88,845
Aggregate cost of Quoted Investments	37,490		37,490
Aggregate market value of Quoted Investments	2,21,774		1,41,204
Aggregate cost of unquoted Investments	22,66,32,846		17,48,88,845
Total (UNQUOTED & QUOTED)	22,66,70,336		17,49,26,335



PARTICULARS	As at 31.3.2013 ₹	As at 31.3.2012 ₹
13 Long Term Loans and Advances		
(Unsecured - considered goods)		
(a) Capital advances	1,33,79,489	2,64,44,703
(b) Security deposits	4,62,85,214	4,11,92,528
(c) Loans and advances to related parties	-	5,72,91,353
(d) Loans and advances to employees	2,05,000	-
(e) Advance income tax (net of provisions)	3,15,31,388	5,19,64,439
(f) MAT credit entitlement	26,31,14,712	18,16,34,650
Total	35,45,15,803	35,85,27,673
Note : Long-term loans and advances include amounts due from:		
Private companies in which any director is a director or member	-	5,72,91,353
Young Brand Apparel Private Limited		
Total	-	5,72,91,353
14 Other Non Current Assets		
(a) Others		
(I) Receivables on sale of fixed assets	2,64,91,545	3,34,06,934
Total	2,64,91,545	3,34,06,934
15 Inventories		
(a) Raw materials	58,93,81,224	57,08,09,385
(b) Work-in-progress	8,53,70,963	10,20,32,839
(c) Finished goods	19,67,97,827	28,44,07,191
(d) Stock-in-trade	-	2,44,65,517
(e) Stores and spares	3,69,50,714	1,05,46,362
Total	90,85,00,728	99,22,61,294



PARTICULARS	As at 31.3.2013 ₹	As at 31.3.2012 ₹
16 Trade Receivables		
(Unsecured, considered good)		
a. Trade receivables outstanding for a period exceeding six months from the date they were due for payment	29,95,264	1,18,47,951
b. Other Trade receivables	44,34,40,844	31,43,31,431
Total	44,64,36,108	32,61,79,382
Note : Trade receivables includes amount due from : Companies in which any directors is a director or member		
i. Shiva Texyarn Limited	3,10,46,911	-
17 Cash and Bank Balances		
i) Cash and Cash Equivalents :		
(a) Cash on hand	13,90,478	12,02,837
(b) Cheques, drafts on hand	1,03,00,000	87,83,554
ii) Balance with scheduled banks :		
(a) Balances with banks		
(i) In current accounts	6,93,26,601	11,31,00,565
(ii) In deposit accounts	13,32,89,119	10,54,644
Balances held as margin money or security against borrowings, guarantees and other commitments	46,82,000	5,62,035
(iii) Others (Stamps)	-	660
Total	21,89,88,198	12,47,04,295
18 Short Term Loans and Advances		
(Unsecured, considered good)		
(a) Loans and advances to related parties	-	21,25,006
(b) Security deposits	65,727	-
(c) Loans and advances to employee	23,29,423	27,87,736
(d) Prepaid expenses	2,82,32,868	2,25,92,436
(e) Balances with government authorities		
(i) CENVAT credit receivable	66,24,426	57,11,766
(ii) VAT credit receivable	7,48,691	4,41,341
(iii) Excise Duty Rebate receivable	72,51,145	1,15,95,064
(iv) Duty Drawback receivable	4,32,01,793	4,56,82,931
(f) Others (Advance for Purchase)	9,39,75,220	5,02,22,617
(g) Advance income tax	24,42,233	6,36,487
Total	18,48,71,526	14,17,95,384



PARTICULARS	As at 31.3.2013 ₹	As at 31.3.2012 ₹
19. Other Current Assets		
(a) Unbilled revenue	39,06,167	68,07,972
(b) Accruals		
(i) Interest accrued on deposits	1,84,495	-
(c) Others		
(i) Insurance claims	-	6,675
(ii) Contractually reimbursable expenses	8,75,208	-
(iii) Others:		
TUFF Subsidy Receivable	4,31,65,643	7,21,33,507
Rent Advance	1,03,499	-
Total	4,82,35,012	7,89,48,154
20. Revenue from operations		
Sale of products (Refer Note (i) below)	5,44,77,36,577	4,49,28,64,580
Sale of services (Refer Note (ii) below)	5,51,31,602	79,24,213
Other operating revenues (Refer Note (iii) below)	9,42,88,030	9,64,61,865
Less : Excise duty	(5,717)	-
Total	5,59,71,50,492	45,97,250,658
(i) Sale of products comprises		
Manufactured goods		
Yarn	3,71,91,14,498	3,24,98,48,626
Fabric	1,08,09,10,667	75,83,91,164
Power	39,06,160	70,59,068
Quick Dry	3,39,43,537	13,91,86,503
Flock Powder	27,66,773	11,58,290
Waste Cotton	34,38,84,410	32,72,13,750
Others	37,600	-
Garments	18,87,78,627	-
Madeups	83,51,243	-
Total - Sale of manufactured goods	5,38,16,93,514	4,48,28,57,401



