

**29<sup>TH</sup>**  

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**ANNUAL REPORT**  
**2014-2015**



**EUROTEX INDUSTRIES AND  
EXPORTS LIMITED**



## **EUROTEX INDUSTRIES AND EXPORTS LIMITED**

**An ISO 9001 and Oko-Tex Standard 100 Certificate Holder**

**SA 8000 and GOTS Certified Company**

### **BOARD OF DIRECTORS**

**Shri Krishan Kumar Patodia**

*Chairman and Managing Director*

**Shri Hariprasad Siotia**

**Shri Gopal Patodia**

**Shri Narayan Patodia**

*Managing Director*

**Shri Rajiv Patodia**

*Executive Director and CFO*

**Shri V. K. Gupta**

**Shri D. K. Patel**

**Shri M. L. Bagaria**

**Shri P. P. Dundh**

**Shri A. R. Garde**

**Smt. Hema Thakur**

**EUROTEX  
INDUSTRIES AND EXPORTS  
LIMITED**

## **COMPANY SECRETARY**

**Shri Rahul Rawat**

## **BANKERS**

**STATE BANK OF INDIA  
BANK OF INDIA  
IDBI BANK LIMITED  
STATE BANK OF PATIALA  
PUNJAB NATIONAL BANK**

## **AUDITORS**

**LODHA & COMPANY**  
Chartered Accountants  
Mumbai

## **REGISTERED AND HEAD OFFICE**

809, Raheja Chambers, 8th Floor,  
213, Nariman Point, Mumbai - 400 021.

## **MILLS**

E-23 & E-1, MIDC, Gokul Shirgaon,  
Kolhapur - 416 234,  
Maharashtra.

## **SHARE TRANSFER AGENTS**

**DATAMATICS FINANCIAL SERVICES LIMITED**  
Plot No.B-5, Part B, Cross Lane, MIDC,  
Marol, Andheri (East), Mumbai - 400 093.  
Tel.: 022-66712156 E-mail: investorsqry@dfssl.com



## EUROTEx INDUSTRIES AND EXPORTS LIMITED

**Registered Office:** 809, Raheja Chambers, 8th Floor,  
213, Nariman Point, Mumbai - 400 021.  
**CIN : L70200MH1987PLC042598**

### NOTICE CONVENING ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the 29th Annual General Meeting of the Shareholders of **EUROTEx INDUSTRIES AND EXPORTS LIMITED** will be held at "The Residence", An Apartment Hotel, Saki Vihar Road, before Nitie, Powai, Mumbai - 400 087 on Saturday, the 12th September, 2015 at 9.00 A.M. to transact the following business:

#### ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements for the financial year ended 31st March, 2015 and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Hari Prasad Siotia (DIN: 00015103) who retires by rotation and, being eligible, offers himself for re-appointment.
3. To ratify the appointment of M/s. Lodha & Co., Chartered Accountants (Firm's Reg. No. 301051E), and in this regard to consider and if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 139 to 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), and pursuant to the recommendation of the Audit Committee, the appointment of M/s. Lodha & Co., Chartered Accountants (Firm's Reg. No. 301051E) be and are hereby re-appointed as the auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting be and is hereby ratified and the Board of Directors of the Company be and is hereby authorized to fix their remuneration for the financial year ending 31st March, 2016."

#### SPECIAL BUSINESS

4. To consider and appoint Smt. Hema Thakur (DIN: 01363454) as an Independent Director for a period of 4 (four) years and pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory

- modification(s) and re-enactment thereof, for the time being in force) and Clause 49 of the Listing Agreement, Smt. Hema Thakur (DIN: 01363454) who was appointed as an Additional Director of the Company under Section 161 of the Companies Act, 2013 by the Board of Directors with effect from 14th February, 2015 and who holds office till the date of the AGM and who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013 signifying his intention to propose Smt. Hema Thakur (DIN: 01363454) as a candidate for the office of a Director of the Company, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a period of four (4) consecutive years w.e.f. 14th February, 2015."
5. To ratify the remuneration of the Cost Auditor for the financial year ending 31st March, 2016 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) M/s. A. G. Anikhindi & Co., Cost Accountants appointed by the Board of Directors of the Company as Cost Auditors under Section 148 of the Companies Act, 2013, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2016, at the remuneration of Rs. 1,00,000/- (Rupees One Lakh Only) plus applicable taxes be and is hereby ratified and confirmed.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board

**Rahul Rawat**  
Company Secretary  
**M.No. A27891**

Place: Mumbai  
Date : 23rd May, 2015

**NOTES**

1. **A Member entitled to attend and vote at the Annual General Meeting (the “Meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a Member of the Company. The instrument appointing the proxy should, however, be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the Meeting.**

**A person can act as a proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.**

2. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
4. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. The Company has notified closure of Register of Members and Share Transfer Books from 1st September, 2015 to 12th September, 2015 (both days inclusive).
7. Members holding shares in electronic form are requested to intimate immediately any change in their Address or Bank mandates to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form are requested to advise any change in their Address or Bank mandates immediately to the Company / Datamatics Financial Services Limited.
8. The Company has transferred the unpaid or unclaimed dividends for all the financial years earlier to 2007 from time to time on due dates, to the Investor Education and Protection Fund.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every Participant in Securities Market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN to the Company/ Datamatics Financial Services Limited.
10. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.

11. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Datamatics Financial Services Limited, for consolidation into a single folio.
12. Details of the Director retiring by rotation and seeking re-appointment (in pursuance of Clause 49 of the Listing Agreement):

<b>Name of Director</b>	<b>Shri Hari Prasad Siotia</b>
Date of Birth	03.05.1934
Date of Appointment	16.02.1987
Qualification	B. Com
Expertise in Specific functional area and years	More than five decades of rich experience in the field of Cotton & Yarn trading and manufacturing activities of cotton spinning
List of other Directorship held	PBM Polytex Limited Patodia Syntex Limited Shree Janardana Mills Limited Eurospin Industries Limited Mercury Gems Private Limited Patodia Company Private Limited
Chairman/Member of the Committees of the Board of Directors of the Company	Audit Committee - Member Nomination & Remuneration Committee - Member Stakeholders Relationship Committee - Chairman Risk Management Committee - Chairman
Chairman/Member of the Committee(s) of Board of Directors of other Companies in which he is a Director	Member of Audit Committee, Nomination & Remuneration Committee & Stakeholders Relationship Committee of PBM Polytex Limited
Shareholding in the Company	42218 Equity Shares

13. Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company has provided e-voting facility for members to cast their vote electronically from the place other than Annual General Meeting (“remote e-voting”).

Members may also cast vote through Ballot Form being sent alongwith the Annual Report. Detailed instructions in this regard are printed on the Ballot Form.



**14. The instructions for Members for voting electronically are as under:**

### **INSTRUCTIONS FOR E-VOTING**

Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members the facility to exercise their right to vote by electronic means and the business may be transacted through e-Voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).

The Company has approached CDSL for providing e-Voting services through their e-voting platform. In this regard, your Demat Account/Folio Number has been enrolled by the Company for your participation in e-Voting on resolution placed by the Company on e-Voting system.

The Notice of the Annual General Meeting (AGM) of the Company inter alia indicating the process and manner of e-Voting process can be downloaded from the Company website i.e. [www.eurotex@eurotexgroup.com](mailto:www.eurotex@eurotexgroup.com)

The e-Voting period commences on 9th September, 2015 (9:00 A.M.) and ends on 11th September, 2015 (5:00 P.M.). During this period shareholders of the Company, may cast their vote electronically. The e-Voting module shall also be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

The voting rights of members shall be in proportion to their shares of the Paid up Equity Share Capital of the Company as on the **cut-off date** of 5th September, 2015. Any person, who acquires shares of the Company and become member of the Company after dispatch of the Notice and holding shares as of the cut-off date i.e. 5th September, 2015, may obtain the login ID and password by sending a request at [companysecretary@eurotexgroup.com](mailto:companysecretary@eurotexgroup.com)

The facility for voting through Polling Paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-Voting or through Ballot Form sent by them to the Scrutiniser shall be able to exercise their right at the meeting through Ballot Paper.

