



Maharaja Shree UMAID MILLS LIMITED



*73rd Annual Report
2012-13*

Regd Office: 706, Krishna, 224, AJC Bose Road, Kolkata 700 017
Head Office : Jodhpur Road, Pali 306 401(Rajasthan) INDIA
visit us at : www.msumindia.com

Board of Directors :

Mr. LN BANGUR, *Chairman & Managing Director*
Mr. GOVIND SHARDA, *Executive Director*
Mr. YOGESH BANGUR, *Director (CA&S)*
Mrs. ALKA BANGUR, *Director*
Mr. SS KOTHARI, *Director*
Mr. CHANDRAVADAN DESAI, *Director*
Mr. AMITAV KOTHARI, *Director*
Mr. GR AGARWAL, *Director*

Auditors :

M/s BD GARGIEYA & CO., JAIPUR

Bankers :

BANK OF BARODA
ICICI BANK LTD.
IDBI BANK LTD.
STATE BANK OF BIKANER & JAIPUR

Regd. Office :

706, "KRISHNA"
224, AJC BOSE ROAD
KOLKATA – 700017 (W.B.)

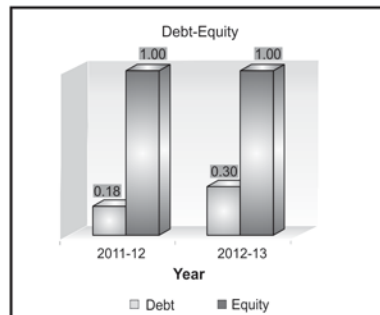
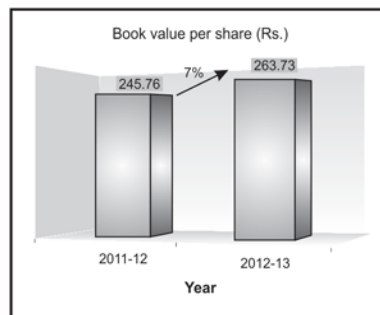
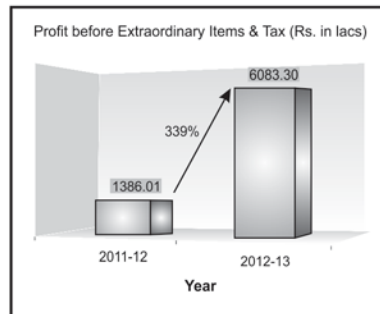
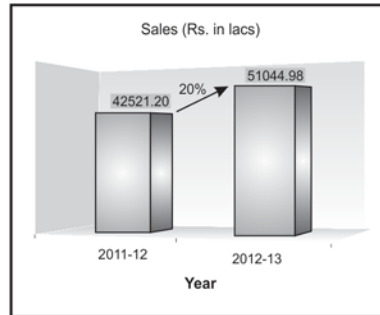
Head Office and Works :

JODHPUR ROAD
PALI – 306 401 (Rajasthan)

Important Communication to Members on Green Initiative

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by companies and has issued circulars stating that service of notice/ documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings, with their respective Depository Participants.

Members who hold shares in physical form are requested to download the "E- Communication Registration Form" from our website: www.msumindia.com under "financials" and send the duly filled-in and signed form to Company Secretary, Maharaja Shree Umaid Mills Limited, 706, Krishna, 224, AJC Bose Road, Kolkata-700 017 (W.B.)



CMD's Communiqué



Dear Fellow Shareholders,

I take pleasure in sharing the financial statements of your Company where we have reported an all round growth in terms of revenue, exports and profits while building competence for the future growth.

The year was generally supportive for the textile industry with all segments having optimism for the growth until towards the end of the financial year where economic revelations set in a pessimistic tone. The psychological barrier of maintaining GDP growth would be a challenge that could impact the economic actions within the national economy.

During the year, your Company has commissioned state of the art weaving capacity using the latest technology to have own fabric for bottomweight and shirting segment at larger scales apart from adding 8.50 MW of wind energy turbines, as a significant diversification towards power securitisation. The Company would be commissioning state of the art processing facilities for value addition to the fabric.

Your Company has started working on the next phase of expansion of the manufacturing facilities based upon the learning curve gained in the recent past. The project at the existing manufacturing location would be completed in two phases, to be accomplished in next two years.

Your Company has set out a detailed plan for the future growth and with the support of all our stakeholders, including shareholders, lenders, business associates and employees, the Company would be positioned to capture all the opportunities that are offered, particularly during the testing economic scenario.

Thanking you,

LN BANGUR

Chairman and Managing Director

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the 73rd Annual General Meeting of the members of MAHARAJA SHREE UMAID MILLS LIMITED will be held at Club House, The Tollygunge Club Ltd., 120, Deshpriya Sasmal Road, Kolkata 700033 on Wednesday, the 14th day of August, 2013 at 11.00 A.M. to transact the following business:

ORDINARY BUSINESS

- 1) To receive, consider and adopt the Audited Statement of Profit & Loss for the year ended 31st March, 2013 and the Balance Sheet as at that date together with Reports of the Board of Directors and Auditors there on.
- 2) To declare Dividend
- 3) To appoint a Director in place of Mrs. Alka Bangur, who retires by rotation and being eligible, offers herself for reappointment.
- 4) To appoint a Director in place of Mr. Amitav Kothari who retires by rotation and being eligible, offers himself for reappointment.
- 5) To appoint Auditors for the current year and to fix their remuneration.

By Order of the Board
For Maharaja Shree Umaid Mills Ltd.

(P.K.OJHA)
COMPANY SECRETARY

Kolkata
May 27, 2013

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. A Proxy Form in order to be effective, must reach the Company not less than 48 hours before the meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 8th August, 2013 to 14th August, 2013 (both days inclusive).
3. Dividend, when declared, will be payable to those members whose names appear on the Register of Members as on 14th August, 2013.
4. Information to Shareholders as prescribed in clause 49 of Listing Agreement in respect of Appointment/ reappointment as directors, is given at Annexure-A attached to this Notice.

ANNEXURE – ‘A’ ATTACHED TO THE NOTICE DATED 27TH MAY, 2013
(as required under clause 49 of the Listing Agreement)
Information on appointment/re-appointment of Director

Name	Mrs. Alka Bangur	Mr. Amitav Kothari
Date of Birth	28.11.1954 59 Yrs.	1.12.1952 61 Yrs.
Qualification	M.B.A	M.Com., LL.B., FICA, FCA
Nature of Appointment	Retiring by Rotation and seeking reappointment as a Director	Retiring by Rotation and seeking reappointment as a Director
Expertisement in Specific functional areas	Industrialist	Banking & Financial Services
Directorship held in other public limited companies	1. The Peria Karamalai Tea & Produce Co. Ltd.	1.Kanoria Chemicals & Industries Ltd. 2.South Eastern Coal Fields Ltd. 3. National Insurance Co. Ltd.

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure to present the 73rd Annual Report together with the Audited Accounts of the Company for the year ended on 31st March 2013.

The Financial Results are given hereunder :

(Rs. in Lacs)

Particulars	Year ended on 31.03.2013	Year ended on 31.03.2012
Total Revenue	52936.10	44490.88
Gross Profit before Depreciation & Amortisation Expense and Finance Cost	9187.08	2778.06
Finance Cost	1002.86	220.35
Cash Profit before taxes	8184.22	2557.71
Depreciation & Amortisation Expense	2100.92	1171.70
Profit before Extraordinary Items	6083.30	1386.01
Extraordinary Items	-	50133.28
Profit before taxes	6083.30	51519.29
Provision for taxes	1664.65	10615.69
Profit after tax for the period	4418.65	40903.60
Balance brought forward from previous year	48927.28	14530.30
Tax adjustments for earlier years (net)	997.42	(0.38)
Provision for diminution in the value of investments w/back	-	-
Profit available for appropriation	54343.35	55433.52
Appropriations		
Proposed Dividend	648.00	1296.00
Tax on Proposed Dividend	110.13	210.24
Transferred to General Reserve	500.00	5000.00
Balance carried to Balance Sheet	53085.22	48927.28

BUSINESS

During the year, your Company has entered into the league of Rs 500 Crore turnover textile players, with a significant shift in the business mix of yarn and fabrics. The growth in sales by 20% over the last year with larger share of value added products signifies the inherent strength of the Company for future growth.

DIVIDEND

Your Directors are pleased to recommend payment of Rs.2.50 per equity share (previous year: Rs. 5.00) for the year ended on 31st March 2013 on the fully paid up shares of Rs 10 each. The total outgo would be to the tune of Rs. 758.13 lacs (previous year: Rs. 1506.24 lacs) including Corporate Dividend Tax.

NEW BUSINESS DEVELOPMENT

Your Company has commissioned the first part of its project expansion cum modernisation program during the year while the second part of the project is expected to be commissioned in the first half of the following financial year. The balanced financial benefits would be visible from the second half of the following financial year.

SCHEME OF RE-ARRANGEMENT

The Board of Directors of the Company at its meeting held on 14th August, 2012 had approved Scheme of Arrangement U/s.391 to 394 of the Companies Act, 1956 between Kiran Vyapar Ltd. and the Company and their respective shareholders whereby "Investment Division" of the Company is to be transferred to and vested with Kiran Vyapar Ltd. by way of Demerger. The said Scheme of Arrangement has been approved by the shareholders of both the companies in their respective meetings held on 13th February, 2013.

An Application has already been submitted with Hon'ble High Court at Calcutta for its sanction.

The Scheme as and when sanctioned by the Hon'ble High Court at Calcutta will be binding with effect from the 1st day of April, 2012 or from such other date as the Hon'ble High Court may fix.

SUBSIDIARIES

In accordance with the general circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Profit and Loss Account and other documents of the subsidiary companies are not being attached with the Balance Sheet of the Company. However the financial information of the subsidiary companies is disclosed in the Annual Report in compliance with the said circular. The Company will make available the Annual Accounts of the subsidiary companies and the related detailed information to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary companies will also be kept open for inspection at the Registered Office of

the Company and that of the respective subsidiary companies. The Consolidated Financial Statements presented by the Company include the financial results of its subsidiary companies.

MANAGEMENT DISCUSSION AND ANALYSIS

The detailed analysis is appended herewith and form part of the Directors' report.

CORPORATE GOVERNANCE

A compliance report on Corporate Governance has been annexed as part of the Annual Report along with Auditors' Certificate in compliance with Clause 49 of the Listing Agreement with the Stock Exchanges.

LISTING / DELISTING OF THE EQUITY SHARES

The equity shares of your Company are listed at the Bombay Stock Exchange and the Calcutta Stock Exchange. The annual listing fees have been paid to these Stock Exchanges and there is no intent of the management to delist the shares from either of the Stock Exchanges.

DIRECTORS

Mrs. Alka Bangur and Mr. Amitav Kothari retire by rotation and being eligible, offer themselves for re-appointment. The Board recommends their appointment at the ensuing Annual General Meeting.

PUBLIC DEPOSITS

There are no public deposits with the Company.

PARTICULARS OF EMPLOYEES

Particulars of employees under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 are required to be set out in Annexure to this Report. However, as per the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the Report and the accounts are being sent to all the members of the Company excluding the aforesaid information. Any member interested in obtaining such particulars may write to the Company Secretary.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EARNING/OUTGO

The information required under the provision of section 217(1)(e) of the Companies Act is set out in the annexure to the Directors' Report.

AUDITORS

M/s BD Gargieya & Co., Chartered Accountants (FRN : 001072C) who are the Statutory Auditors of the Company, hold office, in accordance with the provisions of the Companies Act, 1956 upto the

conclusion of the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment. The Company has received letter from them giving their consent to act as Auditors of the Company and stating that their re-appointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956. Your Directors recommend their re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors, based upon the representations received from the Operating Management, confirm that:

- i. in the preparation of the Annual Accounts for the year ending on 31st March 2013, the applicable accounting standards have been followed and there has been no material departure;
- ii. appropriate accounting policies have been selected by them and applied the same consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2013 and of its profits for the year ending on that date;
- iii. proper and sufficient care has been taken by them for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv. the Annual Accounts for the period ended on 31st March 2013 have been prepared by them on a going concern basis.

ACKNOWLEDGEMENT

The Directors express their gratitude to Financial Institutions, Banks and various other agencies for the co-operation extended to the Company. The Directors also take this opportunity to thank all business associates for the confidence reposed by them in the Company. The employees of the Company have contributed significantly to achieve the financial performance. The Directors take this opportunity of thanking them and hope that they will maintain their commitment to excel in the time to come.

Kolkata
May 27, 2013

For and on behalf of the Board
LN Bangur
Chairman and Mg. Director

ANNEXURE - 'A' TO DIRECTORS' REPORT

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

FORM 'A'

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

		2012-13	2011-12
A. POWER & FUEL CONSUMPTION:			
(1) ELECTRICITY			
a) Purchased from JVVNL			
i) Units	('000 Units)	36402	50580
Total Amount	('000 Rs)	238937	272410
Cost/Unit	(Rs.)	6.56	5.39
b) Purchased through Open Access			
i) Units	('000 Units)	46019	32261
Total Amount	('000 Rs)	166091	122741
Cost/Unit	(Rs.)	3.61	3.80
c) Own Generation			
Through Furnace Oil Generator			
Units	('000 Units)	973	168
Total Amount	('000 Rs)	8993	1312
Cost/Unit	(Rs.)	9.24	7.82
(2) COAL/OTHERS			
(Used in Boilers for generation of Steam)			
Quantity	(Tonnes)	6649	8691
Total Cost	('000 Rs.)	53701	61714
Average Rate	(Rs.per Tonne)	8076	7101
(3) FURNACE OIL			
Quantity	(K. Ltrs.)	227	46
Total Amount	('000 Rs.)	8413	1248
Average Rate	(Rs./Ltr.)	37.06	27.14
B. CONSUMPTION PER UNIT OF PRODUCTION			
(1) Electricity (Units)			
	Fabrics (Per Thousand Mtrs.)	694.22	756.35
	Yarn (Per Metric Tonne)	3155.03	3188.75
(2) Coal (Tonnes)			
	Fabrics (per Thousand Mtrs.)	0.23	0.35
	Yarn (Per Metric Tonne)	0.04	0.07

The figures given in Entry 'B' above with regard to consumption of different types of energy/fuel per unit of production are only gross averages and are not comparable from year to year on account of the inherent factors about the denominators used in the prescribed format of the Annexure; and because of such vast number of variables that go into computations as above, variations are inescapable.

FORM 'B'

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION

A. RESEARCH AND DEVELOPMENT (R & D) :

- | | |
|--|---|
| 1. Specific areas in which R & D carried out by the Company and benefits derived as a result thereof : | Process control and improving quality standards of the existing products. |
| 2. Future plan of action : | Diversifying into yarns of better value has been in process. |
| 3. Expenditure on R & D : | Not accounted for separately. |

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION :

- | | |
|--|--|
| 1. Efforts, in brief, made towards technology absorption, adaptation and innovation. | } The Company is having plans to update the technology of the equipment by continuous modernisation. |
| 2. Benefits derived as a result of the above efforts. | |
| 3. Information regarding Technology imported during last 5 years. | |

C. FOREIGN EXCHANGE EARNINGS & OUTGO :

- | | |
|--|---|
| 1. Activities relating to exports; initiatives taken to increase exports; developments of new export markets for products and services, and export plan: | Management endeavour for selective product quality upgradation continues. |
| 2. Total foreign exchange earnings & outgo | |
| (i) Foreign exchange earnings | Rs. 5654.47 Lacs |
| (ii) Foreign exchange outgo | Rs. 4673.08 Lacs |

MANAGEMENT DISCUSSION AND ANALYSIS

The looming inflationary pressure and widening trade deficit for the national economy coupled with dried up inflow of investments in the economy and a political uncertainty is reflected in pessimism in economy. The delayed relaxation of monetary policy with a contrasting inflationary pressure has generated a negative tone in economy notwithstanding the fact that economic growth in vicinity of 5% is not dismal looking to the growth of other economies.

Fiscal 2013 began with booming shades of growth after having tested the economy in the preceding financial year. The resilience shown by the textile industry has been remarkable from all corners. Unlike previous fiscal, non-action of the Government agencies provided a free competitive economy to enable the fittest to survive and grow that has been adequately demonstrated by a mature textile industry. At this juncture, a new textile policy can be the best intervention that the Government can provide after having released the last policy way back in the year 2000.

The economic actions taken in the neighbouring economy of China, the largest textile player of the world, had some cascading effects on Indian textile industry, for its betterment. The Indian Rupee initially strengthened that made exports a bit incompetent. However, the depreciation of Indian Rupee towards the end of the fiscal was coupled with a slowdown in the textile segment across the globe. Strengthening of USD generally helps enhance exports, yet in the peculiar economic journey that we are into, the depreciation of the national currency is considered a benefit to the buyer resulting in continuous pressure on the otherwise weaker textile segment that is otherwise being dominated by China.

With a relative stability in the cotton mandis all through the year, efficiency and value addition in the manufacturing process becomes the sole mantra for the survival and growth of the textile players. Having seen volatility in the foreign exchange market all through the recent past, sourcing of capital items from international sources has really not been encouraging with larger orders having remained partially executed or in go-slow mode. With no significant addition to the manufacturing capacity couple with a reasonable monsoon prediction, the

demand-supply matrix for the natural fibre seems to stabilise for a while that would bring more certainty for the business outcome of the enterprises within the segment.

With the national economy having slowed down in terms of GDP growth in the vicinity of 5%, the domestic textile demand doesn't seem to grow in line with the expectations through the statistical tools, being a discretionary spending, whereas the export market may continue lacklustre performance in view of volatile foreign exchange scenario.