PARTICULARS	Year Ended 31.3.2013 ₹	Year Ended 31.3.2012 ₹
Traded goods		
Yarn	4,54,26,284	1,00,07,179
Fabric	1,27,14,923	-
Garment	79,01,856	-
Total - Sale of traded goods	-	1,00,07,179
Total - Sale of goods (Manufactured and Traded)	5,44,77,36,577	4,49,28,64,580
(ii) Sale of services comprises		
Lamination Charges/Coating Charges	3,37,22,688	79,24,213
Others	2,14,08,914	-
Total - Sale of services	5,51,31,602	79,24,213
(iii) Other operating revenues comprise:		
Sale of scrap	31,08,217	22,51,415
Freight Charges	-	3,69,775
Discount Received	2,29,981	-
Duty drawback and other export incentives	9,09,49,832	9,17,47,944
Others - Sale of Certified Emission Reduction	-	20,92,731
Total - Other operating revenues	9,42,88,030	9,64,61,865
21. Other Income		
a. Interest income (Refer Note (i) below)	90,26,923	53,57,029
b. Dividend income :		
from long-term investments	-	-
associates	91,665	-
others	85	91,742
c. Net gain on sale of:		
long-term investments	11,91,545	-
d. Net gain on foreign currency transactions and translation (other than considered as finance cost)	-	9,74,744
e. Other non-operating income (net of expenses directly attributable to such income) (Refer Note (ii) below)	6,13,867	1,61,53,309
Total	1,09,24,085	2,25,76,824
(i) Interest income comprises :		
Interest from banks on :		
deposits (TDS deducted ₹ 5,18,679)	46,94,841	7,83,767
other balances	1,04,160	-
Interest on loans and advances	-	21,933
Interest on trade receivables	41,808	4,550
Interest on income tax refund	-	4,12,121
Interest on EB Deposit	41,86,114	41,34,658
Total - Interest income	90,26,923	53,57,029



PARTICULARS	Year Ended 31.3.2013 ₹	Year Ended 31.3.2012 ₹
(ii) Other non-operating income comprises:		
Rental income from operating leases	-	1,85,833
Profit on sale of fixed assets [net of expenses directly attributable Nil (Year ended 31 March, 2012 Nil)]	6,13,867	1,59,67,476
Total - Other non-operating income	6,13,867	1,61,53,309
22. Cost of materials consumed		
Opening stock		
Cotton	49,22,21,318	1,24,28,89,457
Chemicals	89,65,277	78,97,239
Fabric	1,85,27,366	1,23,91,351
Tow	90,32,416	1,15,78,386
Yarn	4,20,63,008	6,42,24,743
Add: Purchases		
Cotton	2,58,05,59,774	2,02,61,79,181
Chemicals	5,46,37,124	3,78,70,902
Fabric	12,04,82,280	10,12,28,634
Tow	75,64,742	2,52,30,064
Yarn	44,14,01,211	22,11,39,653
Trims	11,393,428	-
Less: Closing stock		
Cotton	43,54,03,550	49,22,21,318
Chemicals	47,77,254	89,65,277
Fabric	1,92,65,956	1,85,27,366
Tow	10,04,258	90,32,416
Yarn	12,61,57,712	4,20,63,008
Trims	27,72,495	-
Cost of material consumed	3,19,74,66,719	3,17,98,20,225
Material consumed comprises:		
Raw material - Cotton	2,63,73,77,542	2,77,68,47,320
Raw material - Tow & Grey Cut	1,55,92,900	2,77,76,034
Raw material - Yarn	35,73,06,507	24,33,01,388
Raw material - Fabric	11,97,43,690	9,50,92,619
Raw material - Chemicals	5,88,25,147	3,68,02,864
Raw material - Trims	86,20,933	-
Total	3,19,74,66,719	3,17,98,20,225