### **PROCEDURE FOR REMOTE E-VOTING**

- (i) The voting period begins on 9th September, 2015 (9:00 A.M.) and ends on 11th September, 2015 (5:00 P.M.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 5th September, 2015, may cast their vote electronically. The e-Voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-Voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on "Shareholders" tab.
- (iv) Now, select the Company name "Eurotex Industries and Exports Limited" from the drop down menu and click on "SUBMIT"
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
<b>PAN</b>	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both Demat Shareholders as well as Physical Shareholders):</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ravi Kumar with sequence number 100 then enter RA00000100 in the PAN field.</li> </ul>
<b>DIVIDEND</b>	Enter the Dividend Bank details or Date of Birth in dd/mm/yyyy format.
<b>BANK DETAILS OR DOB</b>	<p>As recorded in your Demat account or in the Company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the Depository or Company please enter the Member ID/Folio Number in the Dividend Bank details field.</li> </ul>

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Members holding shares in physical form will then reach directly the Company selection screen. However, Members holding shares in Demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat holders for voting for Resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-Voting on the Resolutions contained in this Notice.
- (xii) Click on the EVSN of the Eurotex Industries and Exports Limited.
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.



- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the voting page.
- (xviii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Non-Individual Shareholders and Custodians:
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-Voting, you may refer the Frequently Asked Questions (“FAQs”) and e-Voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
15. The result of the electronic voting shall be declared after the Annual General Meeting. The result along with the Scrutinizer’s report shall also be placed on the website of the Company
16. Members may also note that the Notice of 29<sup>th</sup> Annual General Meeting and the Annual Report for the Financial Year 2014-15 will also be available on the Company’s website [www.eurotexgroup.com](http://www.eurotexgroup.com) for download.
- 17. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.**

By Order of the Board

Place: Mumbai  
Date : 23rd May, 2015

**Registered Office :**

809, Raheja Chambers, 8th Floor,  
213, Nariman Point, Mumbai - 400 021.

**Rahul Rawat**  
Company Secretary  
**M.No. A27891**



**EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013.**

**ITEM NO. 4**

As per the provisions of the Section 149 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, it is mandatory to appointment a Woman Director on the Board of the Company.

The Board of Directors in their meeting held on 14th February, 2015, appointed Smt. Hema Thakur (DIN: 01363454) as an Additional Director under Section 161 of the Companies Act, 2013 to meet the requirement of Woman Director in terms of second proviso to sub-section (1) of Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement and she holds office upto forthcoming Annual General Meeting. She has been designated as Independent Director.

The resolution set out at item no. 4 of the Notice fix to appoint Smt. Hema Thakur (DIN: 01363454) as a Director designated as Independent Director for a consecutive four (4) years w.e.f. 14.02.2015.

Smt. Hema Thakur (DIN: 01363454) is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and has given her consent to act as a Director.

The Company has received Notice in writing from a Member of the Company under Section 160 of the Companies Act, 2013 along with deposit of requisite amount proposing the candidature of Smt. Hema Thakur (DIN: 01363454) for office of Director of the Company.

The Company has also received declaration from Smt. Hema Thakur (DIN: 01363454) that she meets with the criteria of Independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Smt. Hema Thakur (DIN: 01363454) fulfills the conditions for appointment as Woman as well as Independent Director as specified in the Companies Act, 2013 and the Listing Agreement.

Brief resume of Smt. Hema Thakur (DIN: 01363454) is provided in the Corporate Governance Report forming Part of the Annual Report.

A copy of draft letter for appointment of Smt. Hema Thakur (DIN: 01363454) as Independent Director is available for inspection by Members at the Registered Office of the Company.

This statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

Smt. Hema Thakur (DIN: 01363454) is interested in the Resolution set out in Item No. 4 of the Notice with regard to her appointment.

The relatives of Smt. Hema Thakur (DIN: 01363454) may be deemed to be interested in the Resolution set out in Item No. 4 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4 of the Notice.

The Board commends the Ordinary Resolution set out in Item No. 4 of the Notice for approval of the shareholders.

**ITEM NO. 5**

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. Anikhindi and Co., as Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2016.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be determined by the shareholders of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out in Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending 31st March, 2016.

Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 5 of the Notice.

The Board commends the Ordinary Resolution set out in Item No. 5 of the Notice for approval of the shareholders.

By Order of the Board

**Rahul Rawat**  
Company Secretary  
**M.No. A27891**

Place: Mumbai  
Date : 23rd May, 2015

**Registered Office :**  
809, Raheja Chambers, 8th Floor,  
213, Nariman Point, Mumbai - 400 021.



## DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present their 29th Annual Report on the affairs of the Company together with the Audited Statement of Accounts for the year ended 31st March, 2015.

	<b>2014-15</b>	2013-14
	<b>(₹ in lacs)</b>	(₹ in lacs)
<b>FINANCIAL RESULTS</b>		
Profit before Finance Cost, Depreciation, Tax	<b>993.58</b>	2,896.49
Less: Finance Costs	<b>868.31</b>	911.52
Profit/(Loss) before Depreciation	<b>125.27</b>	1,984.97
Less: Depreciation	<b>462.26</b>	960.10
	<b>(336.99)</b>	1,024.87
Less: Provision for Income Tax	-	475.84
Less: Prior Years' Tax Adjustments (Net)	-	13.26
Add: Deferred Tax Assets	<b>14.44</b>	21.45
Profit/(Loss) for the year	<b>(322.55)</b>	557.22
Balance brought forward from previous year	<b>1,664.35</b>	1,158.31
Less: Additional Depreciation due to change in life of Assets net of Deferred Tax Asset Rs.86.48 Lakhs consequent to enactment of Companies Act, 2013	<b>169.26</b>	-
Amount available for appropriation	<b>1,172.54</b>	1,715.53
Less: Appropriations during the year		
Proposed Dividend	-	43.75
Corporate Dividend Tax	-	7.43
<b>Balance Carried to Balance Sheet</b>	<b>1,172.54</b>	1,664.35

### PERFORMANCE REVIEW

During the year revenue from the operations of the Company is Rs.280.65 Crores as compared to Rs.344.29 Crores in the previous year. The operating profits of the Company is Rs.9.93 Crores as against Rs.28.96 Crores in the previous year. The loss after finance cost and depreciation is Rs.3.37 Crores as against the profit of Rs.10.25 Crores in the previous year.

This year exports of cotton yarn from India to China dropped by a whopping 23%. The main reason for the fall in sales of the Company is due to substantial reduction in exports and reduction in price of yarns. Our exports during the year is Rs.197.24 Crores as against Rs.244.88 Crores in the previous year. The reasons for drop in operating profits are mainly due to fall in exports and increase in man power cost.

### DIVIDEND

The Board has decided not to recommend any dividend for the Financial Year 2014-15.

### SHARE CAPITAL

The paid up Equity Share Capital as on 31st March, 2015 was Rs.8,74,98,650. During the year under review, the Company has not issued any shares with differential rights as to dividend, voting or otherwise or convertible debentures.

### MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes and commitments affecting the Financial Position of the Company which have occurred between the end of the Financial year of the Company to which the Financial Statement relate and the date of this report.

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

In accordance with the provisions of Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, required information relating to the Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is given in the "Annexure A" to the Directors' Report.

### EXPANSION OF BUSINESS

The Company has surplus parcels of land at Kolhapur. The Board of Directors of the Company are of the opinion that since the Real Estate sector is doing well, the Company can profitably diversify its business into Real Estate. Keeping this in view, the Company has altered the Main Object of the Memorandum of Association of the Company to include Real Estate business.

### DIRECTORS / KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Shri Hari Prasad Siotia (DIN: 00015103) retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment. Accordingly, his re-appointment forms part of the Notice of the ensuing Annual General Meeting.

Smt. Hema Thakur (DIN: 01363454) was appointed as an Additional Independent Director on the Board of the Company on 14th February, 2015. In accordance with the requirements of Section 149 and 152 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, her continuation as an Independent Director on the Board of the Company will have to be approved by the Members of the Company.