We need to review performance of the Company in this backdrop. The comprehensive report hereunder should be read in conjunction with the audited financial statements and notes appended thereto for the periods under reference.

The discussion contains some forward looking statements based upon the intent and perception of the management of the Company. However, the actual outcome may be influenced by the external factors.

OPERATIONAL PERFORMANCE FOR THE YEAR

During the year, the Company commissioned its wind power project in the western part of Rajasthan adding up another 8.50 MW capacity to existing capacity of 8.95 MW. The Company commissioned its plan for partial modernisation of its spinning production capacity and expansion of fabric weaving capacities. The processing capacity addition is expected to go in stream in the first half of the following financial year.

INCOME

Business revenues are derived from Textile operations and Wind Energy business. Led by aggressive marketing practices to penetrate deep into the market – domestic as well as exports, the Company registered significant growth in the chosen segments.

(Rs. in lacs)

Segment	2012-13	2011-12	%Change
Yarn (Domestic / exports / Trading)	36591	33174	10.3%
Fabric And Value Add (Domestic / Trading)	13906	9347	48.8%
Wind Energy	548	NIL	-

During the year, in yarn segment, the Company registered 65% growth in direct exports vis-a-vis previous year. Direct and Indirect exports account for 22% of total revenues of the Company.

The Company continues to build its competence to enhance the product basket in fabric business, relatively higher value added operations. With additional capacities of fabric processing falling in place in the next financial year, the segment is likely to share a larger pie of the total revenues of the Company, hence profitability. With advent of new products in the following financial year, the well cherished home grown brands of LILLY, CASHMATE, HEENA and DAISY are expected to have in-house competition.

The Company continues to build upon its outsourcing model to provide even larger basket of products for the dynamic requirements of customers.

No single customer accounts for significant part of revenues of the Company to have any adverse impact in case of any downslide.

Investments in the wind energy operations remain strategic for the Company to secure future power at affordable costs. The revenues from the operations of wind mills are for the part of the financial year and would be reflected in totality in the following financial year.

“Other Income” includes the returns earned on parking of the surplus cash available with the Company subsequent to monetisation of its assets.

MAJOR COSTS

Raw Materials Costs

Cotton remains the biggest cost component in the raw material costs. Having remained volatile in the previous financial year, the year witnessed a stable and steady market for the natural fibre and was reciprocated with a suitable impact in the yarn prices. The average cost of clean cotton reduced by 14.8%, whereas the prices of cotton yarn registered growth of 5.5% resulting in lower raw material cost as percentage to sales revenue.

Increase in the cost of traded goods is in line with the increase in the volume.

Overall input costs after considering change in the processed inventory accounted for 63% of sales as compared to 76% in the previous year.

The Company continues to maintain a reasonable stock of natural fibre during the crop season to ensure consistent quality and hedge the costs against potential speculative moves in the unorganised sector.

Manufacturing Costs

The Company has got reasonable back up power facilities to facilitate manufacturing in the event of a grid supply failure. The total power and fuel costs were at Rs. 4650 lacs, up by 2% from the previous year Rs. 4560 lacs after absorbing 13.7% increase in coal costs and 22% increase in grid power costs on an increased revenue of 20%. The per unit consumption parameters, however, do not convey the efforts made to rationalise the costs in view of unequal variation in the product mix.

The strategic decision of sourcing a part of its power requirement from the group captive usage generation facilities has enabled the Company check costs of power. During the year, the Company has sourced a part of its power supply on higher wattage power line that has reduced inherent line / transmission losses marginally.

As part of its Socio-economic Measures, the Company re-cycles its water effluent generated in the normal manufacturing process with the dual intent of conserving natural resources as well as ensuring continuous availability of water. The higher costs of operating pollution control measures at Rs. 110 lacs (PY Rs. 81 lacs) has got its indirect benefits in sustainable manufacturing operations.

Manpower Costs

Textile operations are manpower intensive in inverse proportion to the value addition in the value chain. Being one of the largest organised manufacturing sector, a vast population of skilled manpower at each level of value addition in the process is available. Availability of adequate number of educational institutes across the country ensures a regular supply of requisite manpower for all future requirements of the industry.

During the year, the manpower costs have gone up by 9.8% from Rs. 2769 lacs to Rs. 3040 lacs on an increase in revenue by 20%. The costs as percentage to sales have reduced from 6.5% to 5.9%.

Selling and General Administration Costs

The selling costs stood at 1.45% of sales in the financial year vis-a-vis 1.43% in the previous financial year. The costs move in tandem with the market mix and the product revenue growth.

Other administrative costs were almost unchanged at 1% of sales.

Financial Costs

During the year, the Company got disbursement against term loan for expansion cum modernisation of its spinning and fabric business and installation of wind energy generators. Total term loan borrowing costs have gone up by 179% vis-a-vis previous year largely due to higher value of non-subsidised financing for wind energy generators and partial disbursement of restructured textile upgradation fund subsidy during the year, that is being accounted for on cash receipt basis.

The working capital costs increased during the current financial year as compared to previous financial year by 492% in line with the increased scales of operations including diversification created through new production capacities.

Extraordinary Items

During the year there was no extra ordinary item.

PROFITS AND PROFITABILITY

Earnings before Depreciation, Interest and Taxes & Appropriations and "Other Income" stood at Rs.7836 lacs as compared to Rs.808 lacs in the previous year.

Profits before tax from operating activities increased by 338.9% and stood at Rs.6083 lacs.

Profit after tax stood at Rs 4419 lacs compared to Rs 40903 lacs in the previous year, primarily due to extra ordinary, non-repetitive items of income in the previous financial year.

FINANCIAL CONDITION AND CASH FLOW MANAGEMENT

Working capital management remains a key in textile industry where a slight mismatch in sourcing and applications can impact the business outcome. The figures reported in the annual report indicate the quantum as on the date of reporting and essentially, don't reflect the efficiency achieved in the management of working capital over the period of remaining 364 days of the year. In line with the increase in the operational income by 20% in fiscal 2013, the working capital deployment increased

from Rs.16074 lacs (as on 31st March 2012) to Rs. 19500 lacs (as on 31st March 2013), an increase of 21.3%. With higher integrated operations, the real impact of working capital management would be visible from the next financial year.

During the year, the Company incurred capital expenditure of Rs.12115 lacs, mainly wind power turbines, weaving capacity enhancement and spinning plant upgradation. The term loans were increased by Rs.11837 lacs primarily due to additional disbursement of Rs.13066 lacs towards the above capital expenditure. A part of the capital expenditure / commitment is likely to be capitalised in the following financial year.

Current ratio was maintained at a healthy level of 2.89 whereas Debt Service Coverage Ratio is at 1.88.

An efficient working capital management with a long term disciplined financial management towards mobilisation of funds ensures the future availability of funds at economic costs for all commercially viable projects apart from meeting larger working capital requirement for enhanced scales of operations.

During the year, the Company generated positive cash flow for Rs.959 lacs (previous year: Rs.2471 lacs).

SWOT ANALYSIS**Strengths and Opportunities**

The textile products are broadly categorised as Textiles (Fibre to fabrics) and Clothing (the end consumer product, garments). Continuous upgradation of manufacturing facilities and shifting towards the consumer products instead of confining to the industrial product, viz., yarn enhances the market reach and therefore, realisation as well for the Company. The recent additions to the manufacturing facilities have strengthened the technological edge of the Company.

Wide spread educational institutes across the country ensure continuous availability of trained manpower in uninterrupted manner. The Company has regular skill development plans in place to facilitate regular development of members of the organisation.

With a nation-wide distribution network and marketing offices in major cities, the Company is well poised to reach customers across the country. The product acceptance at international level has been proven with almost 900% growth in direct exports over last 2 fiscals. However, the Company continues to explore

hitherto unexplored market territories for its future growth.

None of the customers accounts for such significant sale within the chosen products so as to dominate over the product / pricing / production strategy followed by the Company.

The manufacturing facilities are situated in the cotton belt to ensure easier and economical sourcing of cotton, the primary raw material. The Company is surrounded by other textile players in local vicinity to ensure availability of other critical inputs required for the manufacturing process.

A significant part of the industry remains fragmented, unorganised and in the small scale that provides consolidation opportunities during the downside of the industry. With its strong financial base, the Company is poised to grow through inorganic route.

The Company is present in more than one market segment of textiles to insulate itself against the adverse movements in any one sector caused due to cyclical nature of the industry.

Challenges and Threats

The national textile industry significantly depends upon the international market of textile. Textile products being a necessity with discretionary spending pattern, have a robust demand structure albeit inconsistent pattern. Downslide in major consuming international destinations could create a short term surplus supply and lead to short recovery of costs. With firmly placed in domestic as well as export market, the Company is prepared to take advantage out of such adverse economic situation.

Continuous depreciation of INR could lead to temporary gains in international market but a reversal of cycle can ultimately lead to margin erosion in international segment. With significant part of the textile machines being imported from the EU, capacity addition and consequent cost rationalisation / technological upgradation for the industry could become an expensive proposition. The Company follows a conservative hedging arrangement to protect against possible downside while rationalising upside.

Short-sighted policy measures by different Government agencies could impact the industry sentiments and therefore, credit rating of the sector. Any adverse shift in credit rating of the sector apart from the sovereign rating would have impact on the borrowing costs and future expansion of the industry,

hence, the Company. However, with its conservative financial leveraging, the adverse impact on the Company could be lower than the industry average.

Sourcing of cotton, the major raw-material, depends upon the monsoon conditions. Total acreage of cotton plantation is expected to go up with populist measures targeted for the agricultural sector in select states.

The Company is having its entire operations at single location that could lead to irreparable losses in the event of any natural calamity. However, the Company has already initiated process of outsourcing a part of the product basket to maintain continuity of business and is also in the process of selecting other locations for future business expansion.

OUTLOOK

With record high fibre stocks in the neighbouring economy of China, the off-take of cotton for the exports is likely to be reduced, increasing availability of quality product for the domestic manufacturers. Reduced exports of cotton may bring stability in the domestic market that would help the industry have a balanced growth plan in place with minimum external involvement. With the bigger economic issues in agenda, the industry may not expect any involvement of policy measures to change the path that it intends to follow for own growth.

Weakening of national currency provides an opportunity to expand the share in international trade. However, import of machines would become expensive and therefore, capacity addition may be deferred that could harm the industry for the delayed economies of scale.

During the year, the Company has commissioned its new fabric capacities. Higher proportion of value added revenues are expected to bring disproportionate Returns on the investments made.

Towards the end of the current financial year, the Company could be looking at fetching benefits post-expansion of the intended project.

Overall, the Company remains optimistic for the upside in the industry with very limited scope in offing for the downside. Being one of the oldest and the largest industry with a track of proven resilience, the industry is poised for a larger role in the economic development of the nation.

REPORT ON CORPORATE GOVERNANCE

The Directors are pleased to present the Company's Report on Corporate Governance.

Corporate governance is most often viewed as both the structure and the relationships that determine corporate direction and performance. The Board of Directors is typically central to Corporate Governance. Its relationship to the other primary participants, typically shareholders and management, is critical. Additional participants include employees, customers, suppliers, and creditors. The Corporate Governance framework also depends on the legal, regulatory, institutional and ethical environment of the community. Corporate Governance is about working ethically and finding a balance between economic and social goals. It includes the ability to function profitably while obeying laws, rules and regulations.

Corporate Governance is a reflection of our culture, policies, our relationship with stakeholders and society, and our commitment to values.

The Company has been adopting preeminent Corporate Governance policies, practices and ethical principles to ensure the transparency at all level.

Company's Governance Philosophy on Corporate Governance

The philosophy on Corporate Governance of the Company envisages a systemic process of direction and control to enhance its wealth-generating capacity. The Company believes that its operations and actions should meet stakeholders' aspirations as well as societal expectations and enhance the long-term shareholder value. Our governance practices endeavor to sustain trusteeship, transparency, empowerment and ethical corporate control.

Trusteeship believes to protect the right of the entire stakeholders whether large or small.

Transparency believes in appropriate and timely disclosures.

Empowerment believes that performance combined with accountability should improve effectiveness, thereby enhancing shareholder value.

Ethical corporate control believes in setting up perfect values of ethical behaviour, both in internal and external relationships.

The Company's Corporate Governance Framework is based on following principles:

- Constitution of the Board comprise with independent directors and expert professionals;
- Strengthening the Committees of the Board;
- Timely disclosures to all shareholders;
- Regular review of internal control system; and
- Review of the operations and actions to discharge the social responsibilities.

1. BOARD OF DIRECTORS

Board Composition

As at 31.03.2013, the Board consists of 8 Directors, out of which 4 are Independent Directors. The composition of Board and category of Directors are as under:

Name of the Director/ Promoter	Category	Directorship in other public limited companies and Committee Chairmanship/Membership		
		Other	Committee	Committee
		Directorship	Chairmanship	Membership
Mr. LN Bangur	Promoter–Executive	14	3	3
Mrs. Alka Bangur	Promoter–Non-Executive	1	–	–
Mr. Yogesh Bangur	Promoter–Executive	14	–	–
Mr. Chandravandan Desai	Independent–Non-Executive	–	–	–
Mr. Amitav Kothari	Independent–Non-Executive	3	1	2
Mr. SS Kothari	Independent–Non-Executive	3	–	–
Mr. Govind Sharda	Non-Promoter-Executive	2	–	–
Mr. GR Agarwal	Independent–Non-Executive	–	–	–

None of Director is related to any other Director except Mr. LN Bangur, Mrs. Alka Bangur and Mr. Yogesh Bangur.

2. BOARD MEETING AND PROCEDURE

The power of decision-making is vested in the body constituted by the shareholders comprises adequate number of Directors; however some powers can be exercised only after the requisite resolution(s) passed in Shareholders' Meeting in accordance with the provisions of Companies Act, 1956.

Board Meeting is a systematic process that makes the decision making process efficient. The following matters are regular Agenda items of the Board Meeting: -

- Working and Operations of the business
- Budget and plans
- Annual, half yearly and quarterly financial results
- Declaration of Dividend
- Appointment/Resignation of the managerial persons
- Proposal for borrowings, investments etc.
- Delegation of power and authority.

The Board meets at least once in a quarter. Six Board Meetings were held during the previous year. Attendance of Directors at Board Meetings and last Annual General Meeting was as follows

Name of Director	No. of Board Meetings Attended	Attendance at the last AGM
Mr. LN Bangur	6	Yes
Mrs. Alka Bangur	6	No
Mr. Yogesh Bangur	4	No
Mr. Chandravandan Desai	4	No
Mr. Amitav Kothari	6	No
Mr. SS Kothari	4	No
Mr. Govind Sharda	5	Yes
Mr. GR Agarwal	4	Yes

3. DETAILS OF BOARD MEETINGS HELD DURING THE PERIOD

Six Board Meetings were held during the year 2012-13, as against minimum requirement of four meetings. The maximum time gap between any such two meetings was not more than four months. The details of the Board meetings are as under:

S.No	Date	Place	Board Strength	No. of Directors present
1.	29.05.2012	7, Munshi Premchand Sarani, Hastings, Kolkata – 700 022	8	8
2.	04.08.2012	-do-	8	7
3.	14.08.2012	-do-	8	5
4.	05.10.2012	-do-	8	5
5.	05.11.2012	-do-	8	8
6.	12.02.2013	-do-	8	7

4. BOARD COMMITTEES:

Board has constituted three functioning committees in accordance with provisions of Companies Act, 1956 and Listing agreement, namely: -

- Audit Committee
- Shareholders'/Investors' Grievance Committee
- Remuneration Committee

Details of each committee are provided as under:

(A) Audit Committee:

Composition: The Audit committee comprises two independent Directors and one non-executive Director, namely Mr. GR Agarwal, Mr. Amitav Kothari and Mrs. Alka Bangur.

Objective: The primary objective of the Committee is to monitor and provide effective supervision of the financial reporting process to ensure reliability and timeliness of disclosures while ensuring integrity and quality of the reports.

Terms of Reference: The Committee interacts with the audit agencies involved in the validation of the financial disclosures and assesses the adequacy of checks and controls in the business. The broader responsibilities of the Committee are as under:

1. Facilitate two-way communication between the auditors and the Board;
2. Assurance to the independence of the auditors by taking suitable steps including appointment, Fixation of compensation, removal and defining the audit charter, when required.
3. Review of the quarterly and annual financial statements, whether audited / unaudited or reviewed by the auditors including the approval of the management's discussion and analysis of financial performance and reports forming part of the Directors' report in the annual report of the Company. The following points would specifically be approved by the audit committee:
 - a. Review of related party transactions.
 - b. Review of contingent liabilities of the Company that may have significant implications on the financial health of the Company.
 - c. Review the change, if any, in the accounting policies / practices and relevant qualifications / disclosures by the auditors.

- d. Compliances with the relevant accounting standards.
- e. Compliances with the stock exchange and legal requirements concerning financial statements.
4. Review, approve and monitor the code of ethics that the senior management and financial personnel of the Company must adhere to.
5. Review and approval of the risk management policy of the Company.
6. Approval of the financial reports / results for consideration of the Board.

Meeting of Audit Committee

The Audit Committee met four times during the year on 29.05.2012, 04.08.2012, 05.11.2012 and 12.02.2013. The attendance of the committee members to these meetings was as follows:

Name of Director	Status of the Director	No. of Meetings Attended
Mr. GR Agarwal	Chairman	4
Mr. Amitav Kothari	Member	4
Mrs. Alka Bangur	Member	4

The Chief Financial Officer (CFO)/Executive Director is invited in the meeting of Audit Committee.