PARTICULARS	Year Ended 31.3.2013 ₹	Year Ended 31.3.2012 ₹
23. Purchase of traded goods		
Fabric	1,27,37,931	-
Yarn	4,51,12,075	1,00,07,179
Garment	78,89,505	-
Total	6,57,39,511	1,00,07,179
24. Changes in inventories of finished goods, work-in-progress and stock-in-trade		
Inventories at the end of the year :		
Finished goods	19,67,97,827	28,44,07,191
Work-in-progress	8,53,70,963	10,20,32,839
Total	28,21,68,790	38,64,40,030
Inventories at the beginning of the year :		
Finished goods	28,44,07,191	53,44,78,421
Work-in-progress	10,20,32,839	8,31,15,785
Total	38,64,40,030	61,75,94,206
Net (increase) / decrease	10,42,71,240	23,11,54,176
25. Employee benefits expenses		
Salaries and wages	18,77,91,125	14,11,81,023
Contributions to provident and other funds	1,10,10,640	98,58,452
Staff welfare expenses	5,80,66,315	3,86,71,802
Total	25,68,68,080	18,97,11,277
26. Finance costs		
(a) Interest expense on :		
(I) Borrowings	36,50,27,329	31,12,85,527
Others - Interest on Deposit from Customers	-	61,667
(b) Other borrowing costs	1,58,85,639	1,45,00,368
(c) Net (gain) / loss on foreign currency transactions and translation (considered as finance cost)	-4,31,973	5,35,927
Total	38,04,80,996	32,63,83,489



PARTICULARS	Year Ended 31.3.2013 ₹	Year Ended 31.3.2012 ₹
27 Other expenses		
Consumption of stores and spare parts	36,58,297	1,27,05,795
Manufacturing Expenses	1,10,12,022	1,23,79,329
Consumption of packing materials	6,95,92,045	6,16,32,980
Power and fuel	32,32,17,458	21,31,77,518
Water	2,42,920	2,88,685
Rent including lease rentals	24,80,144	26,73,810
Repairs and maintenance - Buildings	1,02,03,915	1,05,53,434
Repairs and maintenance - Machinery	14,66,65,281	9,62,29,756
Repairs and maintenance - Others	94,73,795	65,97,609
Insurance	1,57,50,953	1,20,59,352
Rates and taxes	5,27,38,755	1,62,79,119
Communication	43,39,881	46,85,221
Travelling and conveyance	2,05,70,352	1,45,78,685
Printing and stationery	30,23,911	29,26,621
Freight and forwarding	6,61,19,710	5,46,83,547
Sales commission	6,78,68,303	6,04,83,505
Sales discount	1,13,73,887	4,14,47,036
Hank Yarn Obligation	15,14,211	43,46,653
Business promotion	13,14,246	90,68,538
Donations and contributions	23,26,014	10,90,000
Legal and professional	91,75,972	77,91,669
Payments to auditors (Refer Note (i) below)	16,72,846	12,77,202
Bad trade and other receivables, loans and advances written off	7,46,233	24,45,463
Loss on fixed assets sold	8,56,339	-
Provision for impairment of fixed assets and intangibles (net)	4,00,000	-
Miscellaneous expenses	21,03,000	7,03,209
Total	83,84,40,493	65,01,04,736
(I) Payments to the auditors comprises (net of service tax input credit, where applicable):		
As auditors - statutory audit	6,75,000	5,89,890
For taxation matters	1,50,000	3,65,357
For company law matters	-	88,240
For other services - Certification	8,47,846	2,14,965
Reimbursement of expenses	-	18,750
Total	16,72,846	12,77,202



28. Contingent Liability:

- a. The amount of duty concession availed against the pending obligation (For import of capital goods under concessional customs duty linked to fulfillment of export obligations) for the year ended 31.3.2013 is ₹. 8111.25 Lakhs. (31.3.2012 - ₹. 5184.61 Lakhs).
 - b. The Central Excise Department has demanded an amount of ₹. 69.99 Lakhs towards Cenvat credits availed by the Company in previous years on account of Capital and stores materials purchased and utilized. The Company has appealed against these demands before CESTAT, Chennai.
 - c. The Sales Tax Department has demanded the Central Sales Tax amounting to ₹. 132.47 Lakhs on account of exempted sales made by the Company during the financial year 2008-09 and 2009-10. The company has preferred a writ petition before the Hon'ble High Court of Madras on the ground that the order is barred by limitation and obtained an interim stay for payment of the impugned tax.
29. Estimated amount of contracts to be executed on the capital accounts and not provided for amounts to ₹.76.05 Lakhs (31.3.2012 - ₹.1136 Lakhs) approximately.
30. The funds raised by way of Public Issue have been fully utilized for the purposes for which it was raised.
31. The Company has not received information from its creditors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence a disclosure relating to their outstanding amount and interest has not been given.
32. No amount is due for credit to Investor Education and Protection Fund.