In accordance with provisions of Section 149 of the Companies Act, 2013 and the Listing Agreement with the Stock Exchanges, Smt. Hema Thakur (DIN: 01363454) has given a declaration to the Company that she meets

the criteria of independence as mentioned in Section 149 (6) of the Companies Act, 2013 read with Clause 49 of the Listing Agreement. The details of the proposal for appointment of Independent Director is mentioned in the statement under Section 102 of the Companies Act, 2013, annexed to the notice of the 29th Annual General Meeting of the Company.

Shri Rajiv Patodia (DIN: 00026711) has been appointed as Chief Financial Officer of the Company in the Board Meeting held on 8th November, 2014.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under the sub-section (7) of Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

As required by Section 134 (3) (c) of the Companies Act, 2013, your Board of Directors hereby state:

- (a) that in the preparation of the Annual Accounts for the year ended 31st March, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (b) that such accounting policies as mentioned in the Notes to the Financial Statements have been selected and applied them consistently and judgments and estimates are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2015 and of the Profit & Loss of the Company for the year ended on that date;
- (c) that the Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) that the annual accounts have been prepared on a going concern basis;
- (e) that Directors have laid down Internal Financial Controls to be followed by the Company and such Internal Financial Controls are adequate and operating effectively;
- (f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

#### **BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an Annual Performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its various Committees.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board excluding the Directors being evaluated. The performance evaluation of the Chairman and Non-Independent Directors was carried out by the Independent Directors at their separate meeting.

#### **BOARD MEETINGS**

During the year, four Board Meetings were convened and held, the details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

#### **POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION**

The Company's policy on Director's Appointment and Remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of Section 178 of the Companies Act, 2013 is annexed hereto and forms a part of this report.

#### **AUDITORS**

##### **Statutory Auditors**

M/s. Lodha & Co., Chartered Accountants (Firm's Reg. No. 301051E), who are the Statutory Auditors of the Company, hold office in accordance with the provisions of the Companies Act, 2013 up to the conclusion of the Annual General Meeting of the Company scheduled to be held in the calendar year 2017, subject to ratification by Members every year and are eligible for re-appointment.

They have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed thereunder for re-appointment as Auditors of the Company. The Board, based on recommendation of Audit Committee, recommends the appointment of M/s. Lodha & Co. as the Statutory Auditors of the Company.



Necessary Resolution for ratification of appointment of the said Auditors is included in the Notice of AGM for seeking approval of Members.

#### **Cost Auditors**

Pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, on recommendations of Audit Committee, your Directors had appointed M/s. A. G. Anikhindi & Co. to audit the Cost Records of the Company for the Financial year ending 31st March, 2016 on a remuneration of Rs. 1,00,000/- (Rupees One Lakh only) plus applicable taxes. As required under the Companies Act, 2013, the remuneration payable to the Cost Auditors is required to be placed before the Members in Annual General Meeting for their ratification. Accordingly, a Resolution seeking Member's ratification is included in the Notice convening the Annual General Meeting.

#### **Secretarial Audit**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed M/s. S. K. Jain & Co., Practising Company Secretary, to conduct Secretarial Audit of the Company for the Financial year 2014-15.

#### **AUDITORS AND REPORTS**

The matters related to Auditors and their Reports are as under:

##### **1. Statutory Auditor and their Report:**

At the Annual General Meeting held on 6th September, 2014, M/s Lodha & Co., Chartered Accountant, were appointed as Statutory Auditors of the Company to hold office till the conclusion of Annual General Meeting to be held in the calendar year 2017. In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the Auditors is to be placed for ratification at every Annual General Meeting. Accordingly the appointment of M/s Lodha & Co., Chartered Accountant, as Statutory Auditors of the Company is placed for ratification by the Shareholders. In this regard the Company has received a Certificate from the Auditors to the effect that if they are appointed

it would be in accordance with the provision of Section 141 of the Companies Act, 2013.

The Report given by the Statutory Auditors for the Financial Statements for the year ended 31st March, 2015 read with explanatory notes thereon do not call for any explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

##### **2. Secretarial Auditor & his Report:**

M/s. S. K. Jain & Co., (Proprietor Dr. S. K. Jain) Practising Company Secretary, was appointed to conduct Secretarial Audit of the Company for the financial year 2014-15 as required under Section 204 of the Companies Act, 2013 and the Rules thereunder. The Secretarial Audit report for the financial year 2014-15 forms part of the Annual Report as "Annexure B" to the Boards Report. The said report does not contain any observation or qualification requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

#### **CORPORATE GOVERNANCE**

The Company has complied with all the mandatory requirements of Corporate Governance, as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges. A separate report on Corporate Governance and a Certificate from M/s. Lodha & Co., Statutory Auditors, regarding compliance with the conditions of Corporate Governance is given in a separate section and forms part of the Annual Report.

#### **AUDIT COMMITTEE**

The Board has well-qualified Audit Committee with majority of Independent Directors including Chairman. They possess sound knowledge on Accounts, Audit, Finance, Taxation, Internal Controls etc. The details of the Composition of the Audit Committee are given in the Corporate Governance Report.

The Company Secretary of the Company acts as Secretary of the Committee.

During the year, there are no instances where the Board had not accepted the recommendations of the Audit Committee.

### **NOMINATION & REMUNERATION COMMITTEE & POLICY**

The Company has duly constituted Nomination & Remuneration Committee to align with the requirements prescribed under the provisions of the Companies Act, 2013 and the revised Clause 49 of the Listing Agreement.

The details of the Composition of the Nomination & Remuneration Committee are given in the Corporate Governance Report.

The Board has framed a policy for selection and appointment of Directors, Senior Management and their Remuneration. The policy provides for determining qualifications, positive attributes, and independence of a Director.

### **RISK MANAGEMENT**

The Company has laid down the procedures to inform to the Board about the risk assessment and minimization procedures and the Board has formulated Risk Management policy to ensure that the Board, its Audit Committee and its Executive Management should collectively identify the risks impacting the Company's business and document their process of risk identification and risk minimization as a part of a Risk Management policy / strategy.

The common risks inter alia are: Regulations, Credit Risk, Foreign Exchange and Interest Risk, Competition, Business Risk, Technology Obsolescence, Investments, Retention of Talent and Expansion of Facilities etc. Business Risk, inter-alia, further includes financial risk, political risk, legal risk, etc. The Board reviews the risk trend, exposure and potential impact analysis and prepares risk mitigation plans, if necessary.

Further, in accordance with Clause 49 of the Listing Agreement, a Risk Management Committee has also been formed which also oversees the Risk Management of the Company.

The details of the Composition of the Risk Management Committee are given in the Corporate Governance Report.

### **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The Company is not required to contribute towards CSR under Section 135 of the Companies Act, 2013 read with Rules thereunder.

The Board of Directors of your Company, however, has constituted a CSR Committee. The details of the Composition of the Corporate Social Responsibility Committee are given in the Corporate Governance Report.

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations.

Based on the report of Internal Audit function, corrective action are undertaken in the respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

### **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

In line with the best Corporate Governance practices, Company has put in place a system through which the Directors and Employees may report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics without fear of reprisal. The Employees and Directors may report to the Compliance Officer and have direct access to the Chairman of the Audit Committee. The Whistle Blower Policy is placed on the website of the Company.

### **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMAN AT WORK-PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All woman employees (permanent, contractual, temporary and trainee) are covered under this Policy.