(B) Shareholders'/Investors' Grievance Committee:

Composition:

The Shareholders'/Investors' Grievance Committee comprises three Directors namely Mr. SS Kothari – Chairman, Mrs. Alka Bangur and Mr. Govind Sharda.

Terms of Reference:

The Shareholders'/Investors' Grievance Committee, inter alia, considers the matter relating to transfer/transmission of Shares, issue of Duplicate Share Certificates, Dematerialization/ Rematerialisation of Shares, redressal of shareholders'/ investors' grievances etc. The committee regular reviews the services provided by Registrars and Transfer Agent to shareholders.

Meeting:

Four meetings of the Committee were held during the financial year 2012-13, i.e. on 29.05.2012, 04.08.2012, 05.11.2012 and 12.02.2013. The attendance of the committee members to these meetings was as follows:

Name of Director	Status of the Director	No. of Meetings Attended
Mr. SS Kothari	Chairman	3
Mrs. Alka Bangur	Member	4
Mr. Govind Sharda	Member	4

(C) Remuneration Committee:

Composition:

The Remuneration Committee comprises three Independent Directors, namely Mr. SS Kothari – Chairman, Mr. Chandravadan Desai and Mr. Amitav Kothari.

Terms of Reference:

Remuneration Committee recommends/reviews the remuneration of Executive members of the Board.

Meeting:

No meeting was held during the year 2012-13

Remuneration Policy:

The Company's remuneration policy is based upon the market phenomena, performance and qualitative appraisal.

Remuneration of Directors:

The Details of Remuneration paid to the Directors during the year are as under: (Rs. in Lacs)

Name of Director	Salary	Contribution to PF	Commission on profits	Perquisites & other benefits	Sitting Fees	Total
Mr. LN Bangur (CMD)	87.17	6.54	93.71	–	–	187.42
Mrs. Alka Bangur	–	–	2.50	–	0.42	2.92
Mr. Yogesh Bangur, Director (C&AS)	41.79	3.35	–	6.01	–	51.15
Mr. Chandravadan Desai	–	–	2.50	–	0.12	2.62
Mr. Amitav Kothari	–	–	2.50	–	0.30	2.80
Mr. SS Kothari	–	–	2.50	–	0.21	2.71
Mr. Govind Sharda (ED)	33.77	2.76	–	7.36	–	43.89
Mr. GR Agarwal	–	–	2.50	–	0.24	2.74

5. GENERAL BODY MEETING:
a) Annual General Meeting:

Venue, date and time of the Annual General Meetings held during last 3 years are as follow:

Year	Venue	Date	Time
2010	Club House, The Tollygunge Club Ltd. 120, Deshpran Sasmal Road, Kolkata 700 033	31.07.2010	11.00 a.m.
2011	– do –	30.09.2011	10.00 a.m.
2012	– do –	28.07.2012	11.00 a.m.

Special Resolution(s) passed in previous 3 AGMs

Date	Matter
31.07.2010	Payment of Commission to the Directors (other than Managing/Whole-time Directors)
31.07.2010	Increase in remuneration of Whole-time Director- Mr. Govind Sharda
30.09.2011	Re-appointment of Chairman and Managing Director - Mr. LN Bangur
30.09.2011	Re-appointment of Whole-time Director- Mr. Govind Sharda
30.09.2011	Appointment of Whole-time Director - Mr. Yogesh Bangur

b) Extra-Ordinary General Meeting :

There was no Extraordinary General Meeting held during the year 2012-13. However there was a meeting of Equity Shareholders convened at the direction of Hon'ble High Court at Calcutta. Venue, date, day and time of the Meeting is as follow:

Year	Venue	Date	Time
2013	Club House, The Tollygunge Club Ltd 120, Deshpran Sasmal Road Kolkata – 700 033	13.02.2013	11.30 AM

Resolution passed in the Court Convened Meeting of Equity Shareholders

Date	Matter
13.02.2013	Approval of Scheme of Arrangement between Maharaja Shree Umaid Mills Ltd and Kiran Vyapar Ltd and their respective shareholders

c) Resolution passed through Postal Ballot during the year:

There were three Special Resolutions passed through Postal Ballot in the year 2012-13:

Effective Date	Matter	Person who conducted the Postal Ballot Exercise
24.11.2012	Special Resolution under Section 17 of the Companies Act, 1956, for alteration of object clause III of the Memorandum of Association of the Company by inserting a new sub-clause (19A), in the manner provided in the resolution, to make it more elaborative and specific	Mr. Madan Kumar Maroti, a Practicing Chartered Accountant
24.11.2012	Special Resolution under Section 17 of the Companies Act, 1956, for alteration of object clause III of the Memorandum of Association of the Company by substitution of existing sub-clause (27) by a new sub-clause (27), in the manner provided in the resolution , to make it more elaborative and specific .	Mr. Madan Kumar Maroti, a Practicing Chartered Accountant
24.11.2012	Special Resolution under Section 31 of the Companies Act, 1956, to amend and substitute existing set of regulations 1 to 191 (both inclusive) contained in the Articles of Association of the Company, by inserting new set of regulations 1 to 199 (both inclusive) in place thereof, in the manner provided in the resolution.	Mr. Madan Kumar Maroti, a Practicing Chartered Accountant

Mr. Madan Kumar Maroti, a Practicing Chartered Accountant, was appointed as Scrutinizer for conducting the Postal Ballot Process in fair and transparent manner and to receive and scrutinize the completed Ballot Forms from the members.

The Procedure for the postal ballot was as per Section 192A of the Companies Act, 1956 and Rules made there under, namely Companies (Passing of Resolution by Postal Ballot) Rules, 2011.

Further none of the businesses are proposed to be transacted at the ensuing Annual General Meeting which requires passing of a Special Resolution through Postal Ballot

6. DISCLOSURES :

a) Related Party Transaction:

During the year there were several related party transactions executed by the Company but none of the transaction was prejudicial to the interest of Company and investors. All the transactions were made on arms length price. The details of transactions are given under “Notes on Accounts – Note No. 34” forming part of the Annual Report.

b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital market, during the last three years:

No penalties have been levied or strictures have been passed by SEBI, any of the Stock Exchanges or any other Statutory Authority on any matters relating to capital markets, in the last three years.

c) Whistle Blower Policy:

The Company does not have Whistle Blower Policy. However any employee, if he/she so desires, would have free access to meet the senior level management and report any matter of concern.

d) Compliance with mandatory requirements and adoption of non mandatory requirements:

Mandatory requirements have been complied with and non-mandatory requirements of constitution of Remuneration Committee have been adopted by the Company.

7. CEO/CFO CERTIFICATION:

As per the clause 49 of the Listing Agreement, the Chairman & Managing Director, Mr. LN Bangur being the CEO and the Executive Director, Mr. Govind Sharda being the CFO, have jointly furnished to the Board, the requisite certificate before the meeting of the Board of Directors held on 27th May 2013.

8. MEANS OF COMMUNICATION:

Financial Results

The quarterly and half yearly results are published in one English daily newspaper circulating in whole or substantially the whole of India and in one newspaper published in the language of the region, where the registered office of the Company is situated i.e. Kolkata. The results of the last quarter of the year are, however, published alongwith the Annual Audited Results.

Annual Report

Annual Report containing, inter alia, Audited Annual Accounts, Directors' Report, Management Discussion & Analysis Report, and other relevant/important information is circulated to members and other entitles.

Website:

The company website www.msumindia.com displays adequate information and financial Results.

Corporate Filing

Pursuant to clause 52 of the Listing Agreement, Financial Results, and Shareholding Patterns etc. are also posted to www.corpfiling.co.in.

E-mail IDs for Shareholders/Investors

Investors may send their query/feedback to kolkata@msumindia.com.

9. GENERAL SHAREHOLDERS' INFORMATION :

- | | |
|--|---|
| a. Company Registration Details | Corporate Identity Number (CIN) of the company is L17124WB1939PLC128650. Referencing this no., a person can obtain the details about the company with ROC at www.mca.gov.in |
| b. Registrar and Transfer Agent
(Physical/ Electronic Shares) | Maheshwari Datamatics Pvt. Ltd.
6 Mangoe Lane, Surendra Mohan Ghosh Sarani, 2 nd Floor,
Kolkata – 700 001. Phone: 033-2243-5809/5029 Fax: 033-
2248-4787 E-mail ID : mdpl@cal.vsnl.net.in |
| c. Date, Time and Venue of AGM | 14 th August, 2013 at 11.00 a.m. at Club House, The Tollygunge
Club Ltd., 120, Deshpuran Sasmal Road, Kolkata-700033 |
| d. Financial Calendar/Financial Year | 1 st April to 31 st March every year |
| e. Quarterly Financial reporting | Within 45 days from the end of each quarter except the fourth
quarter when Audited Annual Results are published within two
months. |
| f. Date of Book Closure | 8 th August, 2013 to 14 th August, 2013 (both days inclusive).
(Stock Exchange will be duly notified) |
| g. Dividend Payment | Within 30 days from 14 th August, 2013 (the date of the next
AGM), if any, as may be approved by the members of the
Company as recommended by the Board. |
| h. Share Transfer System | Share transfer is normally affected within a period of 15 days
from the date of receipt, if all required documents are submitted.
All requests for dematerialization of shares are processed and
confirmation is given to the depositories within 15 days. The
Company obtains a certificate of compliance in respect of share
transfer from a practicing company secretary pursuant to clause
47 (c) of the Listing Agreement. |
| i. Stock Code | • BSE - 530059 • CSE - 10023019 |
| j. International Security
Identification Number (ISIN) | INE087D01013 |
| k. Listing at Stock Exchanges | The Bombay Stock Exchange Ltd., Mumbai;
The Calcutta Stock Exchange Ltd., Kolkata |

I. Market Price Data

The market price and volume of the Company's shares traded in The Bombay Stock Exchange Ltd. (BSE), Mumbai and The Calcutta Stock Exchange Ltd. (CSE), Kolkata during the year 2012-13 are as follows:

Year	BSE		CSE*		VOLUME	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)	BSE (Nos.)	CSE (Nos.)
2012-13						
April	149	131	–	–	461474	–
May	142.75	118.7	–	–	64993	–
June	140.4	111.45	–	–	52575	–
July	140.9	127.25	–	–	45039	–
August	139.95	122.1	–	–	18071	–
September	139.8	120	–	–	39778	–
October	136.85	111.1	–	–	15335	–
November	132	111	–	–	18327	–
December	139.75	121.05	–	–	16748	–
January	145.7	112.05	–	–	27630	–
February	137.25	110	–	–	24023	–
March	122	96.05	–	–	151724	–

* There was no trading of shares at CSE during the year.

m. Distribution of Shareholding as on 31st March, 2013 :

No. of shares held	No. of share- holders	% of share- holders	No. of shares held	% of share- holding
Up to 500	1734	72.58	249301	0.96
501 to 1000	267	11.17	181353	0.7
1001 to 2000	202	8.46	276103	1.07
2001 to 3000	63	2.64	163773	0.63
3001 to 4000	14	0.59	50385	0.19
4001 to 5000	20	0.84	93164	0.36
5001 to 10000	19	0.79	129693	0.5
10001 & above	70	2.93	24776228	95.59
Total	2389	100	25920000	100

n. Categories of share holding as on 31st March, 2013:

Share Holders' Category	No. of shares held	% of total shares held
Promoter & Promoter Group		
a) Indian	19391400	74.81
b) Foreign	NIL	NIL
Sub Total (A)	19391400	74.81
Public Shareholding		
1. Institutions	NIL	NIL
2. Non-Institutions		
a. Bodies Corporate	5135092	19.81
b. Individuals	1315473	5.08
c. Others		
NRI	77123	0.30
Clearing Member	912	-
Sub Total (B)	6528600	25.19
Shares held by Custodian & against which Depository Receipts have been issued		
a. Promoter and Promoter Group	NIL	NIL
b. Public	NIL	NIL
Sub Total (C)	NIL	NIL
Grand Total(A)+(B)+(C)	25920000	100.00

- o. Dematerialisation of Shares : As on 31st March, 2013, 99.36% of the Company's equity shares have been dematerialised. As per directives issued by SEBI, it is compulsory to trade in the Company's equity shares in the dematerialised form with effect from 26.12.2000.
- p. Outstanding GDRs/ ADRs/ Warrants or conversion Instruments, conversion date and likely impact on equity : No GDRs/ ADRs/Warrants or conversion Instruments have been issued by the Company.
- q. Plant Location : Maharaja Shree Umaid Mills Ltd., Jodhpur Road, Pali - 306401 (Rajasthan) E-mail : pali@msumindia.com
- r. Address for Correspondence : Maharaja Shree Umaid Mills Ltd., "Krishna", Room No. 706, 7th Floor, 224 A.J.C Bose Road, Kolkata - 700017 (West Bengal) Email: kolkata@msumindia.com

CEO/CFO DECLARATION

This is to declare that as a measure of following sound Corporate Governance practices and the requirements of the Listing Agreements, the Company has framed a Code of Conduct to be observed by the members of the Board of Directors and the Functional Heads of the Company.

This is to state that all the members of the Board of Directors and the Functional Heads of the Company have furnished their affirmations for due observance and compliance on their part of the Code of Conduct laid down as above and there is no non-compliance thereof during the year ended 31st March, 2013.

Kolkata May 27, 2013	Govind Sharda Executive Director CFO	LN Bangur Chairman & Managing Director CEO
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AUDITORS' COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of **Maharaja Shree Umaid Mills Ltd.**

We have reviewed the compliance of conditions of Corporate Governance by Maharaja Shree Umaid Mills Ltd. for the year ended 31st March 2013 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange.

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

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

On the basis of our review and according to the information and explanations given to us, the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement with Stock Exchange have been complied with in all material respect of the Company.

No investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/ Investors Grievance Committee.

Kolkata
May 27, 2013

For BD Gargieya & Co.
Chartered Accountants
Firm Regn. No. 01072C
NK Gupta
Partner
M. No. 72326

AUDITORS' REPORT TO THE MEMBERS OF MAHARAJA SHREE UMAID MILLS LIMITED**Report on the Financial Statements**

We have audited the accompanying financial statements of MAHARAJA SHREE UMAID MILLS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards 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.

Auditors' Responsibility

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

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

includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- e) on the basis of written representations received from the Directors as on March 31, 2013, and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2013, from being appointed as a Director in terms of clause (g) of subsection (1) of section 274 of the Companies Act, 1956.
- f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For BD Gargieya & Co.
Chartered Accountants
(FRN : 001072C)
NK Gupta
Partner
M. No. 72326

Kolkata
May 27, 2013

ANNEXURE REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF MAHARAJA SHREE UMAID MILLS LIMITED ON THE ACCOUNTS OF THE COMPANY FOR THE YEAR ENDED ON 31st MARCH, 2013.

1. In respect of its Fixed Assets:
 - a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The fixed assets have been physically verified wherever practicable on a phased manner by the management, which in our opinion is reasonable having regard to the size of the company and the nature of its fixed assets. As informed to us, no material discrepancies between book records and physical inventory were noticed.
 - c) In our opinion there was no substantial disposal of fixed assets, during the year and the going concern status of the company is not affected.
2. In respect of its Inventories:
 - a) As explained to us, the management has conducted physical verification of inventory at reasonable intervals during the year.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) The Company is maintaining proper records of inventory and as explained to us no material discrepancies were noticed on physical verification of inventory as compared to book records.
3. In respect of the loans, secured or unsecured, granted or taken by the Company to/from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956:
 - a) The Company has given unsecured loans of Rs. 7650 Lacs to four parties covered in the register maintained under Section 301 of the Companies Act, 1956 during the year. The amount outstanding at the end of the year Rs.29110 Lacs (including interest free loan of Rs.28710 Lacs given to one of the wholly owned subsidiary during the year 2011-12) and the maximum amount outstanding at any time during the year was Rs.33710 Lacs.
 - b) In our opinion and according to the information and explanation given to us, the rate of interest and other terms and conditions of the deposit given by the Company, are not prima-facie prejudicial to the interest of the Company.
 - c) The payment of principal and interest in respect of the said deposit is regular.
 - d) In respect of the said deposit given, there is no overdue amount outstanding at the balance sheet date.
 - e) The company has taken unsecured loan of Rs. 2500 Lacs from a party covered in the Register maintained under section 301 of the Companies Act. The amount outstanding at the end of the year Rs. Nil and the maximum amount outstanding at any time during the year was Rs.2500 Lacs.
 - f) In our opinion and according to the information and explanation given to us, the rate of interest and other terms and conditions of the loan taken by the Company, are not prima-facie prejudicial to the interest of the Company.
 - g) The payment of principal and interest in respect of the said loan is regular.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods and service.

During the course of our audit, no major weakness has been noticed in internal control system.

5. In respect of the contracts or arrangements referred to in Section 301 of the Companies Act, 1956:
 - a) According to the information and explanations given to us, we are of the opinion that contracts or arrangements referred to in section 301 of the Act have been entered in the register maintained under that section.
 - b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of rupees five 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. According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of clause (vi) of paragraph 4 of the Order are not applicable to the Company.
7. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
8. We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1) (d) of the Companies Act, 1956 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the same with a view to determine whether they are accurate of complete
9. In respect of statutory dues:
 - a) According to the records of company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom

Duty, Excise Duty, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were outstanding at the year end for a period of more than six months from the date they became payable.