33. Details of Foreign currency Exposures

Particulars	Outstanding foreign currency exposures as at 31.3.2013	Covered by forward contracts	Exposures not covered by forward contracts
Cotton Import	\$ 24,82,694 (\$ 18,20,021)	NIL (Nil)	\$ 24,82,694 (\$ 18,20,021)
Machinery import	€ 7,60,000 (€ 2,33,856)	€ 7,60,000 (Nil)	(Nil) (€ 2,33,856)
Foreign Currency Loan	\$ 40,32,440 (\$ 53,22,386)	\$ 35,19,315 (\$ 35,00,000)	\$ 5,13,125 (\$ 18,22,386)
Export sales	\$ 23,43,947 (\$ 8,85,434)	NIL (Nil)	\$ 23,43,947 (\$ 8,85,434)
Export Sales	€ 9,39,855 (€ 24,327)	NIL (Nil)	€ 9,39,855 (€ 24,327)
Export sales	GBP 38,066 (Nil)	NIL (Nil)	GBP 38,066 (Nil)

(\$ - US Dollar, € - Euro, GBP - Great Britian Pounds)

All foreign exchange derivative transactions by way of forward contracts are for the purpose of hedging foreign exchange risk.

34. Value of imports calculated on CIF basis (in Rupees):

Particulars	FY 2012-13	FY 2011-12
Raw Materials	33,70,30,596	18,22,00,454
Capital Goods & Spares	11,74,87,120	4,43,36,109

35. EXPENDITURE IN FOREIGN CURRENCY (in Rupees)

Nature of Expenses	FY 2012-13	FY 2011-12
Royalty, Know how, Professional/ Consultation Fees/Commission	1,81,70,417	2,56,61,263
Interest & Others	2,39,78,449	2,03,69,067
Traveling Expenses	29,27,949	55,48,026



Amount Remitted in Foreign currency (in Rupees)	FY 2012-13	FY 2011-12
Amount remitted on account of Dividend	NIL	2,67,564
No. of Non-resident Shareholders	NIL	71
No. of shares held by them	NIL	1,33,782
Year to which the dividend related	NIL	2010-11

36. EARNINGS IN FOREIGN EXCHANGE (in Rupees)

Particulars	FY 2012-13	FY 2011-12
Export of goods on FOB Basis	2,32,30,60,012	1,82,50,83,383

37. VALUE OF IMPORTED/INDIGENOUS MATERIALS CONSUMED

Particulars	FY 2012-13		FY 2011-12	
Raw Material	Value (₹)	%	Value (₹)	%
Cotton-Imported	34,02,34,795	12.90	13,14,89,141	4.74
Cotton-Indigenous	229,71,42,747	87.10	2,64,53,58,179	95.26
Yarn - Imported	-	-	-	-
Yarn - Indigenous	35,73,06,507	100.00	24,33,01,388	100.00
Nylon Tow - Import	53,05,300	34.02	27,37,130	9.85
Nylon Tow - Indigenous	1,02,87,600	65.98	2,50,38,905	90.15
Fabric - Imported	-	-	81,89,290	8.61
Fabric - Indigenous	11,97,43,690	100.00	8,69,03,329	91.39
Chemical - Imported	14,80,517	2.52	-	-
Chemical - Indigenous	5,73,44,630	97.48	3,68,02,864	100.00
Trims - Imported	14,92,799	17.32	-	-
Trims - Indigenous	71,28,134	82.68	-	-
Stores & Spares				
Imported	3,34,25,673	9.63	3,03,49,022	16.28
Indigenous	31,37,66,183	90.37	15,60,79,491	83.72



38. Details of Government Grants

Details	FY 2012-13	FY 2011-12
Interest subsidy under TUF Scheme (netted off with interest expenses)	11,23,29,133	12,93,88,446
Duty drawback and Other Export Incentives (recognized under Other operating revenues)	9,09,49,832	9,17,47,944