The following is a summary of Sexual Harassment complaints received and disposed off during the year:

- a) No. of Complaints received: Nil
- b) No. of Complaints disposed off: Nil



### DISCLOSURE UNDER SECTION 197 (12) OF THE COMPANIES ACT, 2013

The Company has not employed any individual whose remuneration falls within the purview of the limits prescribed under the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

#### a. Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year:

Name of Director	Ratio to Median Remuneration
Shri K. K. Patodia	30.52:1
Shri Narayan Patodia	16.41:1
Shri Rajiv Patodia	15.69:1

#### b. Percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in financial year:

Name of Person	Designation	% increase in remuneration in financial year
Shri K. K. Patodia	Chairman and MD	-
Shri Narayan Patodia	Managing Director	-
Shri Rajiv Patodia	Executive Director and CFO	-
Shri Rahul Rawat	Company Secretary	28.17

#### c. Percentage increase in the median remuneration of employees in the financial year:

4.91%

#### d. The number of permanent employees on the rolls of the Company:

1,095 employees

#### e. Explanation on the relationship between average increase in remuneration and Company performance:

On an average, employees received an annual increase of **6.45%**. The individual increments varied from **2.13%** to **30.61%**, based on individual performance.

The increase in remuneration is in line with market trends. In order to ensure that remuneration reflects Company performance, the performance pay is also linked to organizational performance, apart from individual's performance.

#### f. Comparison of the remuneration of the key managerial personnel against the performance of the Company:

Aggregate remuneration of key managerial personnel (KMP) in FY 2014 - 2015 (Rs. in Lakhs)	97.26
Revenue (Rs. in Lakhs)	28,064.83
Remuneration of KMPs (as % of revenue)	0.35
Profit Before Tax (PBT) (Rs. in Lakhs)	(336.99)
Remuneration of KMPs (as % of PBT)	-

#### g. Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year:

Particulars	As at 31/03/2015	As at 31/03/2014	% Change
Market Capitalisation (Rs. Lakhs)	1,723.72	1,671.22	3.14
Price Earnings Ratio	(3.69)	6.37	(157.93)

#### h. Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with last public offer:

Particulars	As at 31/03/2015	As at 31/03/1993*	% Change
Market Price (BSE)	19.70	21.54	(8.54)
Market Price (NSE)	20.05	21.54	(6.92)

\* Adjusted for rights issue of 20,19,815 shares of face value Rs. 10 issued at Rs. 60 in the financial year 1992-1993.

- i. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

The average annual increase was around **6.45%** in the salaries of employees.

Increase in the managerial remuneration for the year was **2.44%**.

- j. **Comparison of each remuneration of the key managerial personnel against the performance of the Company:**

Name of Person	Shri K. K. Patodia	Shri Narayan Patodia	Shri Rajiv Patodia	Shri Rahul Rawat
Designation	Chairman and MD	Managing Director	Executive Director & CFO	Company Secretary
Remuneration in FY 2014-2015 (Rs. in Lakhs)	47.40	25.48	24.37	6.37
Revenue (Rs. in Lakhs)	28,064.83	28,064.83	28,064.83	28,064.83
Remuneration as % of revenue	0.17	0.09	0.09	0.02
Profit Before Tax (PBT) (Rs. in Lakhs)	(336.99)	(336.99)	(336.99)	(336.99)
Remuneration as % of PBT	-	-	-	-

- k. **The key parameters for any variable component of remuneration availed by the Directors:**

None

- l. **The ratio of the remuneration of the highest paid Director to that of the employees who**

**are not Directors but receive remuneration in excess of the highest paid Director during the year:**

None

- m. **Affirmation that the remuneration is as per the remuneration policy of the Company:**

The Company affirms remuneration is as per the remuneration policy of the Company.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

During the year under review, the Company has not given any loans and guarantees. Details of Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

#### **RELATED PARTY TRANSACTIONS**

All Related Party Transactions that were entered into during the Financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant Related Party Transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large and hence, enclosing of Form AOC-2 is not required. All Related Party Transactions are placed before the Audit Committee as well as the Board for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all Related Party Transactions is placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis. The Company has developed a Related Party Transactions Policy for the purpose of identification and monitoring of such transactions.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at [www.eurotexgroup.com](http://www.eurotexgroup.com).

#### **MANAGEMENT DISCUSSION AND ANALYSIS**

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, the Management Discussion & Analysis Report for the year under review is given under a separate section and forms part of the Annual Report.

#### **PUBLIC DEPOSITS**

The Company has not accepted or renewed any amount



falling within the purview of provisions of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review. Hence, the requirement for furnishing of details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

#### EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 134 (3) (a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended 31st March, 2015 made under

the provisions of Section 92(3) of the Companies Act, 2013 in Form MGT-9 is annexed herewith as "Annexure C".

#### ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation and thankful acknowledgement for valuable assistance the Company received from all Lending Bankers.

On behalf of the Board

**K. K. PATODIA**

Chairman

and Managing Director

Place : Mumbai

Date : 23rd May, 2015

## ANNEXURE "A" TO THE DIRECTORS' REPORT

### PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO REQUIRED UNDER THE COMPANIES (ACCOUNTS) RULES, 2014.

#### (A) CONSERVATION OF ENERGY:

##### (a) Energy Conservation Measures Taken:

During the year, the Company has taken the following measures for Energy Conservation:

1. Installed high efficiency axial flow fans for supply air and return air fans of humidification plant.
2. Installed energy saving 20W LED tube lights in place of 28/36W tube lights inside the production hall.
3. Installed high efficiency water pumps for Luwa Humidification.
4. Optimized air flows in humidification plants.
5. The Company has carried out the mandatory energy audit through accredited energy auditor firm M/s. KSRG Green Energy, Hyderabad for energy conservation as per Energy Conservation Act, 2001.
6. As per PAT rules, the Company has achieved the energy saving targets given by Ministry of Power, Govt. of India, for first PAT cycle 2012-13 to 2014-15 and same has been monitored and verified by empaneled accredited energy audit agency M/s. CEEP, Chennai in May, 2015 and they have recommended to BEE for issue of energy saving certificates.

##### (b) Steps taken for utilizing alternate source of energy:

We have Captive Power Plant which runs on furnace oil as alternate power source and same is run during power failure from MSEDCL to run the entire plant.

##### (c) Capital investment on energy conservation equipments:

1. Installation of high efficiency fans: Rs.6.68 Lakhs

2. LED tube lights in place of 28/36W: Rs.0.47 Lakh

3. High efficiency water pumps for Luwa Humidification: Rs.0.26 Lakh

#### (B) TECHNOLOGY ABSORPTION:

##### (a) The efforts made towards Technology Absorption:

None

##### (b) The benefits derived like product improvement, cost reduction, product Development or import substitution:

N. A.

##### (c) In case of imported technology (imported during the last three years):

The Company has not utilised any imported technology.

##### (d) The expenditure incurred on Research and Development:

Nil

#### (C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

##### (a) Total Foreign Exchange used and earned:

(Rs. in Lacs)

i) CIF Value of Imports	<b>2,903.49</b>
ii) Expenditure in Foreign Currency	<b>407.92</b>
iii) Foreign Exchange Earned	<b>19,724.19</b>

On behalf of the Board

**K. K. PATODIA**

Chairman

and Managing Director

Place : Mumbai

Date : 23rd May, 2015



## **ANNEXURE “B” TO THE DIRECTORS’ REPORT**

### **SECRETARIAL AUDIT REPORT**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]  
**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015**

To,

**The Members,  
EUROTEX INDUSTRIES AND EXPORTS LIMITED**

809, Raheja Chambers,  
8th Floor, 213 Nariman Point,  
Mumbai - 400021

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by Eurotex Industries and Exports Limited (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Eurotex Industries and Exports Limited’s Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the financial year ended 31st March, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board – Processes and Compliance-Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the Books, Papers, Minute Books, Forms and Returns filed and other records maintained by Eurotex Industries and Exports Limited (“The Company”) as given in Annexure I, for the financial year ended on 31st March, 2015, according to the provisions of:
  - (i) The Companies Act, 2013 (the Act) and the Rules made thereunder for specified Sections notified and came into effect from 12th September, 2013 and Sections and Rules notified and came into effect from 1st April, 2014;
  - (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;

(iii) The Depositories Act, 1996 and Regulations & the bye-laws, 1996 thereunder;

(iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):

- i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - iii. The Securities and Exchange Board of India (Registrars to a Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client.
2. Provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of External Commercial Borrowings, Foreign Direct Investment and Overseas Direct Investment were not attracted to the Company under the financial year under review.
  3. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) were not applicable to the Company under the financial year under report:
    - (i) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable as the Company has not made any further issue of shares);



- (ii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable as the Company has not issued any Debt securities during the financial year under review);
- (iii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable as the Company has not delisted / propose to delist its Equity Shares from any Stock Exchange during the financial year under review);
- (iv) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable as the Company has not brought back / propose to buy-back any of its securities during the financial year under review);
- (v) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not Applicable as the Company has not introduced any such scheme during the financial year under review).
4. Other Laws applicable specifically to the Company namely:  
Essential Commodities Act, 1955.
5. I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head / groups of Acts, Laws and Regulations as generally applicable to the Company is given in **Annexure II**.
6. In case of Direct and Indirect Tax Laws like Income Tax Act, Service Tax Act, Excise & Custom Acts, I have relied on the Reports given by the Statutory Auditors of the Company.