- b) The disputed statutory dues aggregating Rs.499.55 Lacs that have not been deposited on account of disputed matters pending before appropriate authorities are given hereunder :

S. No.	Name of the statute	Nature of the Dues	Forum where dispute is pending	Amount (Rs. in Lacs)
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Taxation :

i.	Income Tax Act, 1961	Income-Tax	High Court	161.32
ii.	Central Excise Act, 1944	Excise Duty	High Court	89.79
iii.	Central Excise Act, 1944	Excise Duty	Supreme Court	11.50
iv.	Finance Act, 1994	Service Tax	High Court	68.09
v.	The Rajasthan Tax on Entry of Goods into Local Areas Act, 1999	Entry Tax	Deputy Commissioner High Court	16.26
vi.	RVAT, 2003	VAT	Raj. Tax Board	118.85

Others :

i.	Payment of Wages Act, 1936	Wages	Relevant Authority	0.07
ii.	Payment of Gratuity Act, 1972	Gratuity	Relevant Authority	1.35
iii.	Industrial Dispute Act, 1947	Wages	High Court	7.78
iv.	ESI Act, 1948	ESI	High Court	0.83

TOTAL : **499.55**

10. The Company does not have accumulated losses at the end of the financial year and has not incurred any cash losses in the current and immediately preceding financial year.
11. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks. There are no debenture holders.
12. According to the information and explanations given to us and based on the documents and records produced 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 or a 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 the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.
15. In our opinion and according to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks and financial Institutions.
16. Based on information and explanations given to us by the management, the term loans were applied for the purpose for which the loans were obtained.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the company, we are of the opinion that the company has not utilized the funds raised on short-term basis for long term investment.
18. During the year, the company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. The provisions of clause (xix) of paragraph 4 of the Order are not applicable to the Company.
20. The company has not raised any money by way of public issues during the year.
21. In our opinion and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

Kolkata
May 27, 2013

For B.D. GARGIEYA & CO.
Chartered Accountants
(FRN : 001072C)
NK Gupta
Partner
M. No. 72326

BALANCE SHEET AS AT MARCH 31, 2013

(Rs. in Lacs)

	Note	As at March 31, 2013	As at March 31, 2012
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1	2,592.00	2,592.00
Reserves & Surplus	2	72,424.03	67,766.09
		75,016.03	70,358.09
Non-current Liabilities			
Long-term Borrowings	3	13,560.56	3,630.99
Deferred Tax Liability (Net)	4	2,521.53	1,167.25
Other Long term Liabilities	5	252.81	427.01
Long-term Provisions	6	2,033.52	2,070.76
		18,368.42	7,296.01
Current Liabilities			
Short-term Borrowings	7	3,839.69	6,579.39
Trade Payables	8	936.56	537.54
Other Current Liabilities	9	4,625.27	5,096.54
Short-term Provisions	10	894.97	1,619.52
		10,296.49	13,832.99
TOTAL		1,03,680.94	91,487.09
ASSETS			
Non-current Assets			
Fixed Assets	11		
Tangible Assets		28,157.22	18,165.81
Capital Work-in-Progress		1,926.02	1,800.51
Intangible Assets under Development		69.68	-
		30,152.92	19,966.32
Non-current Investments	12	11,700.25	10,757.51
Long-term Loans and Advances	13	32,031.90	30,857.23
		73,885.07	61,581.06
Current Assets			
Current Investments	14	5,726.48	9,275.62
Inventories	15	9,440.71	10,342.84
Trade Receivable	16	5,601.11	4,312.40
Cash & Cash Equivalents	17	4,562.45	3,602.90
Short-term Loans and advances	18	4,351.43	2,296.24
Other Current Assets	19	113.69	76.03
		29,795.87	29,906.03
TOTAL		1,03,680.94	91,487.09

**Significant Accounting Policies and
Notes to Accounts**

1 to 43

The notes are an Integral part of the Financial Statements.
This is the Balance Sheet referred to in our report of even date.

For BD Gargieya & Co.
Chartered Accountants

(FRN : 001072C)

NK Gupta

Partner

M. No. 72326

Kolkata
May 27, 2013

Pradip Kumar Ojha
Company Secretary

LN Bangur

Govind Sharda

Yogesh Bangur

Alka Bangur

SS Kothari

C V Desai

Amitav Kothari

GR Agarwal

Chairman &
Managing Director
Executive Director
Directors(CA&S)

Directors

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON MARCH 31, 2013

(Rs. in Lacs)

	Note	2012-13	2011-12
INCOME			
Revenue from Operations	20	51,044.98	42,521.20
Other Income	21	1,351.12	1,969.68
Total Revenue		52,396.10	44,490.88
EXPENSES			
Cost of materials consumed	22	29,489.53	31,874.90
Purchase of Traded Goods		2,395.45	1,107.20
Changes in inventories of finished goods and WIP	23	446.11	(660.71)
Manufacturing Expenses	24	6,390.60	5,611.21
Employee benefits expense	25	3,039.97	2,769.37
Finance costs	26	1,002.86	220.35
Depreciation and amortization expense	11	2,100.92	1,171.70
Administrative, Selling and Other Expenses	27	1,447.36	1,010.85
Total expenses		46,312.80	43,104.87
PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX		6,083.30	1,386.01
Extraordinary Items	28	-	50,133.28
PROFIT BEFORE TAX		6,083.30	51,519.29
Current Tax Expense	29	310.37	9,881.78
Deferred Tax Expense/(Credit)		1,354.28	733.91
NET PROFIT		4,418.65	40,903.60
EARNINGS PER SHARE		30	
Basic and Diluted (before extraordinary items)		17.05	2.64
Basic and Diluted (after extraordinary items)		17.05	157.81

Significant Accounting Policies and

Notes to Accounts

1 to 43

The notes are an Integral part of the Financial Statements.
This is the Profit & Loss account referred to in our report of even date.

For BD Gargieya & Co.
Chartered Accountants
(FRN : 001072C)

NK Gupta
Partner
M. No. 72326

Kolkata
May 27, 2013

Pradip Kumar Ojha
Company Secretary

LN Bangur
Govind Sharda
Yogesh Bangur
Alka Bangur
SS Kothari
C V Desai
Amitav Kothari
GR Agarwal

Chairman &
Managing Director
Executive Director
Directors(CA&S)

Directors

CASH FLOW STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2013

(Rs. in Lacs)

	2012-13	2011-12
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax and extraordinary items	6083.30	1386.01
Adjustments for :		
Depreciation	2,100.92	1,171.70
Income from Investments	(1,179.56)	(1,940.33)
Interest paid (net)	934.76	187.82
Profit on sale of fixed assets	(3.51)	(5.18)
Profit on sale of Investments	(103.83)	-
Extraordinary Item	-	(70.36)
	1,748.78	(656.35)
Operating Profit before Working Capital Changes	7,832.08	729.66
Adjustments for :		
Trade and other receivables	(3,522.40)	1,555.48
Inventories- Raw Materials	456.02	3,160.87
Inventories- Finished and Semi Finished Goods	446.11	(895.02)
Trade payables	(2,163.97)	3,119.61
	(4,784.24)	6940.94
Cash Generated from Operations	3047.84	7670.60
Interest Paid	(247.03)	30.78
Direct taxes paid	(709.12)	-
	(956.15)	30.78
Net Cash Flow from (used in) Operating Activities	2,091.69	7,701.38
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets & other capital exp.	(12,310.61)	(7,930.25)
Sale of fixed assets	26.60	38.35
Purchase of Investments	(5,402.12)	(16,642.20)
Sale of Investments	8,112.34	46,399.87
Income from Investments	1,141.90	1,906.09
Loan/ Advance to Subsidiary	-	(28,710.00)
ICDs liquidated/(Given)	400.00	600.00
Net cash used in investing activities	(8,031.89)	(4,338.14)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long-term borrowing	13,911.15	744.07
Proceeds from Short-term borrowing	1,674.65	2,008.89
Repayment of Long-term borrowing	(2,074.32)	(1,245.00)
Repayment of Short-term borrowing	(4,414.36)	(1,646.79)
Interest paid	(694.71)	(248.96)
Dividend and tax thereon paid	(1,502.66)	(504.36)
Net cash flow from (used in) financing activities	6,899.75	(892.15)
Net increase in Cash and Cash Equivalents	959.55	2,471.09
Cash and cash equivalents(Opening Balance)	3,602.90	1,131.81
Cash and cash equivalents (Closing Balance)	4,562.45	3,602.90

Note : Figures in bracket represent cash outflows

This is the Cash Flow Statement referred to in our report of even date

For BD Gargieya & Co.
Chartered Accountants
(FRN : 001072C)
NK Gupta
Partner
Kolkata
May 27, 2013

M. No. 72326

 Pradip Kumar Ojha
Company Secretary

LN Bangur
Govind Sharda
Yogesh Bangur
Alka Bangur
SS Kothari
C V Desai
Amitav Kothari
GR Agarwal

Chairman &
Managing Director
Executive Director
Directors(CA&S)

Directors

SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention, except for certain fixed assets which are revalued, in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 1956. The Company has prepared these financial statements as per the format prescribed by Revised Schedule VI to the Companies Act, 1956 issued by Ministry of Corporate Affairs. Previous year figures have been recast/ restated to conform to the classification required by the Revised Schedule VI.

B. Recognition of Income & Expenditure

Revenues/Incomes and Costs/Expenditures are generally accounted for on accrual basis, as these are earned or incurred. Cenvat as availed of is taken into account. Any subsidy, DEPB, Duty Drawback and Rebate etc. under any Government schemes is recognized and accounted for as and when received. Dividend income is recognized when right to receive is established.

C. Fixed Assets

Fixed Assets (except Land which is carried at revalued figure) are stated at cost (Net of CENVAT) of acquisition or construction less accumulated depreciation. Cost of acquisition is inclusive of freight, duties, taxes and other incidental expenses up to the date of installation/commissioning of assets.

D. Depreciation

Depreciation has been provided for at the rates in force from time to time as per the Schedule XIV of the Companies Act, 1956 as under-

- a) on Plant & Machinery and Electric Installation added upto 31.12.1979 - on written down value method and on additions from 01.01.1980 onwards - on straight line method.
- b) on all other items of Fixed Assets - on written down value method. No Depreciation is charged on freehold land.
- c) Cost of leasehold land is amortized over the period of lease.

E. Investments

Investments are classified as Current and Long Term. Investments which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. Current Investments are carried at lower of cost or fair value. Long Term investments are stated at cost, provision for diminution in the value is made to recognize a decline other than temporary in the value of such investments.

F. Inventories

Raw Materials and Finished Goods are valued at cost or Net realizable value whichever is lower; Stock in Process is valued at cost depending upon the stage of completion ; Stores & Spare Parts and Fuel are valued at cost ; and scrap materials are valued at net realizable value. The cost is determined using specific identification cost method for Raw Materials and weighted average cost method for Stores & Spare Parts and Fuel.

G. Employee Benefits

(a) Defined Contribution Plans

The Company has Defined Contribution Plan for its employees comprising of Provident Fund, Superannuation Fund, Pension and Employee's State Insurance Fund. The Company and eligible employees make monthly contribution to the Provident Fund trust equal to specified percentage of the covered employees' salary. The Company recognised Rs.310.08 Lacs (previous year Rs. 285.67 Lacs) during the year as expense towards contribution to these plans.

(b) Defined Benefit Plans

The Company has Defined Benefit Plan comprising of Gratuity Fund, Leave Encashment and Long Term Service Award. The Company contributes to the Gratuity Fund, which is recognised by the Income Tax Authorities and administered through its trustees. The liability for Gratuity and Leave Encashment is determined on the basis of an independent actuarial valuation done at the year-end. The actuarial valuation method used for measuring the liability is the Projected Unit Credit method

H. Foreign Currency Transactions

- a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of transaction or that approximates the actual rate at the date of transaction.
- b) Monetary items denominated in foreign currencies at the year-end are re-stated at the year-end rates. In case of items which are covered by forward exchange contracts, the difference between the year- end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.
- c) Non-monetary items denominated in foreign currencies are carried at cost.
- d) Any income or expense on account of exchange difference is recognized in the Statement of Profit & Loss except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case, they are adjusted to the carrying cost of such assets

I. Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. A Qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. The basis of working out the borrowing costs is weighted average rate applicable to the borrowing of the Company that are outstanding during the period except where specific identification exists. All other borrowing costs are recognized as expenses in the period in which they are incurred.

J. Taxes on Income

Provision for current tax is made in accordance with the provisions of the Income-tax Act, 1961, and after taking into consideration, benefits admissible therein. Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantially enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is virtual certainty that the asset will be realized in future.

Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal tax during the specified period. In the year in

which MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in the Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Profit and Loss Account and shown as MAT Credit entitlement as a separate line item. The Company reviews the same at each Balance Sheet date and write down the carrying amount of MAT Credit entitlement to the extent there is no longer convincing evidence to the effect that the company will pay normal tax during the specified period.

K. Impairment of Assets

As asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. The carrying value of asset is reviewed at each balance sheet date to determine if there is indication of any impairment. If any indication exists, the asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount, and is recognized in the Profit & Loss Account. An impairment loss is reversed if there has been a change in the estimate of recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortization, if no impairment loss had been recognized.

L. Provisions, Contingent Liabilities and Contingent Assets

A provision is made when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation, that may, but probably will not, require an outflow of resources. When there is a possible or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. The Company does not recognize assets which are of contingent nature until there is virtual certainty of realisability of such assets. However, if it has become virtually certain that an inflow of economic benefits will arise, asset and related income is recognized in the financial statements of the period in which the change occurs.

NOTES TO ACCOUNTS

(Rs. in Lacs)

NOTE 1 : SHARE CAPITAL	As at March 31, 2013	As at March 31, 2012
Authorised		
3,00,00,000 Equity Shares of Rs.10/- each	3,000.00	3,000.00
(March 31, 2012: 3,00,00,000)	3,000.00	3,000.00
Issued,Subscribed and Paid Up		
160000 Equity Shares of Rs.10/- each fully paid up in cash	16.00	16.00
(March 31, 2012: 1,60,000)		
25760000 Equity Shares of Rs.10/- each issued as Bonus Shares out of Reserves	2,576.00	2,576.00
(March 31, 2012: 2,57,60,000)		
TOTAL	2,592.00	2,592.00

Notes:

Equity shareholders' holding more than 5% of equity shares along with the number of equity shares held is given hereunder :

Name of the shareholder	As at March 31, 2013		As at March 31, 2012	
	%	No. of shares	%	No. of shares
Placid Ltd. *	32.49	84,22,420	-	-
Digvijay Investment Ltd. *	-	-	25.55	66,22,420
M.B. Commercial Co. Ltd.	10.88	28,20,000	10.88	28,20,000
Shri Vithoba Investment Ltd. *	-	-	6.94	18,00,000
Sh. Lakshmi Niwas Bangur	6.79	17,60,457	6.79	17,60,457
Amalgamated Development Ltd.	6.37	16,52,000	6.37	16,52,000

* Digvijay Investments Ltd and Shri Vitobha Investment Ltd. were amalgamated and merged into Placid Ltd. during the year 2012-13

The reconciliation of the number of shares outstanding is set out below :

Particulars	As at March 31, 2013	As at March 31, 2012
	No. of shares	No. of shares
Equity Shares at the beginning of the year	2,59,20,000	86,40,000
Add: Bonus shares issued out of reserves during the year	-	1,72,80,000
Equity Shares at the end of the year	2,59,20,000	2,59,20,000

NOTE 2 : RESERVES & SURPLUS	(Rs. in Lacs)	
	As at March 31, 2013	As at March 31, 2012
Revaluation Reserve		
As per last Balance Sheet	6,656.14	6,656.14
Capital Reserve		
As per last Balance Sheet	0.68	0.68
General Reserve		
As per last Balance Sheet	12,181.99	8,909.99
Add: Transferred from Statement of Profit & Loss	500.00	5,000.00
Less: Bonus Share issued during the year		1,728.00
	12,681.99	12,181.99
Surplus as per Statement of Profit & Loss		
As per last Balance Sheet	48,927.28	14,530.30
Add: Profit for the year	4,418.65	40,903.60
Tax adjustment for earlier years (net)	997.42	(0.38)
Profit available for appropriation	54,343.35	55,433.52
Less: Appropriations :		
Proposed Dividend	648.00	1,296.00
Tax on distributed profits	110.13	210.24
Transfer to general reserve	500.00	5,000.00
Closing Balance	53,085.22	48,927.28
TOTAL	72,424.03	67,766.09

NOTE 3 : LONG TERM BORROWINGS		
Secured		
Term Loans- from Banks	13,560.56	3,630.99
TOTAL	13,560.56	3,630.99

Notes :

1. Term loans are secured by first pari passu charge on immoveable assets i.e. factory land & building situated at Pali, and moveable fixed assets (including wind mills installed in the state of Rajasthan) of the Pali Establishment Unit of the company i.e. the Textile Unit and the Power Generation Unit of the company at Pali.
2. Terms of repayment are given below:
 - a) Loan taken from IDBI Bank Ltd. is repayable in quarterly installments of Rs.134.38 Lacs each
 - b) Loan taken from ICICI Bank Ltd. is repayable in quarterly installments of Rs.62.50 Lacs each
 - c) Loan taken from State Bank of Bikaner & Jaipur is repayable in quarterly installments of Rs.375.00 Lacs each commencing from 30.06.2013.
 - d) Loan taken from IDBI Bank Ltd.(Wind PGU) is repayable in monthly installments of Rs.64.28 Lacs each commencing from 01.09.2013.
 - e) Loan taken from ICICI Bank Ltd.(Wind PGU) is repayable in quarterly installments of Rs.99.996 Lacs each.