39. Defined contribution plan : Contribution made by the company to defined contribution plan which are recognized and charged to profit and loss account during the year are as under

Particulars	FY 2012-13 (₹)	FY 2011-12 (₹)
Provident Fund	37,49,816	32,32,569
Family Pension Fund	37,22,047	26,21,483
Employees State Insurance	25,63,819	18,61,088
Employees Group Gratuity	11,92,080	38,87,395

40. Details of borrowing cost capitalized during the year under fixed assets – ₹ 4.69 Lakhs (31.3.2012 - ₹ 51.43 Lakhs).

41. Related Party Transactions :

Key Management Personnel	Sri S.V. Arumugam, Managing Director
Relatives of Key Management Personnel	Sri A.Senthil, S/o. Sri S.V.Arumugam Chief Executive Officer
Related Party	Shiva Texyarn Limited Anamallais Automobiles (P) Ltd Annamallai Infrastructures Limited Young Brand Apparel P Limited Bannari Amman Flour Mill Limited Sakthi Murugan Transports Limited
Relationship	Enterprises in which the Key management Personnel or relatives have significant influence.


II. Related Party Transactions :

Nature of Transactions	Enterprises in which key management personnel or relative have significant influence		Outstanding as on 31.3.2013
Purchase of Yarn	₹ 4,05,10,019/-	(₹ 68,32,200)	₹ 2,52,60,692/- (₹ NIL)
Sale of Yarn	₹ 81,92,230/-	(₹ 2,89,69,420)	
Sale of Fabric	₹ 2,48,40,916/-	(₹ Nil)	
Conversion Charges Received	₹ 2,12,02,491/-	(₹ Nil)	
Conversion Charges Paid	₹ 3,49,27,752/-	(₹ 65,74,260)	
Rent Paid	₹ 3,39,748/-	(₹ 7,08,540)	
Purchase of Garments	₹ 40,27,500/-	(₹ Nil)	
Purchase of Cotton	₹ NIL	(₹ 27,78,816)	
Sale of Waste Cotton	₹ NIL	(₹ 19,59,110)	
Sale of Stores	₹ NIL	(₹ 63,492)	
Maintenance Expenses	₹ NIL	(₹ 2156,85)	
Purchase of Stores and Spares	₹ NIL	(₹ 20,44,697)	
Lease Rent Received	₹ NIL	(₹ 1,85,833)	
Vehilce Maintenance Expenses	₹ 89,587/-	(₹ NIL)	
Purchase of Fabric	₹. 2,82,43,531/-	(₹.NIL)	

42. Basic and Diluted Earnings per Share :

Details	FY 2012-13	FY 2011-12
Profit/(Loss) for the year attributable to Equity Share holders (₹)	27,31,81,229	(16,37,61,114)
Weighted average number of Equity Shares.	1,57,54,269	1,57,54,269
Basic & Diluted Earnings per share (₹)	17.34	(10.39)
Nominal Value of Share (₹)	10.00	10.00



Basic and Diluted Earnings per Share – Excluding Extraordinary Items:

Details	FY 2012-13	FY 2011-12
Profit for the year attributable to Equity Share holders (₹.)	27,31,81,229	(16,37,61,114)
Add: Extraordinary items (net of tax)	NIL	NIL
Net profit / (loss) for the year from continuing operations attributable to the equity shareholders, excluding extraordinary items	27,31,81,229	(16,37,61,114)
Weighted average number of Equity Shares.	1,57,54,269	1,57,54,269
Basic & Diluted Earnings per share (₹.)	17.34	(10.39)
Nominal Value of Share (₹.)	10.00	10.00

43. The net deferred tax liabilities as at 31.3.2013 comprise the following as per the Accounting Standard 22.

Particulars	As at 2012-13	As at 2011-12
Deferred Tax Liability on A/c of Depreciation	76,12,71,693	77,23,23,717
Deferred Tax Assets on A/c of Carried forward unabsorbed depreciation.	23,72,01,146	38,23,14,437
Net Deferred Tax Liability	52,40,70,547	39,00,09,280

The Company has recognized deferred tax asset on unabsorbed depreciation and brought forward business losses based on the Management's estimates of future profits of the Company.

44. Disclosures regarding interest in Joint Venture - The Company has invested ₹.1991.71 Lakhs (₹.1419.27 Lakhs) in the equity shares of Young Brand Apparel Private Limited (A Joint venture of the Company) as on 31.3.2013. The company does not have any further capital commitment towards purchase of shares of the Joint venture entity.