I have also examined compliance with the applicable Clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 1956; ( Not notified and hence not applicable to the Company during Audit period ) and
- (ii) The Listing Agreements entered into by the

Company with Bombay Stock Exchange and National Stock Exchange;

**During the financial year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.**

**I further Report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through and recorded as part of the minutes.

**I further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

**I further report that** during the year / audit period under report, the Company has not undertaken events / actions having a major bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards etc. referred to above.

For **S. K. Jain & Co.**

(Dr. S. K. Jain)  
Proprietor  
Company Secretary

Place: Mumbai  
Date : 23rd May, 2015

FCS : 1473  
COP : 3076

## **ANNEXURE - I**

### **List of documents verified**

1. Memorandum & Articles of Association of the Company .
2. Annual Report for the financial year ended 31st March, 2014.
3. Minutes of the Meetings of the Board of Directors, Audit Committee , Nomination & Remuneration Committee and Stakeholders Relationship Committee along with Attendance Register held during the financial year under report.
4. Minutes of General Body Meetings held during the Financial year under report.
5. All Statutory Registers.
6. Agenda papers submitted to all the Directors/ Members for the Board Meetings and Committee Meetings.
7. Declarations received from the Directors of the Company pursuant to the provisions of Section 184 of the Companies Act, 2013 and attachments thereto during the financial year under report.
8. Intimations received from Directors under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992.
9. E- forms filed by the Company, from time to time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report.
10. Intimations / documents / reports / returns / filed with the Stock Exchanges pursuant to the provisions of Listing Agreement during the financial year under report.
11. Documents related to payments of dividend made to its shareholders during the financial year under report.

## **ANNEXURE - II**

**Registered & Corporate Office:**  
**809, Raheja Chambers,**  
**8th Floor, 213 Nariman Point,**  
**Mumbai - 400021.**  
**Maharashtra.**

**Mills:**  
**E-23 & E-1, MIDC,**  
**GokulShirgaon,**  
**Kolhapur - 416 234,**  
**Maharashtra.**

### **List of applicable laws to the Company Under E-23 & E-1, MIDC, GokulShirgaon, Kolhapur - 416 234.**

1. Factories Act, 1948 read with the Maharashtra Factories Rules, 1963;
2. Industrial Dispute Act, 1947 and the rules made thereunder;
3. Payment of Bonus Act, 1956 and the rules made thereunder;
4. Payment of Gratuity Act, 1972 and the rules made thereunder;
5. Payment of Wages Act, 1938 and the rules made thereunder;
6. The Minimum Wages Act, 1948 and the rules made thereunder;
7. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made thereunder;
8. Maternity Benefits Act, 1961 and the rules made thereunder;
9. Industrial Employment Standing Orders Act, 1946 and the rules made thereunder;
10. Professional Tax Act, 1975
11. Employees Provident Fund Act, 1952 and the rules made thereunder;
12. The Contract Labour Act, 1970 and the rules made thereunder;
13. The Employment Exchange Act, 1959 and the rules made thereunder;
14. Equal Remuneration Act, 1976
15. Workmen's Compensation Act, 1923 and the rules made thereunder;
16. Standards of Weights and Measures Act, 1976.

**For S. K. Jain & Co.**

(Dr. S. K. Jain)  
Proprietor  
Company Secretary  
FCS : 1473  
COP : 3076

Place: Mumbai  
Date : 23rd May, 2015



## ANNEXURE “C” TO THE DIRECTORS’ REPORT

**FORM NO. MGT - 9**

### EXTRACT OF ANNUAL RETURN

**As on the Financial Year ended 31st March, 2015**

[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

#### I. REGISTRATION AND OTHER DETAILS:

CIN	: L70200MH1987PLC042598
Registration Date	: 16/02/1987
Name of the Company	: Eurotex Industries and Exports Limited
Category / Sub-Category of the Company	: Public Company/Limited by Shares
Address of the Registered Office and Contact Details	: 809, Raheja Chambers, 8th Floor, 213, Nariman Point, Mumbai – 400 021. Tel No.: 022-22041408
Whether Listed Company	: Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	: Datamatics Financial Services Limited Plot No. B-5, Part B, Cross Lane, MIDC, Marol, Andheri (East), Mumbai – 400 093. Tel No.: 022-66712156

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated:

Sr. No	Name and Description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
1	Cotton Yarn	13111	89%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Not Applicable

#### IV. SHARE HOLDING PATTERN:

**(Equity Share Capital Breakup as percentage of Total Equity)**

##### (i) CATEGORY-WISE SHARE HOLDING:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	174935	-	174935	1.9993	174935	-	174935	1.9993	-

**EUROTEX  
INDUSTRIES AND EXPORTS  
LIMITED**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	5949152	-	5949152	67.9914	6036692	-	6036692	68.9918	1.0004
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1):-</b>	<b>6124087</b>	<b>-</b>	<b>6124087</b>	<b>69.9907</b>	<b>6211627</b>	<b>-</b>	<b>6211627</b>	<b>70.9911</b>	<b>1.0004</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2):-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>									
<b>Shareholding of</b>									
<b>Promoter (A) = (A)</b>									
(1)+(A)(2)	6124087	-	6124087	69.9907	6211627	-	6211627	70.9911	1.0004
<b>B. Public</b>									
<b>Share Holding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	7850	7850	0.0897	-	7850	7850	0.0897	-
b) Banks / FI	300	1080	1380	0.0158	100	1080	1180	0.0135	(0.0023)
c) Central Govt	44650	-	44650	0.5103	44650	-	44650	0.5103	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital funds -	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>44950</b>	<b>8930</b>	<b>53880</b>	<b>0.6158</b>	<b>44750</b>	<b>8930</b>	<b>53680</b>	<b>0.6135</b>	<b>(0.0023)</b>
<b>2. Non-Institutions</b>									
<b>a) Bodies Corp.</b>									
i) Indian	186944	11644	198588	2.2696	146813	11644	158457	1.8110	(0.4586)



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual									
Shareholders holding nominal share capital upto Rs. 1 lakh	1377121	432030	1809151	20.6762	1301409	424374	1725783	19.7235	(0.9527)
ii) Individual									
Shareholders holding nominal share capital in excess of Rs. 1 lakh	503335	-	503335	5.7525	538986	-	538986	6.1599	0.4074
c) Non Residents									
i) NRI Rep	58391	808	59199	0.6766	58451	808	59259	0.6773	0.0007
ii) NRI Non-Rep	1625	-	1625	0.0186	2073	-	2073	0.0237	0.0051
Sub-Total (B)(2):	2127416	444482	2571898	29.3935	2047732	436826	2484558	28.3954	(0.9981)
Total Public									
Shareholding(B)=(B)									
(1)+(B)(2)	2172366	453412	2625778	30.0093	2092482	445756	2538238	29.0089	(1.0004)
C. SHARES HELD BY CUSTODIAN FOR									
GDRS & ADRS	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	8296453	453412	8749865	100	8304109	445756	8749865	100	-