(Rs. in Lacs)

NOTE 4 : DEFERRED TAX LAIBILITY (NET)	As at March 31, 2013	As at March 31, 2012
Deferred Tax Liability		
Related to Fixed Assets	2,521.53	1,167.25
TOTAL	2,521.53	1,167.25

NOTE 5 : OTHER LONG TERM LIABILITIES		
Other Long Term Liabilities	252.81	427.01
TOTAL	252.81	427.01

NOTE 6 : LONG TERM PROVISIONS		
Provisions related to Government and Other Levies	2,033.52	2,070.76
TOTAL	2,033.52	2,070.76

NOTE 7 : SHORT TERM BORROWINGS		
Working Capital Loans		
Secured		
From Banks		
Foreign Currency Loans	346.92	-
Rupee Loans	2,992.77	4,579.39
Unsecured		
From Banks		
Rupee Loans	500.00	2,000.00
TOTAL	3,839.69	6,579.39

Notes :

Working Capital Loans are secured by first pari passu charge on present and future stock of raw materials, stock-in-process, finished goods, stores and spares, book debts, etc., and second pari passu charge on the Fixed Assets of the Pali Establishment i.e.the Textile Unit and the Power Generation Unit of the company situated at Pali.

NOTE 8 : TRADE PAYABLES		
Trade payables	936.56	537.54
TOTAL	936.56	537.54

Note :

Out of the above amount , Rs. 12.45 Lacs (March 31, 2012: 9.15 Lacs) pertain to the Micro, Small and Medium Enterprises (MSME) as defined under " Micro, Small and Medium Enterprises Development Act, 2006" based on the information available with the Company. There is no interest payable to such parties as at March 31, 2013 (March 31, 2012 : Rs. NIL)

(Rs. in Lacs)

NOTE 9 : OTHER CURRENT LIABILITIES	As at March 31, 2013	As at March 31, 2012
Current maturities of long-term debt (refer Note # 3)	3,137.50	1,230.25
Unpaid Dividends	6.31	2.73
Creditors for Capital Expenditure	141.98	2,888.83
Interst accrued but not due on borrowings	-	6.98
Other liabilities*	1,339.48	967.75
TOTAL	4,625.27	5,096.54
* includes statutory dues, security deposits and advance from customers.		

NOTE 10: SHORT TERM PROVISIONS		
Proposed Dividend	648.00	1,296.00
Tax on Proposed Dividend	110.13	210.24
Provision for Gratuity & Leave Encashment	136.84	113.28
TOTAL	894.97	1,619.52

NOTE 11: FIXED ASSETS										
PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1st April, 2012	Additions	Deductions/ Adjustments	As at 31st March, 2013	Up to 1st April, 2012	On Deductions/ Adjusments	for the year	Up to 31st March, 2013	As at 31st March, 2013	As at 31st March, 2012
Tangible										
Land (Free Hold) *	6,661.07	-	-	6,661.07	-	-	-	-	6,661.07	6,661.07
Land (Lease Hold) ^	170.12	150.65	-	320.77	0.03	-	12.33	12.36	308.41	170.09
Buildings	1,200.98	657.44	-	1,858.42	462.51	-	58.26	520.77	1,337.65	738.47
Plant & Machinery	21,925.26	11,040.65	309.86	32,656.05	11,792.76	286.77	1,914.87	13,420.86	19,235.19	10,132.50
Electric Installation	107.25	182.22	-	289.47	56.82	-	4.85	61.67	227.80	50.43
Furniture & Fixtures	118.50	1.14	-	119.64	83.33	-	6.67	90.00	29.64	35.17
Equipments	40.30	43.09	-	83.39	30.09	-	5.65	35.74	47.65	10.21
Vehicles	511.12	40.23	-	551.35	143.25	-	98.29	241.54	309.81	367.87
SUB TOTAL	30,734.60	12,115.42	309.86	42,540.16	12,568.79	286.77	2,100.92	14,382.94	28,157.22	18,165.81
Previous Year	24,658.86	6,148.99	73.26	30,734.60	11,437.18	40.09	1,171.70	12,568.79	18,165.81	13,221.71
Capital Work-in-Progress #									1,926.02	1,800.51
Tangible Assets Total									30,083.24	19,966.32
Intangible Assets										
Assets under Development									69.68	-
Intangible Assets Total									69.68	-
TOTAL									30,152.92	-
* includes Rs. 6656.14 Lacs added on revaluation of Land on the basis of the Valuation Report dated 12.03.2009 of an approved valuer										
^ pertains to the Wind Power Plant installed and commissioned at Jaisalmer and Jodhpur District in the State of Rajasthan.										
# Capital Work-in-Progress includes Rs. 97.56 Lacs (PY : 47.40 lacs) on account of capitalisation of interest and other borrowing cost as stipulated under AS- 16 "Borrowing Cost"										

(Rs. in Lacs)

NOTE 12 : NON CURRENT INVESTMENTS					
(Long Term Investments)					
Previous Year Nos.	Current Year Nos.		Face Value Rs.	As at March 31, 2013	As at March 31, 2012
At cost, unless otherwise specified					
Non Trade Investments					
a. In Equity Shares - Quoted, fully paid up					
1985150	1985150	1. Emami Paper Mills Ltd.	2	1,011.89	1,011.89
415462	470224	2. The Peria Karamalai Tea & Produce Co.Ltd.	10	445.15	359.45
171176	171176	3. Jay Shree Tea & Industries Ltd.	10	268.59	268.59
50000	50000	4. Coal India Ltd.	10	164.84	164.84
100000	100000	5. Dhunseri Petrochem & Tea Ltd.	10	155.96	155.96
109411	109411	6. RSR Mohta Spg. & Wvg. Mills Ltd.	10	147.71	147.71
50000	85000	7. Hindalco Ltd.	1	99.35	67.13
40000	40000	8. The Andhra Pradesh Paper Mills Ltd.	10	63.28	63.28
50000	50000	9. Sterlite Industries (I) Ltd.	1	56.63	56.63
5000	5000	10. Mahindra & Mahindra Ltd.	5	36.85	36.85
2000	4000	11. ICICI Bank Ltd.	10	34.89	18.47
25000	25000	12. Hindustan Zinc Ltd.	2	32.07	32.07
7500	8500	13. Bharti Airtel Ltd.	5	29.19	26.05
13064	13064	14. Vardhman Textile Ltd.	10	26.27	26.27
19186	19186	15. Power Grid Corp. of India Ltd.	10	17.27	17.27
10000	15000	16. Tata Global Beverages Ltd.	1	17.02	11.78
50000	50000	17. Bajaj Hindustan Ltd.	1	15.91	15.91
750	800	18. Hero Motocorp Ltd.	2	15.53	14.58
946	946	19. MOIL	10	3.54	3.54
1400	1400	20. State Bank of Bikaner & Jaipur	10	2.10	2.10
5000	-	21. ITC Ltd.	1	-	10.56
30000	-	22. Idea Cellular Ltd.	10	-	28.45
274	-	23. Bajaj Auto Ltd.	10	-	4.65
1000	-	25. State Bank Of India	10	-	21.35
500	-	25. Grasim Industries Ltd.	10	-	13.93
25000	-	26. Thomas Cook (India) Ltd.	1	-	15.48
25000	-	27. Tata Motors Ltd.- DVR	2	-	37.69
5000	-	28. Reliance Industries Ltd.	10	-	37.90
-	6000	29. HDFC Bank Ltd.	10	38.85	-
-	55000	30. JK Lakshmi Cement Ltd.	10	70.63	-
-	10000	31. Hindustan Unilever Ltd.	10	48.48	-
-	2000	32. Bank of Baroda	1	15.65	-
-	350	33. Nestle India Ltd.	10	15.30	-
-	10000	34. Syndicate Bank Ltd.	10	12.82	-
-	10550	35. VA Tech Wabag Ltd.	2	56.86	-
-	750	36. J&K Bank Ltd.	10	9.55	-
-	1000	37. Multi Commodity Exchange of India	10	10.47	-
-	1000	38. Bata India Ltd.	10	7.77	-
-	20000	39. Steel Authority of India Ltd.	10	13.33	-
-	5002	40. Madras Cement Ltd.	1	12.44	-
-	6357	41. Credit Analysis & Research Ltd.	10	47.69	-
-	2500	42. Cairn India Ltd.	10	6.75	-
			(a)	3,010.63	2,670.38

(Rs. in Lacs)

Previous Year Nos.	Current Year Nos.		Face Value Rs.	As at March 31, 2013	As at March 31, 2012	
b. In Equity Shares - Unquoted, fully paid up						
638100	159525	1. Placid Ltd. @	10	1,104.25	1,104.25	
400000	400000	2. Usha Breco Ltd.	10	200.00	200.00	
577778	1256039	3. VS Lignite Power (P) Ltd.	10	125.61	57.78	
5	5	4. The Jewel Crown Co-op. Housing Society Ltd.	50	*	*	
				(b)	1,429.86	1,362.03
c. In Equity Shares of Wholly Owned Subsidiary Companies Unquoted, fully paid up						
50000	50000	1. Iota Mtech P. Ltd.	10	5.00	5.00	
595200	595200	2. Kiran Vyapar Ltd.	10	101.44	101.44	
50000	50000	3. MSUM Textfab Ltd.	10	5.00	5.00	
				(c)	111.44	111.44
d. In Preference Shares Unquoted, fully paid up						
1114222	1114222	1. 0.01% Cumulative Redeemable Preference Share of VS Lignite Power (P) Ltd.	10	111.42	111.42	
				(d)	111.42	111.42
e. Investment in Bonds Quoted, Fully Paid up						
108754	108754	1. 8 % IRFC Tax Free Bonds	1000	1,087.54	1,087.54	
-	160000	2. 7.18 % IRFC Tax Free Bonds	1000	1,600.00	-	
85437	85437	3. 8.20 % PFC Tax Free Bonds	1000	854.37	854.37	
86533	-	4. 8.20% NHAI Tax Free Bonds	1000	-	865.33	
1000	1000	5. 6 % REC Capital Gain Exemption Bonds	10000	100.00	100.00	
				(e)	3,641.91	2,907.24
f. Investment in Mutual Funds (Quoted)						
2000000	-	1. SBI Debt Fund		-	200.00	
250000	250000	2. SBI Capital Prot. Or. Fund-Series III		25.00	25.00	
5000000	5000000	3. Reliance Fixed Horizon Fund - xxi - Series 21 - Growth Plan		500.00	500.00	
25348654	25348654	4. HDFC Medium Term Opportunities Fund - Growth		2,870.00	2,870.00	
				(f)	3,395.00	3,595.00
TOTAL			(a+b+c+d+e+f)	11,700.25	10,757.51	
Aggregate amount of quoted investments				10,047.54	9,172.62	
Aggregate amount of unquoted investments				1,652.71	1,584.89	
Aggregate market value of quoted investments				9,897.03	9,024.05	
<p>@ 4 Shares of Digvijay Investment Ltd. were exchanged and merged into 1 share of Placid Ltd. during the year 2012-13. *The value of the item after rounding off is below the reportable figures, hence ignored.</p>						

NOTE 13 : LONG TERM LOANS & ADVANCES

(Unsecured and Considered good)		
Capital advances	313.50	502.21
Loans and advances to related parties *	28,710.00	28,710.00
Other loans & advances		
Advance Income Tax (Net)	326.75	845.26
MAT Credit Entitlement	2,208.91	294.24
Security Deposits	472.74	505.53
TOTAL	32,031.90	30,857.23
* Interest Free Loan given to one of the wholly owned subsidiaries- Iota Mtech (P) Ltd.		

(Rs. in Lacs)

NOTE 14 : CURRENT INVESTMENTS				
Previous Year Nos.	Current Year Nos.		As at March 31, 2013	As at March 31, 2012
Investment in Mutual Funds				
29,699	-	1. SBI Premier Liquid Fund	-	500.45
14	-	2. Reliance Money Manager Fund - Retail Option - Growth Plan	-	0.20
82,827	-	3. Reliance Money Manager Fund - Institutional Option - Daily Dividend Plan	-	829.40
1,224	-	4. Kotak Floater Long Term - Growth	-	0.20
497,89,520	248,46,365	5. IDFC Money Manager Fund - Investment Plan - Inst Plan B - Daily Dividend	2,502.45	5,044.17
172	-	6. ICICI Prudential Flexible Income Plan Regular Growth	-	0.20
19,64,586	-	7. ICICI Prudential Flexible Income Plan Premium - Daily Dividend	-	2077.26
900	-	8. HDFC Cash Manager Fund - Tap- Retail - Growth	-	0.20
82,06,541	-	9. HDFC Cash Manager Fund - Tap - Wholesale - Daily Dividend (Reinvestment)	-	823.24
53	-	10. Birla Sunlife Saving Fund Retail - Growth	-	0.10
59	-	11. Birla Sunlife Floating Rate Fund - Short Term - Growth	-	0.10
40	-	12. Birla Sunlife Cash Manager Growth	-	0.10
-	137,53,720	13. IDFC MMF Investment Plan- Growth	2,500.00	-
-	69,31,402	14. IDFC Ultra Short Term Mutual Fund	694.01	-
-	297731	15. HDFC Floating Rate Income Fund - Short Term	30.01	-
-	*	16. Liquid Bees (Exchange Traded Fund)	0.01	-
TOTAL			5,726.48	9,275.62
Aggregate amount of quoted investments			5,726.48	9,275.62
Aggregate market value of quoted investments			5,732.07	9,283.12
* The value of the item after rounding off is below the reportable figures, hence ignored.				

NOTE 15 : INVENTORIES		
(At lower of Cost or Net Realisable Value except Stores & Spares, which are valued at cost)		
Raw Materials	7036.76	7470.70
Stock-in-Process	1317.03	1291.51
Finished Goods	437.71	1013.25
Stock- in- Trade	103.91	-
Stores, Spare Parts & Fuel	545.30	567.38
TOTAL	9440.71	10342.84

NOTE 16 : TRADE RECEIVABLES		
(Unsecured and Considered Good)		
Over Six months	259.22	176.99
Others	5,341.89	4,135.41
TOTAL	5,601.11	4,312.40

(Rs. in Lacs)

NOTE 17 : CASH & CASH EQUIVALENTS	As at March 31, 2013	As at March 31, 2012
Cash in hand	7.45	12.82
Balance with scheduled banks		
in current accounts	507.74	675.49
in deposit accounts *	4,040.95	2,911.86
in unpaid dividend account	6.31	2.73
TOTAL	4,562.45	3,602.90
* Includes deposits of Rs. 65.42 Lacs with maturity of more than 12 months.		

NOTE 18 : SHORT TERM LOANS & ADVANCES		
(Unsecured and Considered good)		
Loans & Advances to related party		
Inter Corporate Deposits *	400.00	-
Other Loans & Advances		
Inter Corporate Deposits *	150.00	550.00
Balances with Customs, Central Excise Authorities, etc.	311.95	95.69
Prepaid Expenses	80.46	22.60
Deposit with government, public bodies and others	1,315.04	1,226.80
Others	2,093.98	401.15
TOTAL	4,351.43	2,296.24
* repayable on demand and interest is charged at market rates.		