45. Details of interest in Joint Venture Company

Name of the Company	Country of incorporation	% of voting power held as on 31.3.2013	% of voting power held as on 31.3.2012
Young Brand Apparel Private Limited	India	33.33	33.33

The Proportionate interest of the Company in the Joint Venture entity as on 30.9.2012 (31.3.2011) is as under: (₹ in Lakhs)

Financial Year Ended	Assets	Liabilities	Contingent Liabilities	Income	Expenditure
30.9.2012*	2302.19	1999.23	NIL	3562.05	4106.71
31.3.2011	2767.42	2006.12	NIL	2544.33	2615.67

* For 18 months period ended 30.9.2012.

For **P N RAGHAVENDRA RAO & CO**
Chartered Accountants

P R VITTEL

Partner
Membership No. 200/18111
ICAI Firm Regn. No: 003328S

Coimbatore
18th May, 2013

S V ARUMUGAM

Chairman & Managing Director

K SADHASIVAM

Director

N KRISHNARAJ

Company Secretary



CASH FLOW STATEMENT FOR THE YEAR ENDED 31.3.2013

(₹ in Lakhs)

	31.3.2013	31.3.2012
I CASH FROM OPERTATING ACTIVITIES		
Net Profit before taxation & Extraordinary items	4,072.42	(3,396.16)
Adjustments for :		
Depreciation	3,575.65	3,722.63
Interest income	(90.27)	(53.57)
Dividend income	(0.92)	(0.92)
Finance costs	3,804.81	3,263.83
Foreign Exchange Fluctuation	183.88	-
(Profit) / Loss on sale of asset	(6.14)	(159.67)
	7,467.01	6,772.30
Operating profit before working capital changes	11,539.44	3,376.14
Debtors	(12,02.57)	430.79
Inventories	837.61	9,926.15
Other Current Assets	547.25	1,782.32
Current Liabilities	(759.27)	915.76
	(576.98)	13,055
Cash generation from operations	10,962.46	16,431.15
Add: income taxes (Paid)/refund	(628.53)	20.15
Net cash from operations	10,333.94	16,451.30
II CASH FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(1,988.43)	(2,175.89)
Proceeds from sale of assets	24.87	190.79
Interest income	90.27	53.57
Dividend income	0.92	0.92
Purchase of Investments	(517.44)	-
Proceeds from sale of investment	66.92	-
	(2,322.89)	(1,930.60)


CASH FLOW STATEMENT FOR THE YEAR ENDED 31.3.2013 (Contd....)
(₹ in Lakhs)

	31.3.2013	31.3.2012
III CASH FROM FINANCING ACTIVITIES		
Increase/(decrease) in short term borrowing	(2,284.98)	(5,789.51)
Decrease in Long Term Borrowings	(978.41)	(4,371.81)
Interest paid	(3,804.81)	(3,284.37)
Dividend Paid	-	(367.42)
	(7,068.20)	(13,813.11)
Net (decrease)/increase in cash and cash equivalents	942.84	707.60
Opening cash and bank balances	1,247.04	539.45
Closing cash and bank balances	2,189.88	1,247.04
Net (decrease)/increase in cash and cash equivalents	942.84	707.60

For **P N RAGHAVENDRA RAO & CO**
Chartered Accountants

P R VITTEL
Partner
Membership No. 200/18111
ICAI Firm Regn. No: 003328S

Coimbatore
18th May, 2013

S V ARUMUGAM
Chairman & Managing Director

K SADHASIVAM
Director

N KRISHNARAJ
Company Secretary


Financial Performance - Yearwise

(₹ in lakhs)