**(ii). SHARE HOLDING OF PROMOTERS:**

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in Shareholding during the year
	No. of Shares	% of Total Shares of the Company	% of Shares Pledged/encumbered to total Shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged/encumbered to total Shares	
Patodia Syntex Ltd.	3707272	42.3695	-	3794812	43.3699	-	1.0004
PBM Polytex Ltd.	2231980	25.5087	-	2231980	25.5087	-	-
Rajiv Agencies Pvt. Ltd.	7200	0.0823	-	7200	0.0823	-	-
Thrust Invst. & Mgmt. Cons. Pvt. Ltd.	2700	0.0309	-	2700	0.0309	-	-
Krishan Kumar Patodia	58242	0.6656	-	58242	0.6656	-	-
Hari Prasad Siotia	42218	0.4825	-	42218	0.4825	-	-
Gopal Patodia	195	0.0022	-	195	0.0022	-	-

**EUROTEX  
INDUSTRIES AND EXPORTS  
LIMITED**

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in Shareholding during the year
	No. of Shares	% of Total Shares of the Company	% of Shares Pledged/encumbered to total Shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged/encumbered to total Shares	
Madhu Patodia	180	0.0021	-	180	0.0021	-	-
Narayan Patodia	36000	0.4114	-	36000	0.4114	-	-
Rajiv Patodia	19300	0.2206	-	19300	0.2206	-	-
Shailja Patodia	8800	0.1006	-	8800	0.1006	-	-
Ritvika Patodia	5000	0.0571	-	5000	0.0571	-	-
Vedika Patodia	5000	0.0571	-	5000	0.0571	-	-
<b>Total</b>	<b>6124087</b>	<b>69.9906</b>	<b>-</b>	<b>6211627</b>	<b>70.9910</b>	<b>-</b>	<b>1.0004</b>

**(iii) CHANGE IN PROMOTERS' SHARE HOLDING (PLEASE SPECIFY, IF THERE IS NO CHANGE):**

Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
<b>Patodia Syntex Limited</b>				
At the beginning of the year	3707272	42.3695	3707272	42.3695
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	25000 (09.05.2014) 25000 (12.05.2014) 20000 (13.05.2014) 17540 (15.05.2014)		87540	1.0004
At the End of the year	3794812	43.3699	3794812	43.3699

**(iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRs AND ADRs):**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
<b>1.</b>	<b>Santosh Sitaram Goenka</b>				
	At the beginning of the year	134851	1.54	134851	1.54
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc):	150 (20.06.2014) 1435 (30.06.2014) 5240 (18.07.2014)		30685	0.35



Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
		7328 (25.07.2014) 7776 (01.08.2014) 1000 (08.08.2014) 3201 (22.08.2014) 6263 (29.08.2014) 445 (12.09.2014) 347 (30.09.2014) -1500 (14.11.2014) -1000 (21.11.2014)			
	At the end of the year	165536	1.89	165536	1.89
<b>2.</b>	<b>Prakash Chand Agarwal</b>				
	At the beginning of the year	87540	1.00	87540	1.00
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-87540 (16.05.2014)		-87540	-1.00
	At the end of the year	0.00	0.00	0.00	0.00
<b>3.</b>	<b>Dhanlaxmi Sridhar</b>				
	At the beginning of the year	38254	0.43	38254	0.43
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	-4000 (09.05.2014) -1000 (30.05.2014) -1500 (02.06.2014) -700 (06.06.2014) 3150 (13.06.2014) 750 (20.06.2014) -8854 (30.06.2014) 7177 (25.07.2014) 1100 (01.08.2014) -1001 (08.08.2014) -1104 (14.08.2014)		-17013	-0.19



**EUROTEX  
INDUSTRIES AND EXPORTS  
LIMITED**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
		-1636 (22.08.2014) -743 (29.08.2014) -4396 (05.09.2014) -1800 (12.09.2014) -256 (19.09.2014) -1000 (30.09.2014) -1200 (10.10.2014)			
	At the end of the year	21241	0.24	21241	0.24
<b>4.</b>	<b>Raghvendra</b>				
	At the beginning of the year	28840	0.32	28840	0.32
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-340 (18.07.2014) -2000 (25.07.2014)		-2340	-0.02
	At the end of the year	26500	0.30	26500	0.30
<b>5.</b>	<b>Sanjiwani Sudhakar Jawale</b>				
	At the beginning of the year	24000	0.27	24000	0.27
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	2000 (30.05.2014) 1900 (06.06.2014) 2100 (20.06.2014) 2400 (30.06.2014) -1900 (25.07.2014) 800 (08.08.2014) 700 (14.08.2014) 800 (05.09.2014) 1200 (30.09.2014) 400 (10.10.2014) 400 (17.10.2014) 200 (24.10.2014) 600 (21.11.2014)		11600	0.13
	At the end of the year	35600	0.40	35600	0.40



Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
<b>6.</b>	<b>Supriya Santosh Goenka</b>				
	At the beginning of the year	14090	0.16	14090	0.16
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	17564 (11.07.2014) 1864 (25.07.2014) 4606 (01.08.2014) 563 (05.09.2014) 2701 (24.10.2014) -2137 (14.11.2014) 2000 (28.11.2014)		27161	0.31
	At the end of the year	41251	0.47	41251	0.47
<b>7.</b>	<b>Sunita Santosh Goenka</b>				
	At the beginning of the year	15870	0.18	15870	0.18
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	1200 (20.06.2014) 5510 (30.06.2014) 1550 (01.08.2014) 3387 (29.08.2014) 1500 (19.09.2014) 100 (12.12.2014) 1000 (13.01.2015) 3384 (20.03.2015) 127 (27.03.2015) 453 (31.03.2015)		18211	0.21
	At the end of the year	34081	0.39	34081	0.39
<b>8.</b>	<b>Sangeetha S</b>				
	At the beginning of the year	10290	0.12	10290	0.12
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	900 (22.08.2014) 17290 (09.01.2015) 2000 (16.01.2015)		20190	0.23
	At the end of the year	30480	0.35	30480	0.35

**EUROTEX  
INDUSTRIES AND EXPORTS  
LIMITED**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
<b>9.</b>	<b>Ganulal Kewalram</b>				
	At the beginning of the year	20801	0.24	20801	0.24
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc)	-20801 (27.03.2015)		-20801	-0.24
	At the end of the year	0.00	0.00	0.00	0.00
<b>10.</b>	<b>Madan Bhagchand Melwani</b>				
	At the beginning of the year	50454	0.58	50454	0.58
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc)	-	-	-	-
	At the end of the year	50454	0.58	50454	0.58
<b>11.</b>	<b>United India Insurance Co. Ltd.</b>				
	At the beginning of the year	44650	0.51	44650	0.51
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc)	-	-	-	-
	At the end of the year	44650	0.51	44650	0.51
<b>12.</b>	<b>Pushpak Steel Industries Ltd.</b>				
	At the beginning of the year	41400	0.47	41400	0.47
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc)	-	-	-	-
	At the end of the year	41400	0.47	41400	0.47
<b>13.</b>	<b>Akash Haresh Kumar Jain</b>				
	At the beginning of the year	23000	0.26	23000	0.26
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc)	-	-	-	-
	At the end of the year	23000	0.26	23000	0.26



**(v) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
<b>1.</b>	<b>Hari Prasad Siotia</b>				
	At the beginning of the year	42218	0.4825	42218	0.4825
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year	42218	0.4825	42218	0.4825
<b>2.</b>	<b>Krishan Kumar Patodia</b>				
	At the beginning of the year	58242	0.6656	58242	0.6656
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year	58242	0.6656	58242	0.6656
<b>3.</b>	<b>Gopal Patodia</b>				
	At the beginning of the year	180	0.0021	180	0.0021
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year	180	0.0021	180	0.0021
<b>4.</b>	<b>Narayan Patodia</b>				
	At the beginning of the year	36000	0.4114	36000	0.4114
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year	36000	0.4114	36000	0.4114

**EUROTEX  
INDUSTRIES AND EXPORTS  
LIMITED**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
<b>5.</b>	<b>Rajiv Patodia</b>				
	At the beginning of the year	19300	0.2206	19300	0.2206
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year	19300	0.2206	19300	0.2206
<b>6.</b>	<b>V. K. Gupta</b>				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-
<b>7.</b>	<b>D. K. Patel</b>				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-
<b>8.</b>	<b>P. P. Dundh</b>				
	At the beginning of the year	1000	0.0114	1000	0.0114
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year	1000	0.0114	1000	0.0114



Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
<b>9.</b>	<b>A. R. Garde</b>				
	At the beginning of the year	1200	0.0137	1200	0.0137
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):		-	-	-
	At the end of the year	1200	0.0137	1200	0.0137
<b>10.</b>	<b>M. L. Bagaria</b>				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-
<b>11.</b>	<b>Hema Thakur</b>				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-
<b>12.</b>	<b>Rahul Rawat</b>				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	1	-	1	-
	At the end of the year	1	-	1	-

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(₹ in Lacs)

<b>Particulars</b>	<b>Secured Loans excluding deposits</b>	<b>Unsecured Loans</b>	<b>Deposits</b>	<b>Total Indebtedness</b>
Indebtedness at the beginning of the financial year				
i) Principal Amount				
Term Loans	2,106.68	-	-	2,106.68
Vehicle Loans	35.58	-	-	35.58
Working Capital Facilities	4,281.16	-	-	4,281.16
Unsecured Loans	-	3.00	-	3.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	12.87	-	-	12.87
<b>Total (i+ii+iii)</b>	<b>6,436.29</b>	<b>3.00</b>	<b>-</b>	<b>6,439.29</b>
Change in Indebtedness during the financial year				
<b>Addition</b>				
Vehicle Loans	7.60	-	-	7.60
Working Capital Facilities	177.08	-	-	177.08
Interest accrued but not due	8.90	-	-	8.90
<b>Reduction</b>				
Term Loans	726.80	-	-	726.80
Vehicle Loans	9.25	-	-	9.25
Interest accrued but not due	12.87	-	-	12.87
<b>Net Change</b>	<b>(555.34)</b>	<b>-</b>	<b>-</b>	<b>(555.34)</b>
Indebtedness at the end of the financial year				
i) Principal Amount				
Term Loans	1,379.88	-	-	1,379.88
Vehicle Loans	33.93	-	-	33.93
Working Capital Facilities	4,458.24	-	-	4,458.24
Unsecured Loans	-	3.00	-	3.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	8.90	-	-	8.90
<b>Total (i+ii+iii)</b>	<b>5,880.95</b>	<b>3.00</b>	<b>-</b>	<b>5,883.95</b>



## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Directors, Whole-time Director and/or Manager:

(₹ in Lacs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Shri K. K. Patodia	Shri Narayan Patodia	Shri Rajiv Patodia	
1.	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	21.00	15.00	9.00	45.00
	(b) Value of Perquisites u/s 17(2) Income Tax Act, 1961	26.40	10.48	15.37	52.25
	(c) Profits in lieu of Salary under Section 17(3) Income Tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission-as % of profit-others, specify	-	-	-	-
5.	Others, please specify	-	-	-	-
	<b>Total (A)</b>	<b>47.40</b>	<b>25.48</b>	<b>24.37</b>	<b>97.25</b>

Ceiling as per the Act

### B. Remuneration to other Directors:

(₹ in Lacs)

Sr. No.	Particulars of Remuneration	Name of Directors						Total Amount
		Shri V. K. Gupta	Shri D. K. Patel	Shri P. P. Dundh	Shri A. R. Garde	Shri M. L. Bagaria	Smt. Hema Thakur	
1.	Independent Directors							
	Fee for attending Board / Committee Meetings	0.56	0.28	0.28	0.21	0.42	-	1.75
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	<b>Total (1)</b>	<b>0.56</b>	<b>0.28</b>	<b>0.28</b>	<b>0.21</b>	<b>0.42</b>	<b>-</b>	<b>1.75</b>



**B. Remuneration to other Directors: (Contd.)**

(₹ in Lacs)

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Shri H. P. Siotia	Shri Gopal Patodia		
2.	Other Non-Executive Directors				
	Fee for attending Board / Committee Meetings	0.49	0.07		0.56
	Commission	-	-		
	Others, please specify	-	-		
	<b>Total (2)</b>	<b>0.49</b>	<b>0.07</b>		<b>0.56</b>
	<b>Total (B) = (1 + 2)</b>				<b>2.31</b>
	Total Managerial Remuneration				<b>99.56</b>
	Overall Ceiling as per the Act				

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

(₹ in Lacs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO	Company Secretary	CFO	
1.	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	21.00	5.38	9.00	35.38
	(b) Value of Perquisites u/s 17(2) Income Tax Act, 1961	26.40	0.99	15.37	42.76
	(c) Profits in lieu of Salary under Section 17(3) Income Tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission-as % of profit-others, specify	-	-	-	-
5.	Others, please specify	-	-	-	-
	<b>Total</b>	<b>47.40</b>	<b>6.37</b>	<b>24.37</b>	<b>78.14</b>

Ceiling as per the Act

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES (Under the Companies Act):**

None

On behalf of the Board

Place: Mumbai  
Date : 23rd May, 2015

**K. K. PATODIA**  
Chairman  
and Managing Director



### Declaration regarding Compliance with the Code of Conduct and Ethics Policy of the Company by Board Members and Senior Management Personnel

This is to confirm that the Company has adopted Code of Conduct and Ethics Policy for the Board of Directors and Associates of the Company, which is available at our website - www.eurotexgroup.com

the Code of Conduct and Ethics policy of the Company.

I declare that the Board of Directors and Senior Management Personnel have affirmed compliance with

Place: Mumbai  
Date : 23rd May, 2015

**K. K. PATODIA**  
Chairman  
and Managing Director

### CHIEF EXECUTIVE OFFICER'S CERTIFICATION

To,  
The Board of Directors  
Eurotex Industries and Exports Limited

I, the undersigned, in my capacity as the Chief Executive Officer of Eurotex Industries and Exports Limited ("the Company"), to the best of my knowledge and belief certify that:

- (a) I have reviewed financial statements and cash flow statement for the year ended 31st March, 2015 and to the best of my knowledge and belief, state that:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) I further state that, to the best of my knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct as adopted by the Company.
- (c) I am responsible for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of internal control

systems of the Company pertaining to financial reporting and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.

- (d) I have indicated, based on my most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
- (i) significant changes, if any, in the internal control over financial reporting during the year;
  - (ii) significant changes, if any, in the accounting policies made during the year and that the same have been disclosed in the notes to the financial statements, and
  - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Mumbai  
Date : 23rd May, 2015

**K. K. PATODIA**  
Chairman  
and Managing Director

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

#### a) Industry Structure and Development:

The Company is having cotton yarn spinning and knitted fabrics manufacturing unit. Textile is the oldest and most important industry with a high employment potential. The textile industry provides jobs for semi-skilled and unskilled labourers, women in particular, on a large scale in the country.

Eurotex has a state of art modern spinning mills manufacturing and exporting cotton yarn all over

the world.

#### b) Opportunities and Threats:

In the post quota regime, the Indian textile exporters have got very good opportunity for increasing their export of cotton yarn and value added products. Due to very good demand from domestic export oriented garment manufacturers, the cotton yarn manufacturers have got good opportunities in local markets also.

At the same time the Indian textile industry is facing threat from other textile exporting countries due to high power cost, cost of raw materials and rigid labour laws of our country.

**c) Segment or Productwise Performance:**

The Company operates primarily in one business segment viz cotton yarn and knitted fabric and has its production facilities and assets located in India. Hence segment-wise or product-wise performance is not given.

**d) Outlook, Risks and Concern:**

The Company has invested substantially in modernization and upgradation of its production facilities and the Company is poised to take maximum advantage of demand in quality goods in post quota regime.

The Exchange Rate Fluctuations, Power Cost increase due to increase in oil prices and state grid power rates are the risks and the matters of concern and may adversely affect its profitability.

**e) Internal Control Systems and their Adequacy:**

The Company has got adequate internal control system commensurate with its size of all departments.

**f) Financial Performance with respect to Operational Performance:**

The financial and operational performance are already elaborated in the Directors' Report.