NOTE 19 : OTHER CURRENT ASSETS		
Interest accrued on investments	113.69	76.03
TOTAL	113.69	76.03

NOTE 20 : REVENUE FROM OPERATIONS	2012-13	2011-12
Sale of Products		
Yarn : Own	35,276.75	32,477.77
: Trading	725.98	252.00
Fabrics : Own	12,072.69	8,442.06
: Trading	1,778.83	897.00
Others	647.67	485.64
	50,501.92	42,554.47
Less : Excise Duty	5.25	33.33
	50,496.67	42,521.14
Sale of Power (Wind)	548.31	0.06
TOTAL	51,044.98	42,521.20

(Rs. in Lacs)

NOTE 21 : OTHER INCOME	2012-13	2011-12
Profit on Sale of Fixed Assets	3.51	5.18
Dividend on Shares	63.74	126.11
Dividend on Mutual Funds	587.20	1,287.42
Interest Received on ICDs, FDRs, Bonds, etc.	528.62	526.80
Profit on Sale of Investments	118.25	-
Miscellaneous Income	49.80	24.17
TOTAL	1,351.12	1,969.68

NOTE 22 : COST OF MATERIALS CONSUMED		
Raw Materials Consumed	28,032.16	30,572.05
Other Materials Consumed	1,457.37	1,302.85
TOTAL	29,489.53	31,874.90

NOTE 23 : CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK -IN-PROCESS		
Stock at commencement		
Finished Goods	1,013.25	960.69
Stock-in-Process	1,291.51	683.36
Stock-in-Trade	-	-
	2,304.76	1,644.05
Stock at Close		
Finished Goods	437.71	1,013.25
Stock-in-Process	1,317.03	1,291.51
Stock-in-Trade	103.91	-
	1,858.65	2,304.76
TOTAL	(446.11)	660.71

NOTE 24 : MANUFACTURING EXPENSES		
Stores and Spare Parts Consumed	1,129.31	784.64
Power & Fuel	4,649.99	4,560.12
Processing Expenses	314.61	62.14
Repairs to : Plant & Machinery	125.59	92.36
: Buildings	61.00	30.93
Pollution Control Expenses	110.10	81.02
TOTAL	6,360.60	5,611.21

NOTE 25 : EMPLOYEE BENEFITS EXPENSE		
Salaries & Wages	2,639.98	2,421.62
Contribution to Provident and Other Funds	310.08	285.67
Staff Welfare Expenses	89.91	62.08
TOTAL	3,039.97	2,769.37

(Rs. in Lacs)

NOTE 26 : FINANCE COSTS	2012-13	2011-12
Interest Expense		
On Long Term Loans	881.70	607.73
On Other borrowings	435.36	293.38
	1,317.06	901.11
Less: Received (Gross)	382.30	713.29
	934.76	187.82
Other financing costs	68.10	32.53
TOTAL	1,002.86	220.35

NOTE 27 : ADMINISTRATIVE, SELLING & OTHER EXPENSES		
Rent	14.20	11.92
Rates & Taxes	13.04	8.19
Insurance Charges	23.87	17.40
Loss on Sale of Investments	14.42	-
Charity & Donation	8.00	2.00
Other Repairs & Maintenance	77.56	35.28
Applicable Loss on Foreign Currency transactions	(7.48)	(5.31)
Legal & Professional Charges	65.60	109.31
Commission & Brokerage on sales	339.47	276.99
Selling & Distribution Expenses	404.93	331.57
Travelling Expenses	74.39	66.40
Miscellaneous Expenses	419.36	157.10
TOTAL	1,447.36	1,010.85

NOTE 28 : EXTRAORDINARY ITEMS		
Non-Compete Fees	-	11,255.62
Closure Compensation pertaining to Kota Unit	-	(70.36)
Profit/(Loss) on Sale of Investments	-	38,948.02
TOTAL	-	50,133.28

NOTE 29 : CURRENT TAX EXPENSE		
Current tax	1,039.04	10,026.16
Minimum alternate tax expense/(credit)	(733.67)	(146.38)
Wealth tax	5.00	2.00
TOTAL	310.37	9,881.78

(Rs. in Lacs)

NOTE 30 : EARNINGS PER SHARE (EPS)	2012-13	2011-12
Net profit as per Statement of Profit & Loss available for Equity Shareholders	4,418.65	40,903.60
Weighted average number of equity shares for EPS computation (Nos.)	259.20	259.20
Basic & Diluted Earnings per share before extraordinary items (Rs.)	17.05	2.64
Basic & Diluted Earnings per share after extraordinary items (Rs.)	17.05	157.81
Face value per share (Rs.)	10.00	10.00

31. Contingent Liabilities and Commitments

(i) Contingent Liabilities

	As at March 31, 2013 (Rs. in lacs)	As at March 31, 2012 (Rs. in lacs)
a. Letters of credit outstanding	-	3898.08
b. Claims against the Company (in dispute) not acknowledged as debts in respect of:		
(i) Labour & Industrial Matters	10.03	10.03
(ii) Income-tax matters	161.32	161.32
(iii) Entry Tax matters	16.26	16.26
(iv) Service Tax matters	90.78	90.78

All the above matters when concluded are unlikely, in the opinion of the management, to result in any material liability and consequent effect on the results of operations and/or financial position of the Company.

(ii) Commitments

a. Estimated amount of contracts on Capital Accounts remaining to be executed and not provided for (net of advances)	600.99	6032.60
b. The Company has export obligations of Rs.14118.75 Lacs (USD 260.06 Lacs) [Previous Year: Rs.1257.81 Lacs) against Import Licences taken for import of capital goods under Export Promotion Capital Goods (EPCG) Scheme.		
c. The Company has entered into derivative contracts during the year in the nature of Forward Contracts for hedging currency risk. The Forward Contracts outstanding as on 31 st March 2013 amount to Rs.919.83 Lacs (USD 16.94 Lacs) (Previous Year: Nil)		

(Rs. in Lacs)

32. Employee Benefits
(a) Defined Contribution Plans

The Company has Defined Contribution Plan for its employees comprising of Provident Fund, Superannuation Fund, Pension and Employee's State Insurance Fund. The Company recognised Rs.310.08 Lacs (previous year Rs. 285.67 Lacs) during the year as expense towards contribution to these plans.

Particulars	2012-13	2011-12
Company's contribution to Provident Fund	199.33	184.44
Company's contribution to Employees State Insurance and Group Insurance Scheme	95.52	87.74
Administration charges on above	15.23	13.49

(b) Defined Benefit Plans

The Company has Defined Benefit Plan comprising of Gratuity Fund, Leave Encashment and Long Term Service Award.

The following table set out the disclosures relating to Gratuity and Leave Encashment benefits as required by Revised Accounting Standard (AS)-15 "Employee Benefits" :

	2012-13		2011-12	
	(1994-96)	Ultimate	(1994-96)	Ultimate
I. Actuarial Assumptions				
Mortality Table (LIC)				
Discount Rate		8.25%		8.50%
Rate of Increase in compensation		4.00%		4.00%
Rate of return (expected) on Plan assets		8.50%		8.50%
Expected average remaining service (years)		21.44		21.32
II. Reconciliation of opening and closing balances of Defined Benefit Obligation (DBO)	Gratuity (Funded)	Leave Encashment (Non-funded)	Gratuity (Funded)	Leave Encashment (Non-funded)
Defined Benefit obligation at beginning of year	421.09	99.81	441.95	95.24
Interest Cost	34.74	8.23	37.57	8.10
Current Service Cost	33.22	4.92	30.84	9.34
Benefits paid	(69.12)	(47.39)	(97.81)	(58.11)
Actuarial (gain)/loss	12.90	49.62	8.54	45.24
Defined Benefit obligation at end of year	432.83	115.19	421.09	99.81
III. Reconciliation of opening and closing balances of fair value of plan assets				
Fair Value of Plan Assets at the beginning of year	379.53	-	388.94	-

(Rs. in Lacs)

	2012-13		2011-12	
Expected return on plan assets	32.26	-	32.09	-
Actuarial gain/(loss)	1.73	-	3.20	-
Employer Contribution	37.34	47.39	53.11	58.11
Benefits paid	(69.12)	(47.39)	(97.81)	(58.11)
Fair value of plan assets at year end	381.74	-	379.53	-
Actual return on plan assets	33.99	-	35.29	-
IV. Reconciliation of fair value of assets and obligations				
Fair value of plan assets	381.74	-	379.53	-
Present value of obligation	432.83	115.19	421.09	99.81
Net asset/(liability) recognized in Balance Sheet	(51.09)	115.19	(41.56)	99.81
V. Expenses recognized in the statement of P&L A/c				
Current Service Cost	33.22	4.92	30.84	9.34
Interest Cost	34.74	8.23	37.57	8.10
Expected Return on Plan Assets	(32.26)	-	(32.09)	-
Net Actuarial (Gain)/Loss recognized for the period	11.17	49.62	5.34	45.24
Expenses recognized in the statement of P & L A/c	46.87	62.77	41.66	62.68

33. Payments to Auditors

	2012-13	2011-12
(i) Statutory Audit Fee (Incl. Service Tax)	1.40	0.97
(ii) In Other Capacity:		
(a) Certification of Statements	0.52	0.08
(b) Fee for Tax Audit	0.22	0.17
(iii) Reimbursement of Expenses	0.78	-

(Rs. in Lacs)

34. Related party Disclosures:**A. Name of related parties and description of relationship :**

S.No.	Key Management Personnel (KMP)	Wholly Owned Subsidiaries	Control	Significant Influence
i.	Mr. LN Bangur, CMD #	MSUM Texfab Ltd.	Iota Mtech Power LLP	The Peria Karamalai Tea & Produce Co. Ltd.
ii.	Mr. Govind Sharda ED	Iota Mtech (P) Ltd.	Sidhidata Power LLP	Placid Ltd. *
iii.	Mr. Yogesh Bangur Director (CA&S) #	Kiran Vyapaar Ltd.		M.B. Commercial Co. Ltd.
iv.				The Kishore Trading Co. Ltd.
v.				Samay Books Ltd.

Mr. LN Bangur and Mr. Yogesh Bangur are related to each other

* Digvijay Investments was amalgamated and merged into Placid Ltd. during the year 2012-13

B. Related Party Transactions Details :

S.No.	Nature of Transaction/ Relationship	Key Management Personnel	Wholly Owned Subsidiaries	Control	Significant Influence
i.	Remuneration	282.46 (145.77)			
ii.	Purchase of equity shares		Nil (101.44)		85.69 (202.42)
iii.	Interest Free Loan		Nil (28,710.00)		
iv.	Inter Corporate Deposits (ICD) given		200.00 Nil		7,450.00 (2,500.00)
v.	Inter Corporate Deposits (ICD) taken				2,500.00 (Nil)
vi.	Interest on ICDs taken				97.26 (Nil)
vii.	Interest on ICDs given		3.01 (Nil)		5.97 (174.00)
viii.	Inter Corporate Deposits (ICD) repaid by parties		200.00 (Nil)		(7,050.00) (2,950.00)
ix.	Inter Corporate Deposits (ICD) repaid to parties				(2,500.00) (Nil)
x.	Balance receivable/ (payable) as at 31 st March 2013	Nil (Nil)	28,712.71 (28,710.00)		402.68 (Nil)

Note: Previous year figures are shown in brackets.

35. Cost of material consumed

Particulars	2012-13	2011-12
Cotton	23,086.55	27,187.35
Man Made Fibre	2,603.72	2,767.32
Other Raw Material*	2,341.89	617.38
Others *	1,457.37	1,302.85
TOTAL	29,489.53	31,874.90

* include items which do not individually exceed 10% of the total consumption.

(Rs. in Lacs)

36. Details of Imported and Indigenous Raw Materials and Stores & Spares Consumed

Particulars	2012-13		2011-12	
	Rs. in Lacs	% of total consumption	Rs. in Lacs	% of total consumption
Raw Materials & Others				
Imported	-	-	-	-
Indigenous	29,489.53	100	31,874.90	100
TOTAL	29,489.53	100	31,874.90	100
Stores & Spares				
Imported	326.41	28.91	222.54	28.37
Indigenous	802.90	71.09	562.10	71.63
TOTAL	1,129.31	100	784.64	100

37. CIF Value of Imports

	2012-13	2011-12
Raw Materials & Others	-	-
Stores & Spares	439.49	305.62
Capital Goods	4,157.45	235.56
TOTAL	4,596.94	541.18

38. Earnings in foreign exchange

	2012-13	2011-12
FOB Value of Exports	5,654.47	3,429.63
TOTAL	5,654.47	3,429.63

39. Expenditure in foreign currency

	2012-13	2011-12
Travelling	20.16	24.31
Commission	34.57	-
Membership & Participation Fees	21.41	-
TOTAL	76.14	24.31

40. Segment Reporting

As per Accounting Standard (AS)-17 on 'Segment Reporting', segment information has been provided under the Notes to Consolidated Financial Statements.

41. The Ministry of Corporate Affairs, Government of India, vide General Circular No. 2 and 3 dated 8th February, 2011 and 21st February, 2011 respectively, has granted a general exemption from compliance with section 212 of the Companies Act, 1956, subject to fulfillment of conditions stipulated in the circular. The Company has satisfied the condition stipulated in the circular and hence is entitled to the exemption. Necessary information relating to subsidiaries has been included in the Consolidated Financial Statements.

42. ADDITIONAL INFORMATION
(a) Quantitative Information

		CURRENT YEAR (31.03.2013)			PREVIOUS YEAR (31.03.2012)		
		Spindles	Rotors	Looms	Spindles	Rotors	Looms
i)	Licensed Capacity	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
ii)	Installed capacity	1,09,344	2,256	590	1,09,344	2,256	494
iii)	Production	UoM					
	Fabric	('000 Mtrs)	25,441		20,986		
	Yarn	MT	21,646		21,054		
iv)	Stock in Packed Goods	Qty.	Amount Rs. Lacs		Qty.	Amount Rs. Lacs	
	Opening Stock						
	Fabrics	('000 Mtrs)	-	-	66	20.40	
	Yarn	MT	659	977.21	688	914.78	
	Closing Stock						
	Fabrics	('000 Mtrs)	-	-	-	-	
	Yarn	MT	301	387.83	659	977.21	
v)	Raw Materials consumed						
	Cotton	MT	24,645	23,086.55	24,724	27,187.35	
	Man-made Fibre	MT	2,263	2,603.72	2,269	2,767.32	
	Others			3,799.26		1,920.23	
				29,489.53		31,874.90	
vi)	Turnover (Net)						
	Fabric	('000 Mtrs)	25,441	13,851.52	21,052	9,339.06	
	Yarn	MT	22,004	36,002.26	21,083	32,696.44	
	Waste	MT	2,038	588.19	2,037	477.10	
	Wind Power			548.31		-	
	Others			54.70		8.60	
				51,044.98		42,521.20	
vii)	Goods purchase for resale						
	Fabrics	('000 Mtrs)	2,585	1,801	1,717	864	
	Yarn	MT	296	686	141	243	

43. Previous year figures have been regrouped and rearranged wherever necessary to conform to current year's grouping.

As per our Report of even date.

Signature to Notes 1 to 43

For BD Gargieya & Co.
Chartered Accountants
(FRN : 001072C)
NK Gupta
Partner
Kolkata
May 27, 2013

M. No. 72326

Pradip Kumar Ojha
Company Secretary

LN Bangur
Govind Sharda
Yogesh Bangur
Alka Bangur
SS Kothari
C V Desai
Amitav Kothari
GR Agarwal

Chairman &
Managing Director
Executive Director
Directors(CA&S)

Directors

**CONSOLIDATED FINANCIAL STATEMENTS INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF MAHARAJA SHREE UMAID MILLS LIMITED**

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of MAHARAJA SHREE UMAID MILLS LIMITED ("the Company"), and its subsidiaries, which comprise the Consolidated Balance Sheet as at March 31, 2013, and the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal

control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated 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, and based on consideration of the report of the other auditors on the financial statement of the subsidiary as noted below, the consolidated 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 Consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the Consolidated Statement of Profit and Loss Account, of the profit for the year ended on that date; and
- c) in the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Other Matters

We did not audit the financial statements of a subsidiary, whose financial statements reflect total assets of Rs. 112.36 lacs as at 31st March, 2013, total revenue of Rs. 9.79 lacs and cash flow amounting to Rs. 1.57 lacs for the year ended 31st March, 2013. These financial statements and financial information have been audited by other auditor whose reports have been furnished to us, and our opinion is based solely on the report of other auditor.

Kolkata
May 27, 2013

For B.D. GARGIEYA & CO.
Chartered Accountants
Firm Regn. No.: 001072C
NK Gupta
Partner
M. No. 72326

BALANCE SHEET AS AT MARCH 31, 2013

(Rs. in Lacs)

	Note	As at March 31, 2013	As at March 31, 2012
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1	2,592.00	2,592.00
Reserves & Surplus	2	72,845.97	67,831.59
		75,437.97	70,423.59
Non-current Liabilities			
Long-term Borrowings	3	13,560.56	3,630.99
Deferred Tax Liability (Net)	4	2,521.53	1,167.24
Other Long term Liabilities	5	252.81	427.01
Long-term Provisions	6	2,033.52	2,070.76
		18,368.42	7,296.00
Current Liabilities			
Short-term Borrowings	7	3,839.69	6,579.39
Trade Payables	8	936.73	537.97
Other Current Liabilities	9	4,626.19	5,097.00
Short-term Provisions	10	894.97	1,619.61
		10,297.58	13,833.97
TOTAL		1,04,103.97	91,553.56
ASSETS			
Non-current Assets			
Fixed Assets	11		
Tangible Assets		28,157.22	18,166.10
Capital Work-in-Progress		1,926.02	1,800.51
Intangible Assets under Development		69.68	-
		30,152.92	19,966.61
Non-current Investments	12	40,644.96	39,419.64
Long-term Loans and Advances	13	3,324.28	2,145.66
		74,122.16	61,531.91
Current Assets			
Current Investments	14	5,878.99	9,375.62
Inventories	15	9,440.92	10,343.05
Trade Receivable	16	5,601.26	4,312.64
Cash & Cash Equivalents	17	4,598.23	3,615.84
Short-term Loans and advances	18	4,351.43	2,297.39
Other Current Assets	19	110.98	77.11
		29,981.81	30,021.65
TOTAL		1,04,103.97	91,553.56

Significant Accounting Policies and
Notes to Accounts

1 to 33

The notes are an Integral part of the Financial Statements.
This is the Balance Sheet referred to in our report of even date.

For BD Gargiyea & Co.
Chartered Accountants
(FRN : 001072C)

NK Gupta
Partner

Kolkata
May 27, 2013

M. No. 72326

Pradip Kumar Ojha
Company Secretary

LN Bangur
Govind Sharda
Yogesh Bangur
Alka Bangur
SS Kothari
C V Desai
Amitav Kothari
GR Agarwal

Chairman &
Managing Director
Executive Director
Directors(CA&S)

Directors

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON MARCH 31, 2013

(Rs. in Lacs)

	Note	2012-13	2011-12
INCOME			
Revenue from Operations	20	51,636.82	42,695.77
Other Income	21	1,351.19	1,976.07
Total Revenue		52,988.01	44,671.84
EXPENSES			
Cost of materials consumed	22	29,489.53	31,874.90
Purchase of Traded Goods		2,622.67	1,127.12
Changes in inventories of finished goods and WIP	23	446.11	(570.97)
Manufacturing Expenses	24	6,390.61	5,611.21
Employee benefits expense	25	3,039.97	2,769.37
Finance costs	26	1,005.89	221.27
Depreciation and amortization expense	11	2,100.96	1,171.75
Administrative, Selling and Other Expenses	27	1,449.98	1,013.02
Total expenses		46,545.72	43,217.67
PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX			
		6,442.29	1,454.17
Extraordinary Items	28	-	50,133.28
PROFIT BEFORE TAX			
		6,442.29	51,587.45
Current Tax Expense	29	313.12	9,883.42
Deferred Tax Expense/(Credit)		1,354.29	733.91
NET PROFIT			
		4,774.88	40,970.12
EARNINGS PER SHARE			
	30		
Basic and Diluted (before extraordinary items)		18.42	2.91
Basic and Diluted (after extraordinary items)		18.42	158.06

Significant Accounting Policies and

Notes to Accounts

1 to 33

The notes are an Integral part of the Financial Statements.

