

TURN AROUND BY SURYALAKSHMI, FORAY IN TO POWER GENERATION

Suryalakshmi, one of the major players in the textile industry in South has modern spinning units at Amanagallu in Mahboobnagar District in Andhra Pradesh and a 40 million meter denim plant at Ramtek near Nagpur, Maharashtra. The company's subsidiary Suryakiran International Ltd, located in the outskirts of Hyderabad is into manufacture and export of denim garments.

- Turnover during the year was Rs 417.83 crores with an Increase of 16% over that of previous year, which will touch Rs.500 crore in the current year.
- FBIDT margins have grown up from 7.2% in the previous year to 12.3% during the current year.
- Solid fourth quarter PBT of RS 7.93 crores. PAT has improved substantially to Rs 4.35 crores during the year 2009-10 against the loss of Rs. 15.7 crores in the previous year.

The company is a major player in the denim industry and has recorded an impressive growth in exports during the year. The Company's efforts in building a direct business with leading international brands like V.F CORP., LEVI'S,WALMART,TARGET etc has paid off and its value added and fancy denims continue to be well received in the European and US markets. The demand for denim in the domestic market has also improved.

To further improve the profitability of the denim division, the company is putting up a captive 25 MW Thermal Power Plant at an estimated cost of Rs. 135 crores. The necessary approvals have been obtained and fuel linkage has also been tied up. The necessary financing arrangements are being worked out. The power plant is expected to be commissioned in 2011-12. After meeting the captive requirements of power, the company plans to sell the surplus power.

The Yarn division has also shown good growth. The company proposes to add another 10000 spindles to its yarn division at Amanagallu taking the total spindlage to 60000. The company also proposes to enhance the spinning capacity at Ramtek to improve the profitability and also reduce dependence on outsourcing.

The Board has recommended a dividend of 10 % at its Board Meeting on 15th May 2010