Financial Year	Equity Share Capital	Reserves & Surplus	Turnover*	Profit before Depreciation	Depreciation	Profit before Tax	Dividend on Equity Shares (%)
1994-1995	350.05	0.32	8.60	1.21	0.90	0.32	-
1995-1996 (18 months)	350.05	42.16	3171.12	185.77	143.93	41.84	-
1996-1997	350.05	104.84	4936.08	769.28	668.09	101.19	10
1997-1998	350.05	181.02	5270.53	494.61	379.92	114.69	10
1998-1999	350.05	592.27	6137.82	792.70	342.60	450.10	10
2000-2001 (18 months)	350.05	1464.27	9942.63	1702.90	537.03	1165.87	15
2001-2002	350.05	1736.63	6365.46	736.57	333.64	402.93	10
2002-2003	350.05	2085.64	6361.65	1183.80	340.02	843.78	10
2003-2004	350.05	2685.39	7533.23	1206.95	322.97	883.99	20
2004-2005	875.13	3601.48	7487.43	1789.41	321.42	1467.99	20
2005-2006	1575.43	13569.54	8670.07	2044.41	470.86	1573.55	20
2006-2007	1575.43	14903.05	11033.07	2563.34	848.69	1714.65	20
2007-2008	1575.43	14657.28	20933.17	3122.39	1493.26	1629.12	20
2008-2009	1575.43	14454.79	29095.40	3139.29	2180.84	958.44	10
2009-2010	1575.43	15683.92	35427.40	4799.92	2565.30	2234.62	15
2010-2011	1575.43	19196.90	58645.01	12108.40	5389.09	6719.31	20
2011-2012	1575.43	17559.28	43660.96	326.46	3722.63	-3396.16	-
2012-2013	1575.43	19922.46	54928.79	7648.08	3575.65	4072.42	20

* Turnover = Net Sales + Closing Stock - Opening Stock

[illegible]



BANNARI AMMAN SPINNING MILLS LTD

Regd. Office : 252, Mettupalayam Road, Coimbatore - 641 043

ATTENDANCE SLIP

(Please hand over this at the entrance of the Meeting Hall)

Name of the Member			
DP ID Number		Client ID Number	
Member's Folio Number		No. of Shares held	
Name of the Proxy (in BLOCK LETTERS) to be filled if the proxy attends instead of the member			

I hereby record my presence at the Twenty Third Annual General Meeting held on Monday the 23rd September 2013 at 9.15 a.m. at Nani Kalai Arangam, Mani Higher Secondary School, Pappanaickeripalayam, Coimbatore - 641037.

Member's / Proxy's Signature



BANNARI AMMAN SPINNING MILLS LTD

Regd. Office: 252, Mettupalayam Road, Coimbatore - 641 043

PROXY FORM

I/Weof
.....being a Member / Members of Bannari Amman Spinning Mills Ltd.,
hereby appoint..... ofor
failing him ofor
failing him ofas
my/our Proxy to attend and vote for me / us on my / our behalf at the Twenty Third Annual General Meeting of the Company
to be held on Monday the 23rd September 2013 and at any adjournment thereof.

Signed this day of 2013

Affix
1 Rupee
Revenue
Stamp



DP ID Number		Client ID Number	
Member's Folio Number		No. of Shares held	

NOTE : The Proxy form must be deposited at the Registered Office of the Company at 252, Mettupalayam Road, Coimbatore - 641 043, not less than forty-eight hours before the time for holding the aforesaid meeting.

NO GIFTS WILL BE DISTRIBUTED AT THE MEETING

PLANT LOCATIONS :

Spinning Division	
NaduKandanur Pirivu, Morepatty Post Vadamadurai, Dindigul 624 802. Tamilnadu	Velvarkottai, Dindigul Trichy National Highway 45 Vedasandur Taluk, Dindigul 624 803. Tamilnadu
Weaving Division	Technical Textile Division
Karanampet - Paruvai Road Paruvai Post, Coimbatore - 641 658	Kovai – Sathy Main Road, Kunnathur Village Ganesapuram Post, S S Kulam (Via) Coimbatore - 641 107
Windmill Division	
Irukandurai & Dhanakarkulam Villages Radhapuram Taluk Tirunelveli District, Tamilnadu	Chinnapudur Village Dharapuram Taluk Erode District, Tamilnadu
Melkaraipatti & Kottathurai Villages Palani Taluk Dindigul District Tamilnadu	Virugalpatti Village Illuppanagaram Village Udumelpet Taluk, Tirupur District Tamilnadu
Garment Division	Processing Division
Palladam Hitech Weaving Park Sukkampalayam Village K N Puram (Po) Palladam- 641 662	Plot No. H-11, E-12 SIPCOT Industrial Growth Estate Perundhurai, Erode - 638 052

BANNARI AMMAN



BANNARI AMMAN Spinning Mills Ltd.

252, Mettupalayam Road, Coimbatore - 641 043, Tamil Nadu, India

Ph : 91 - 422-2435555 Fax : 91-422-2430233

Email : shares@bannarimills.com

www.bannarimills.com