This is the Statement of Profit & Loss referred to in our report of even date.

For BD Gargieya & Co.
Chartered Accountants
(FRN : 001072C)
NK Gupta
Partner
M. No. 72326

Kolkata
May 27, 2013

Pradip Kumar Ojha
Company Secretary

LN Bangur
Govind Sharda
Yogesh Bangur
Alka Bangur
SS Kothari
C V Desai
Amitav Kothari
GR Agarwal

Chairman &
Managing Director
Executive Director
Directors(CA&S)

Directors

CASH FLOW STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2013

(Rs. in Lacs)

	2012-13	2011-12
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax and extraordinary items	6442.29	1454.17
Adjustments for :		
Depreciation	2,100.96	1,171.75
Miscellaneous Expenses Amortised	-	0.09
Income from Investments	(1,179.61)	(1,941.31)
Interest paid (net)	937.77	188.73
Profit on sale of fixed assets	(3.41)	(5.18)
Profit on sale of Investments	(103.83)	
Extraordinary Item	-	(70.36)
Operating Profit before Working Capital Changes	8194.17	797.89
Adjustments for :		
Trade and other receivables	(3,120.09)	1,553.96
Inventories- Raw Materials	456.02	3,160.87
Inventories- Finished and Semi Finished Goods	446.11	(895.23)
Trade payables	(2,163.86)	3,120.38
Cash Generated from Operations	3812.35	7737.87
Interest Paid	(250.04)	30.78
Direct taxes paid	(715.62)	-
Net Cash Flow from (used in) Operating Activities	2,846.69	7,768.65
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets & other capital exp.	(12,310.61)	(7,930.25)
Sale of fixed assets	26.75	38.35
Purchase of Investments	(5,731.23)	(45,414.33)
Sale of Investments	8106.38	46,398.24
Income from Investments	1,144.66	1,907.07
ICDs liquidated/(Given)	-	600.00
Net cash used in investing activities	(8,764.05)	(4,400.92)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long-term borrowing	13,911.15	744.07
Proceeds from Short-term borrowing	1,674.65	2,008.89
Repayment of Long-term borrowing	(2,074.32)	(1,245.00)
Repayment of Short-term borrowing	(4,414.36)	(1,646.79)
Interest paid	(694.71)	(249.87)
Dividend and tax thereon paid	(1,502.66)	(504.36)
Net cash flow from (used in) financing activities	6899.75	(893.06)
Net increase in Cash and Cash Equivalents	982.39	2474.67
Cash and cash equivalents(Opening Balance)	3,615.84	1141.17
Cash and cash equivalents (Closing Balance)	4,598.23	3615.84
Note : Figures in bracket represent cash outflows		

This is the Cash Flow Statement referred to in our report of even date

 For BD Gargieya & Co.
Chartered Accountants
(FRN : 001072C)
NK Gupta
Partner
M. No. 72326

 Kolkata
May 27, 2013

 Pradip Kumar Ojha
Company Secretary

 LN Bangur
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Yogesh Bangur
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C V Desai
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GR Agarwal
Chairman &
Managing Director
Executive Director
Directors(CA&S)
Directors

SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Consolidation

The consolidated financial statements relate to Maharaja Shree Umaid Mills Limited ('the Company') and its subsidiaries. The consolidated financial statements have been prepared on the following basis:

- I. The financial statements of the Company and subsidiary are combined on a line by line basis by adding together the book value of assets, liabilities, income and expenses as per AS-21 on "Consolidated Financial Statements". The intra group balances and transactions are fully eliminated.
- II. To the extent possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

B. Investments other than in subsidiaries, have been accounted as per Accounting Standard (AS) 13 on "Accounting for Investments".

C. Other significant accounting policies

These are set out under "Significant Accounting Policies" as given in the Company's separate financial statements.

(Rs. in Lacs)

NOTES TO ACCOUNTS

NOTE 1 : SHARE CAPITAL	As at March 31, 2013	As at March 31, 2012
Authorised		
3,00,00,000 Equity Shares of Rs.10/- each (March 31, 2012: 30000000)	3,000.00 3,000.00	3,000.00 3,000.00
Issued,Subscribed and Paid Up		
160000 Equity Shares of Rs.10/- each fully paid up in cash (March 31, 2012: 160000)	16.00	16.00
25760000 Equity Shares of Rs.10/- each issued as Bonus Shares out of Reserves (March 31, 2012: 25760000)	2,576.00	2,576.00
TOTAL	2,592.00	2,592.00

Notes:

Equity shareholders' holding more than 5% of equity shares along with the number of equity shares held is given hereunder :

Name of the shareholder	As at March 31, 2013		As at March 31, 2012	
	%	No. of shares	%	No. of shares
Placid Ltd. *	32.49	84,22,420	-	-
Digvijay Investment Ltd. *	-	-	25.55	66,22,420
M.B. Commercial Co. Ltd.	10.88	28,20,000	10.88	28,20,000
Shri Vithoba Investment Ltd. *	-	-	6.94	18,00,000
Sh. Lakshmi Niwas Bangur	6.79	17,60,457	6.79	17,60,457
Amalgamated Development Ltd.	6.37	16,52,000	6.37	16,52,000

* Digvijay Investments Ltd and Shri Vitobha Investment Ltd. were amalgamated and merged into Placid Ltd. during the year 2012-13

The reconciliation of the number of shares outstanding is set out below :

Name of the shareholder	As at March 31, 2013	As at March 31, 2012
	No. of shares	No. of shares
Equity Shares at the beginning of the year	2,59,20,000	86,40,000
Add: Bonus shares issued out of reserves during the year	-	1,72,80,000
Equity Shares at the end of the year	2,59,20,000	2,59,20,000

(Rs. in Lacs)

NOTE 2 : RESERVES & SURPLUS	As at March 31, 2013	As at March 31, 2012
Revaluation Reserve		
As per last Balance Sheet	6,656.14	6,656.14
Capital Reserve		
As per last Balance Sheet	0.68	0.68
General Reserve		
As per last Balance Sheet	12,181.99	8,909.99
Add: Transferred from Statement of Profit & Loss	500.00	5,000.00
Less: Bonus Share issued during the year	-	1,728.00
	12,681.99	12,181.99
Preliminary Expenses to the extent not written off		
As per last Balance Sheet	(0.14)	(0.19)
Less: Transferred to Profit & Loss A/c	0.14	0.05
	0.00	(0.14)
Statutory Reserve		
As per last Balance Sheet	1.98	
Add: Transferred from Profit & Loss A/c	0.95	1.98
	2.93	1.98
Surplus as per Statement of Profit & Loss		
As per last Balance Sheet	48,990.94	14,529.72
Add: Profit for the year	4,774.88	40,970.12
Less: Profit of Wholly Owned Subsidiary till the date of acquisition	-	0.22
Tax adjustment for earlier years (net)	997.42	(0.38)
Provision for diminution in value of investment w/back		-
Profit available for appropriation	54,763.24	55,499.24
Less: Appropriations :		
Proposed Dividend	648.00	1,296.00
Tax on distributed profits	110.13	210.24
Transfer to general reserve	500.00	5,000.00
Transfer to statutory reserve	0.95	1.98
Contingent Provision on Standard Assets	(0.07)	0.08
Closing Balance	53,504.23	48,990.94
TOTAL	72,845.97	67,831.59

NOTE 3 : LONG TERM BORROWINGS
Secured

Term Loans- from Banks	13,560.56	3,630.99
TOTAL	13,560.56	3,630.99

Notes :

- Term loans are secured by first pari passu charge on immoveable assets i.e. factory land & building situated at Pali, and moveable fixed assets (including wind mills installed in the state of Rajasthan) of the Pali Establishment Unit of the company i.e. the Textile Unit and the Power Generation Unit of the company at Pali.
- Terms of repayment are given below:
 - Loan taken from IDBI Bank Ltd. is repayable in quarterly installments of Rs.134.38 Lacs each.
 - Loan taken from ICICI Bank Ltd. is repayable in quarterly installments of Rs.62.50 Lacs each.
 - Loan taken from State Bank of Bikaner & Jaipur is repayable in quarterly installments of Rs.375.00 Lacs each commencing from 30.06.2013.
 - Loan taken from IDBI Bank Ltd.(Wind PGU) is repayable in monthly installments of Rs.64.28 Lacs each commencing from 01.09.2013.
 - Loan taken from ICICI Bank Ltd.(Wind PGU) is repayable in quarterly installments of Rs.99.996 Lacs each.

(Rs. in Lacs)

NOTE 4 : DEFERRED TAX LAIBILITY (NET)	As at March 31, 2013	As at March 31, 2012
Deferred Tax Liability		
Related to Fixed Assets	2,521.53	1,167.24
TOTAL	2,521.53	1,167.24

NOTE 5 : OTHER LONG TERM LIABILITIES		
Other Long Term Liabilities	252.81	427.01
TOTAL	252.81	427.01

NOTE 6 : LONG TERM PROVISIONS		
Provisions related to Government and Other Levies	2,033.52	2,070.76
TOTAL	2,033.52	2,070.76

NOTE 7 : SHORT TERM BORROWINGS		
Working Capital Loans		
Secured		
From Banks		
Foreign Currencny Loans	346.92	-
Rupee Loans	2,992.77	4,579.39
Unsecured		
From Banks		
Rupee Loans	500.00	2,000.00
TOTAL	3,839.69	6,579.39

Notes :

Working Capital Loans are secured by first pari passu charge on present and future stock of raw materials, stock-in-process, finished goods, stores and spares, book debts, etc., and second pari passu charge on the Fixed Assets, of the Pali Establishment i.e.the Textile Unit and the Power Generation Unit of the company situated at Pali.

NOTE 8 : TRADE PAYABLES		
Trade payables	936.73	537.97
TOTAL	936.73	537.97

Note :

Out of the above amount , Rs. 12.45 Lacs (March 31, 2012: 9.15 Lacs) pertain to the Micro, Small and Medium Enterprises (MSME) as defined under " Micro, Small and Medium Enterprises Development Act, 2006" based on the information available with the Company. There is no interest payable to such parties as at March 31, 2013 (March 31, 2012 : Rs. NIL)

(Rs. in Lacs)

NOTE 9 : OTHER CURRENT LIABILITIES	As at March 31, 2013	As at March 31, 2012
Current maturities of long-term debt (refer Note # 3)	3,137.50	1,230.25
Unpaid Dividends	6.31	2.73
Creditors for Capital Expenditure	141.98	2,888.83
Interst accrued but not due on borrowings	-	6.98
Other liabilities*	1,340.40	968.21
TOTAL	4,626.19	5,097.00

* includes statutory dues, security deposits and advance from customers.

NOTE 10: SHORT TERM PROVISIONS		
Proposed Dividend	648.00	1,296.00
Tax on Proposed Dividend	110.13	210.24
Contigent Provision on Standard Assets	-	0.08
Provision for Gratuity & Leave Encashment	136.84	113.29
TOTAL	894.97	1,619.61

NOTE 11: FIXED ASSETS										
PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1st April, 2012	Additions	Deductions/ Adjustments	As at 31st March, 2013	Up to 1st April, 2012	On Deductions/ Adjusments	for the year	Up to 31st March, 2012	As at 31st March, 2013	As at 31st March, 2012
Tangible										
Land (Free Hold) *	6,661.07	-	-	6,661.07	-	-	-	-	6,661.07	6,661.07
Land (Lease Hold) ^	170.12	150.65	-	320.77	0.03	-	12.33	12.36	308.41	170.09
Buildings	1,200.98	657.44	-	1,858.42	462.51	-	58.25	520.76	1,337.66	738.47
Plant & Machinery	21,925.26	11,040.65	309.86	32,656.05	11,792.76	286.77	1,914.88	13,420.87	19,235.18	10,132.50
Electric Installation	107.67	182.22	-	289.89	56.96	-	4.85	61.81	228.08	50.71
Furniture & Fixtures	118.50	1.14	-	119.64	83.33	-	6.67	90.00	29.64	35.17
Office Equipments	40.82	43.09	0.94	82.97	30.60	0.69	5.69	35.60	47.37	10.22
Vehicles	511.12	40.23	-	551.35	143.25	-	98.29	241.54	309.81	367.87
SUB TOTAL	30,735.54	12,115.42	310.80	42,540.16	12,569.44	287.46	2,100.96	14,382.94	28,157.22	18,166.10
Previous Year	24,659.80	6,148.99	73.26	30,735.54	11,437.78	40.09	1,171.75	12,569.44	18,166.10	13,221.71
Capital Work-in-Progress #									1,926.02	1,800.51
Tangible Assets Total									30,083.24	19,966.61
Intangible Assets										
Assets under Development									69.68	-
Intangible Assets Total									69.68	-
TOTAL									30,152.92	19,966.61

* includes Rs. 6656.14 Lacs added on revaluation of Land on the basis of the Valuation Report dated 12.03.2009 of an approved valuer

^ pertains to the Wind Power Plant installed and commissioned at Jaisalmer, Rajasthan.

Capital Work-in-Progress includes Rs. 97.56 Lacs (PY : 47.40 lacs) on account of capitalisation of interest and other borrowing cost as stipulated under AS- 16 "Borrowing Cost"

(Rs. in Lacs)

NOTE 12 : NON CURRENT INVESTMENTS					
(Long Term Investments)					
Previous Year Nos.	Current Year Nos.		Face Value Rs.	As at March 31, 2013	As at March 31, 2012
At cost, unless otherwise specified					
Non Trade Investments					
a. In Equity Shares - Quoted, fully paid up					
1985150	1985150	1. Emami Paper Mills Ltd.	2	1,011.89	1,011.89
415462	470224	2. The Peria Karamalai Tea & Produce Co.Ltd.	10	445.15	359.45
171176	171176	3. Jay Shree Tea & Industries Ltd.	10	268.59	268.59
50000	50000	4. Coal India Ltd.	10	164.84	164.84
100000	100000	5. Dhunseri Petrochem & Tea Ltd.	10	155.96	155.96
109411	109411	6. RSR Mohta Spg. & Wvg. Mills Ltd.	10	147.71	147.71
50000	85000	7. Hindalco Ltd.	1	99.35	67.13
40000	40000	8. The Andhra Pradesh Paper Mills Ltd.	10	63.28	63.28
50000	50000	9. Sterlite Industries (I) Ltd.	1	56.63	56.63
5000	5000	10. Mahindra & Mahindra Ltd.	5	36.85	36.85
2000	4000	11. ICICI Bank Ltd.	10	34.89	18.47
25000	25000	12. Hindustan Zinc Ltd.	2	32.07	32.07
7500	8500	13. Bharti Airtel Ltd.	5	29.19	26.05
13064	13064	14. Vardhman Textile Ltd.	10	26.27	26.27
19186	19186	15. Power Grid Corp. of India Ltd.	10	17.27	17.27
10000	15000	16. Tata Global Beverages Ltd.	1	17.02	11.78
50000	50000	17. Bajaj Hindustan Ltd.	1	15.91	15.91
750	800	18. Hero Motocorp Ltd.	2	15.53	14.58
946	946	19. MOIL	10	3.54	3.54
1400	1400	20. State Bank of Bikaner & Jaipur	10	2.10	2.10
5000	-	21. ITC Ltd.	1	-	10.56
30000	-	22. Idea Cellular Ltd.	10	-	28.45
274	-	23. Bajaj Auto Ltd.	10	-	4.65
1000	-	25. State Bank Of India	10	-	21.35
500	-	25. Grasim Industries Ltd.	10	-	13.93
25000	-	26. Thomas Cook (India) Ltd.	1	-	15.48
25000	-	27. Tata Motors Ltd.- DVR	2	-	37.69
5000	-	28. Reliance Industries Ltd.	10	-	37.90
-	6000	29. HDFC Bank Ltd.	10	38.85	-
-	55000	30. JK Lakshmi Cement Ltd.	10	70.63	-
-	10000	31. Hindustan Unilever Ltd.	10	48.48	-
-	2000	32. Bank of Baroda	1	15.65	-
-	350	33. Nestle India Ltd.	10	15.30	-
-	10000	34. Syndicate Bank Ltd.	10	12.82	-
-	10550	35. VA Tech Wabag Ltd.	2	56.86	-
-	750	36. J&K Bank Ltd.	10	9.55	-
-	1000	37. Multi Commodity Exchange of India	10	10.47	-
-	1000	38. Bata India Ltd.	10	7.77	-
-	20000	39. Steel Authority of India Ltd.	10	13.33	-
-	5002	40. Madras Cement Ltd.	1	12.44	-
-	6357	41. Credit Analysis & Research Ltd.	10	47.69	-
-	2500	42. Cairn India Ltd.	10	6.75	-
			(a)	3,010.63	2,670.38

(Rs. in Lacs)

Previous Year Nos.	Current Year Nos.		Face Value Rs.	As at March 31, 2013	As at March 31, 2012
b. In Equity Shares - Unquoted, fully paid up					
638100	159525	1. Placid Ltd. @	10	1,104.25	1,104.25
400000	400000	2. Usha Breco Ltd.	10	200.00	200.00
577778	1256039	3. VS Lignite Power (P) Ltd.	10	125.61	57.78
5	5	4. The Jewel Crown Co-op. Housing Society Ltd.	50	*	*
			(b)	1,429.86	1,362.03
c. In Preference Shares Unquoted, fully paid up					
1114222	1114222	1. 0.01% Cumulative Redeemable Preference Share of VS Lignite Power (P) Ltd.	10	111.42	111.42
			(c)	111.42	111.42
d. Investment in Bonds Quoted, Fully Paid up					
108754	108754	1. 8 % IRFC Tax Free Bonds	1000	1,087.54	1,087.54
-	160000	2. 7.18 % IRFC Tax Free Bonds	1000	1,600.00	-
85437	85437	3. 8.20 % PFC Tax Free Bonds	1000	854.37	854.37
86533	-	4. 8.20% NHAI Tax Free Bonds	1000	-	865.33
1000	1000	5. 6 % REC Capital Gain Exemption Bonds	10000	100.00	100.00
			(d)	3,641.91	2,907.24
e. Investment in Mutual Funds (Quoted)					
2000000	-	1. SBI Debt Fund		-	200.00
250000	250000	2. SBI Capital Prot. Or. Fund-Series III		25.00	25.00
5000000	5000000	3. Reliance Fixed Horizon Fund - xxi - Series 21 - Growth Plan		500.00	500.00
25348654	25348654	4. HDFC Medium Term Opportunities Fund - Growth		2,870.00	2,870.00
			(e)	3,395.00	3,595.00
f. Investment in LLP's					
		1. Sidhidata Power LLP		2176.30	2163.90
		2. Iota Mtech Power LLP		26879.84	26609.67
			(f)	29056.14	28773.57
TOTAL			(a+b+c+d+e+f)	40,644.96	39,419.64
Aggregate amount of quoted investments				10,047.54	9,172.62
Aggregate amount of unquoted investments				30,597.42	30,247.02
Aggregate market value of quoted investments				9,897.03	9,024.05
<p>@ 4 Shares of Digvijay Investment Ltd. were exchanged and merged into 1 share of Placid Ltd. during the year 2012-13. *The value of the item after rounding off is below the reportable figures, hence ignored.</p>					

NOTE 13 : LONG TERM LOANS & ADVANCES

(Unsecured and Considered good)		
Capital advances	313.50	502.21
Other loans & advances		
Advance Income Tax (Net)	329.13	843.67
MAT Credit Entitlement	2,208.91	294.25
Security Deposits	472.74	505.53
TOTAL	3,324.28	2,145.66

(Rs. in Lacs)

NOTE 14 : CURRENT INVESTMENTS			As at	As at
Previous Year Nos.	Current Year Nos.		March 31, 2013	March 31, 2012
Investment in mutual funds				
29,699	-	1 SBI Premier Liquid Fund	-	500.45
14	-	2 Reliance Money Manager Fund - Retail Option - Growth Plan	-	0.20
82,827	-	3 Reliance Money Manager Fund - Institutional Option - Daily Dividend Plan	-	829.40
1,224	-	4 Kotak Floater Long Term - Growth	-	0.20
4,97,89,520	2,48,46,365	5 IDFC Money Manager Fund - Investment Plan - Inst Plan B - Daily Dividend	2,502.45	5,044.17
172	-	6 ICICI Prudential Flexible Income Plan Regular Growth	-	0.20
19,64,586	-	7 ICICI Prudential Flexible Income Plan Premium - Daily Dividend	-	2,077.26
900	893	8 HDFC Cash Manager Fund - Tap- Retail - Growth	0.09	0.20
82,06,541	10,55,425	9 HDFC Cash Manager Fund - Tap - Wholesale - Daily Dividend (Reinvestment)	105.87	823.24
53	-	10 Birla Sunlife Saving Fund Retail - Growth	-	0.10
59	-	11 Birla Sunlife Floating Rate Fund - Short Term - Growth	-	0.10
40	-	12 Birla Sunlife Cash Manager Growth	-	0.10
9,96,860	-	13 HDFC Cash Management Fund - Treasury Advantage Plan	-	100.00
-	1,37,53,720	14 IDFC MMF Investment Plan- Growth	2,500.00	-
-	69,31,402	15 IDFC Ultra Short Term Mutual Fund	694.01	-
-	2,97,731	16 HDFC Floating Rate Income Fund - Short Term	30.01	-
-	*	17 Liquid Bees (Exchange Traded Fund)	0.01	-
		18 HDFC FRIF STP	46.55	-
TOTAL			5,878.99	9,375.62
Aggregate amount of quoted investments			5,878.99	9,375.62
Aggregate market value of quoted investments			5,884.58	9,383.12
* The value of item after rounding off is below the reportable figure, hence ignored.				

NOTE 15 : INVENTORIES			
(At lower of Cost or Net Realisable Value except Stores & Spares, which are valued at cost)			
Raw Materials		7,036.76	7,470.70
Stock-in-Process		1,317.03	1,291.51
Finished Goods		437.71	1,013.25
Stock-in-Trade		104.12	0.21
Stores, Spare Parts & Fuel		545.30	567.38
TOTAL		9,440.92	10,343.05

NOTE 16 : TRADE RECEIVABLES			
(Unsecured and Considered Good)			
Over Six months		259.22	177.23
Others		5,342.04	4,135.41
TOTAL		5,601.26	4,312.64

(Rs. in Lacs)

NOTE 17 : CASH & CASH EQUIVALENTS	As at March 31, 2013	As at March 31, 2012
Cash in hand	8.57	13.90
Balance with scheduled banks		
in current accounts	542.40	687.35
in deposit accounts *	4,040.95	2,911.86
in unpaid dividend account	6.31	2.73
TOTAL	4,598.23	3,615.84
* includes deposits of Rs. 65.42 Lacs with maturity of more than 12 months.		

NOTE 18 : SHORT TERM LOANS & ADVANCES		
(Unsecured and Considered good)		
Loans and advances to related party		
Inter Corporate Deposits	400.00	-
Other Loans & Advances		
Inter Corporate Deposits *	150.00	550.00
Balances with Customs, Central Excise Authorities, etc.	311.95	95.69
Prepaid Expenses	80.46	22.60
Deposit with government, public bodies and others	1,315.04	1,227.95
Others	2,093.98	401.15
TOTAL	4,351.43	2,297.39
* repayable on demand and interest is charged at market rates.		

NOTE 19 : OTHER CURRENT ASSETS		
Interest accrued on investments	110.98	76.03
Interest accrued on trade receivable	-	1.08
TOTAL	110.98	77.11

NOTE 20 : REVENUE FROM OPERATIONS	2012-13	2011-12
Sale of Products		
Yarn : Own	35,276.75	32,477.77
: Trading	725.98	252.00
Fabrics : Own	12,072.69	8,442.06
: Trading	1,778.83	897.00
Others	883.61	485.64
	50,737.86	42,554.47
Less: Excise Duty	5.25	33.33
	50,732.61	42,521.14
Income from Investment	355.90	63.57
Sale of Power (Wind)	548.31	0.06
Sale of Shares	-	111.00
TOTAL	51,636.82	42,695.77

(Rs. in Lacs)

NOTE 21 : OTHER INCOME	2012-13	2011-12
Profit on Sale of Fixed Assets	3.51	5.18
Dividend on Shares	63.74	126.11
Dividend on Mutual Funds	587.25	1,288.40
Interest Received on ICDs, FDRs, Bonds, etc.	528.62	532.21
Profit on Sale of Investments	118.25	-
Miscellaneous Income	49.82	24.17
TOTAL	13,51.19	1,976.07

NOTE 22 : COST OF MATERIALS CONSUMED		
Raw Materials Consumed	28,032.16	30,572.05
Other Materials Consumed	1,457.37	1,302.85
TOTAL	29,489.53	31,874.90

NOTE 23 : CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK -IN-PROCESS		
Stock at commencement		
Finished Goods	1,013.25	1,050.64
Stock-in-Process	1,291.51	683.36
Stock-in-Trade	0.21	-
	2,304.97	1,734.00
Stock at Close		
Finished Goods	437.71	1,013.25
Stock-in-Process	1,317.03	1,291.51
Stock-in-Trade	104.12	0.21
	1,858.86	2,304.97
TOTAL	(446.11)	570.97

NOTE 24 : MANUFACTURING EXPENSES		
Stores and Spare Parts Consumed	1,129.31	784.64
Power & Fuel	4,649.99	4,560.12
Processing Expenses	314.61	62.14
Repairs to : Plant & Machinery	125.60	92.36
: Buildings	61.00	30.93
Pollution Control Expenses	110.10	81.02
TOTAL	6,390.61	5,611.21

NOTE 25 : EMPLOYEE BENEFITS EXPENSE		
Salaries & Wages	2,639.98	2,421.62
Contribution to Provident and Other Funds	310.08	285.67
Staff Welfare Expenses	89.91	62.08
TOTAL	3,039.97	2,769.37

(Rs. in Lacs)

NOTE 26 : FINANCE COSTS	2012-13	2011-12
Interest Expense		
On Long Term Loans	881.71	607.74
On Other borrowings	438.36	294.29
	1,320.07	902.03
Less: Received (Gross)	382.30	713.29
	937.77	188.74
Other financing costs	68.12	32.53
TOTAL	1,005.89	221.27

NOTE 27 : ADMINISTRATIVE, SELLING & OTHER EXPENSES		
Rent	14.20	11.92
Rates & Taxes	13.40	8.27
Insurance Charges	23.87	17.40
Loss on Sale of Investments	14.42	-
Loss on Sale of Fixed Assets	0.10	-
Charity & Donation	8.00	2.00
Other Repairs & Maintenance	77.56	35.28
Applicable Loss on Foreign Currency transactions	(7.48)	(5.31)
Legal & Professional Charges	66.65	109.97
Commission & Brokerage on sales	339.47	278.22
Selling & Distribution Expenses	404.93	331.77
Travelling Expenses	74.39	66.40
Provision for Doubtful Loans & Advances	0.49	-
Miscellaneous Expenses	419.98	157.10
TOTAL	1,449.98	1,013.02

NOTE 28 : EXTRAORDINARY ITEMS		
Non-Compete Fees	-	11,255.62
Closure Compensation pertaining to Kota Unit	-	(70.36)
Profit/(Loss) on Sale of Investments	-	38,948.02
TOTAL	-	50,133.28

NOTE 29 : CURRENT TAX EXPENSE		
Current tax	1,041.79	10,027.80
Minimum alternate tax expense/(credit)	(733.67)	(146.38)
Wealth tax	5.00	2.00
TOTAL	313.12	9,883.42

(Rs. in Lacs)

NOTE 30 : EARNINGS PER SHARE (EPS)	2012-13	2012-13
Net profit as per Statement of Profit & Loss available for Equity Shareholders	4,774.88	40,970.12
Weighted average number of equity shares for EPS computation (Nos.)	259.20	259.20
Basic & Diluted Earnings per share before extraordinary items (Rs.)	18.42	2.91
Basic & Diluted Earnings per share after extraordinary items (Rs.)	18.42	158.06
Face value per share (Rs.)	10.00	10.00

31. Related party Disclosures:
A. Name of related parties and description of relationship :

S.No.	Key Management Personnel (KMP)	Control	Significant Influence
i.	Mr. LN Bangur, CMD #	Iota Mtech Power LLP	The Peria Karamalai Tea & Produce Co. Ltd.
ii.	Mr. Govind Sharda ED	Sidhidata Power LLP	Placid Ltd. *
iii.	Mr. Yogesh Bangur Director (CA&S) #		M.B. Commercial Co. Ltd.
iv.			The Kishore Trading Co. Ltd.
v.			Samay Books Ltd.

* Digvijay Investments was amalgamated and merged into Placid Ltd. during the year 2012-13

Mr. LN Bangur and Mr. Yogesh Bangur are related to each other.

B. Related Party Transactions Details :

Nature of Transaction Relationship	Key Management Personnel	Control	Significant Influence/
Remuneration	282.46 (145.77)		
Purchase of equity shares			85.69 (202.42)
Investment made		Nil (28,710.00)	
Income from investment		346.14 (63.57)	
Inter Corporate Deposits (ICD) given			7,450.00 (2,500.00)
Inter Corporate Deposits (ICD) taken			2,500.00 (Nil)
Interest on ICDs taken			97.26 (Nil)
Interest on ICDs given			5.97 (174.00)
Inter Corporate Deposits (ICD) repaid by parties			7,050.00 (2,950.00)
Inter Corporate Deposits (ICD) repaid to parties			2,500.00 (Nil)
Balance receivable/(payable) as at 31 st March 2013	Nil (Nil)	29,056.14 (28,773.57)	402.68 (Nil)

Note: Previous year figures are shown in brackets.

32. Segment Reporting

The Company has identified two reportable segments viz. Textile and Investment. Segments have been identified and reported taking into account nature of products and services, the differing risks and return and the internal business reporting system. The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting.

- Revenue and expenses have identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as “Unallocable”.
- Segment assets and segment liabilities represent assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to segment on reasonable basis have been disclosed as “Unallocable”.

Details of Business Segments:

(Rs. in lacs)

Particulars	Textile		Investment		Unallocable		Total	
	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year
1.Segment Revenue								
- External sales	51,044.98	42,521.20	591.84	174.57			51,636.82	42,695.77
- Other Income			1,292.77	1,946.45			1,292.77	1,946.45
- Inter-segment sales								
Total Revenue	51,044.98	42,521.20	1,884.61	2,121.02			52,929.59	44,642.22
2.Segment Results	5,825.08	(294.45)	1,623.10	1,969.89			7,448.18	1,675.44
Unallocated expenses (Net off unallocable income)					-	-	-	-
Profit before interest and tax	5,825.08	(294.45)	1,623.10	1,969.89	-	-	7,448.18	1,675.44
Interest expense							(1,005.89)	(221.27)
Extraordinary Items							-	50,133.28
Profit before tax							6,442.29	51,587.45
Provision for taxation							(1,667.41)	(10,617.33)
3.Profit/(Loss) after tax							4,774.88	4,0970.12
4.Other Information								
i) Segment assets	52,550.88	38,290.63	56,640.51	56,139.82			1,09,191.39	94,430.45
Unallocated corporate assets					2,538.04	1,139.51	2,538.04	1,139.51
Total assets	52,550.88	38,290.63	56,640.51	56,139.82	2,538.04	1,139.51	1,11,729.43	95,569.96
ii) Segment liabilities	9,924.44	11,029.91	11.56	0.71			9,936.00	11,030.62
Unallocated corporate liabilities					3,279.66	2,675.13	3,279.66	2,675.13
Total liabilities	9,924.44	11,029.91	11.56	0.71	3,279.66	2,675.13	13,215.66	13,705.75
Capital Expenditure	12,310.61	7,856.99					12,310.61	7,856.99
Depreciation	2,100.92	1,171.75	0.04				2,100.96	1,171.75
Non-cash expenses other than depreciation								

- (i) As per Accounting Standard on Segment Reporting (AS-17), "Segment Reporting", the Company has reported segment information on consolidated basis including business conducted through its subsidiaries.
- (ii) The subsidiary companies considered in the consolidated financial statements are:

Name of the Subsidiaries	Proportion of ownership interest
MSUM Texfab Ltd.	100%
Iota Mtech Pvt. Ltd.	100%
KiranVyapar Ltd.	100%

33. Previous year figures have been regrouped and rearranged wherever necessary to conform to current year's grouping.

As per our Report of even date.	Signature to Notes 1 to 33		
Kolkata May 27, 2013	Pradip Kumar Ojha <i>Company Secretary</i>	LN Bangur Govind Sharda Yogesh Bangur Alka Bangur SS Kothari C V Desai Amitav Kothari GR Agarwal	<i>Chairman & Managing Director Executive Director Directors(CA&S)</i> <i>Directors</i>
For BD Gargieya & Co. <i>Chartered Accountants</i> (FRN : 001072C) NK Gupta <i>Partner</i> <i>M. No. 72326</i>			

Financial information of subsidiary companies			
Particulars	(Rs. in lacs)		
	Name of Subsidiary Company		
	MSUM Textfab Limited	IOTA Mtech (Pvt.) Limited	Kiran Vyapar Limited
Capital	5.00	5.00	59.52
Reserves	(0.74)	415.05	49.55
Total Assets	4.54	29130.27	112.36
Total Liabilities	4.54	29130.27	112.36
Investments	-	29102.69	105.96
Turnover/Total Income	-	582.08	9.79
Profit Before Tax	(0.18)	354.41	4.76
Provision for Tax	-	2.75	0.01
Profit After Tax	(0.18)	351.66	4.75
Proposed Dividend	-	-	-

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Maharaja Shree UMAID MILLS LIMITED

Regd. Office : Room No. 706, 7th Floor, "Krishna",
224, AJC Bose Road, Kolkata – 700017 (W.B.)

PROXY

I/We _____
of _____ being a Member(s) of the
Maharaja Shree Umaid Mills Ltd., hereby appoint _____
of _____ (or failing him _____
of _____) (or failing him _____
of _____) as my/our proxy in my/our absence to attend
and vote for me/us and on my/our behalf at the 73rd Annual General Meeting of
the Company to be held on the 14th day of August, 2013 and at any adjournment
thereof.

As Witness my/our hand/hands this _____ day of
_____ 2013.

Signature

DPID No.

Folio No./Client ID No.

Please
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Stamp

NOTE : The Proxy must be deposited at the Registered Office of the Company, not less than 48 hours before the time of holding the Meeting.