**g) Development in Human Resources / Industrial Relations Front:**

The Company continued its endeavour in maintaining peace and harmony at all levels of employment in the Organisation in the year under review.

**h) Cautionary Statement:**

The Statements in the Report may be forward looking within the meaning of applicable laws or regulations. These Statements are made on certain assumptions and expectations of future events. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in government regulations, tax regimes, economic developments within India and the Countries in which the Company conducts business and other incidental factors.

The Company and its Directors assume no responsibility in respect of the forward looking statements herein which may undergo changes in the future on the basis of subsequent developments, information or events.

**K. K. PATODIA**

*Chairman*

*and Managing Director*

Place: Mumbai

Date : 23rd May, 2015

**APPOINTMENT POLICY**

THE APPOINTMENT POLICY FOR INDEPENDENT DIRECTORS, KEY MANAGERIAL PERSONNEL & SENIOR EXECUTIVES WILL BE AS UNDER:

**(A) Independent Directors:**

Independent Directors will be appointed based on the criteria mentioned under Section 149(6) of the Companies Act, 2013 and in accordance with other applicable provisions of the Companies Act, 2013, Rules made thereunder & Listing Agreements entered with Stock Exchanges.

**(B) Key Managerial Personnel (KMP):**

KMP will be appointed by the Resolution of the Board of Directors of the Company, based on qualifications, experience and exposure in the prescribed field. Removal of the KMP will also be done by the Resolution of Board of Directors of the Company. Appointment / Removal will be in accordance with the provisions of the Companies

Act, 2013, Rules made thereunder and Listing Agreements entered with Stock Exchanges.

**(C) Senior Executives:**

Senior Executives will be appointed by the Chairman and the Managing Director and/or Executive Director of the Company based on their qualifications, experience and exposure. Removal of the Senior Executives will also be by Chairman and the Managing Directors and / or Executive Director. Further, appointment and removal will be noted by the Board as required under Clause 8(3) of Companies (Meeting of Board and its Powers) Rules, 2014.

For and on behalf of the Board

**K. K. PATODIA**

*Chairman*

*and Managing Director*

Place: Mumbai

Date : 23rd May, 2015



## CORPORATE GOVERNANCE REPORT

### 1. PHILOSOPHY OF THE COMPANY ON THE CODE OF CORPORATE GOVERNANCE

The Company believes in highest standards of Corporate Governance and has put in place the systems to comply with all the rules, regulations and requirements mentioned in Clause 49 of Listing Agreement. For us effective Corporate Governance is about commitment to values and ethical business conduct which alone can guarantee business success in the long run.

We understand that Corporate Governance is a continuous journey and not a destination. The Company endeavors to achieve transparency, accountability, integrity and responsibility and continues to focus on good Corporate Governance.

#### Corporate Ethics:

The Company adheres to highest standards of business ethics, compliance with statutory and legal requirements and commitment to transparency in business dealings.

#### a. Code of Conduct for Board Members and Senior Management:

The Board of Directors has adopted the Code of Conduct for its Members and Senior Management. The Board highlights Corporate Governance as the cornerstone for the sustained management performance, for serving all the stakeholders and for instilling pride in its business dealings.

The Code is applicable to all the Directors and specified Senior Management Executives. The Code impresses upon the Directors and Senior Management Executives to uphold the interest of the Company and its Stakeholders and endeavors to fulfill the fiduciary obligation towards them. The Code also mandates that Directors and Senior Management Executives would uphold highest standard of integrity, honesty, ethical conduct and fairness in their dealings and shall exercise utmost good faith, due care and integrity in performing their duties. The Code of Conduct is posted at Company's website at [www.eurotexgroup.com](http://www.eurotexgroup.com)

#### b. Code of Conduct for prevention of Insider Trading:

The Company has adopted a Code of Conduct for prevention of insider trading for its Directors, Key Managerial Personnel & Designated Employees. The Code lays down the guidelines and procedures to be followed, disclosures to be made while dealing with the shares of the Company. The Company Secretary has been appointed as the Compliance officer, and is responsible for adherence to the Code. The Code of Conduct for prevention of Insider Trading is also available on the website of the Company.

### 2. BOARD OF DIRECTORS

The business of the Company is managed by the Board of Directors. The Board formulates the strategy, regularly reviews the performance of the Company and ensures that the previously agreed objectives are met on a consistent basis. The Managing Directors and Executive Director manage the day to day operations of the Company.

The Board of Directors comprises of three Executive Directors and eight Non-Executive Directors. Six of the Directors are Independent Directors.

#### Name of the Director Position

##### Executive

Shri Krishan Kumar Patodia	Chairman and Managing Director
Shri Narayan Patodia	Managing Director
Shri Rajiv Patodia	Executive Director and CFO

#### Non Executive

Shri H. P. Siotia  
Shri Gopal Patodia

#### Non-Executive & Independent

Shri D. K. Patel  
Shri V. K. Gupta  
Shri P. P. Dundh  
Shri M. L. Bagaria  
Shri A. R. Garde  
Smt. Hema Thakur

**Total No. of Directors = 11**

#### A. Board Procedure

Board members are given appropriate documents and information in advance of each Board and Committee Meeting to enable the Board to discharge its responsibilities effectively by taking well informed decisions. To enable the Board to discharge its responsibilities effectively, the Managing Director reviews Company's overall performance. The functions performed by the Board includes, in addition to the legal matters compulsorily required to be performed by it, review of:

- Strategy and Business plan
- Annual operating and capital expenditure budgets
- Investment and exposure limits
- Compliance with statutory/regulatory requirements and review of major legal issues
- Approval of quarterly/annual results
- Review of the minutes of the Board Meeting, Audit Committee Meeting, Stakeholders Relationship Committee Meeting and Nomination & Remuneration Committee Meeting.
- Matters relating to Foreign Exchange Exposure.

#### B. Board Meetings and Attendance

During the Financial Year 2014-15 Four Board Meetings were held on 30th May, 2014, 9th August, 2014, 8th November, 2014 & 14th February, 2015. Details of attendance at the Board Meetings, Directorship in other Companies and Membership in Committees thereof of each Director are as follows:

Name of the Director	Attendance at the Board Meeting	Attendance at last AGM	Directorship of other Companies	Committee Memberships *Mem- Chamber	Chairman
Shri K. K. Patodia Chairman & Managing Director	4	No	10	-	2
Shri H. P. Siotia	3	Yes	6	3	-
Shri Gopal Patodia	1	No	7	2	-
Shri Narayan Patodia Managing Director	4	No	5	-	-
Shri Rajiv Patodia Executive Director	4	Yes	5	-	-
Shri A. R. Garde	3	No	-	-	-
Shri P. P. Dundh	3	Yes	2	-	-
Shri D. K. Patel	3	Yes	8	10	5
Shri V. K. Gupta	4	No	-	-	-
Shri M. L. Bagaria	2	Yes	2	-	-
Smt. Hema Thakur	-	-	1	2	-

### 3. AUDIT COMMITTEE

Board of Directors has formed an Audit Committee which has the following powers:

- To investigate into any matter referred to it by the Board and for that purpose to have full access to the information contained in the records of the Company and external professional advice, if necessary.

- b. To oversee the Company's Financial Reporting process and the disclosure of its financial statement to ensure that the financial statement is correct, sufficient and credible.
- c. To recommend the appointment, remuneration and terms of appointment of statutory auditors, fixation of audit fees and also approval for payment of any other services.
- d. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- e. Reviewing with the Management the annual financial statements and auditor's report thereon before submission to the Board for approval.
- f. Reviewing with the Management the quarterly financial statements before submission to the Board.
- g. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- h. Scrutiny of inter-corporate loans and investments.
- i. To review the functioning of the Whistle Blower mechanism.
- j. Reviewing with the Management, external and internal auditors, the adequacy of internal control systems.
- k. Reviewing the Company's Financial and Risk Management policies.
- l. To look into the reasons for substantial defaults in the payment to the Depositors, Debenture holders, Shareholders (in case of non-payment of declared dividends) and Creditors.
- m. Reviewing of all Related Party Transactions.

**MEMBERS:** Shri V. K. Gupta, H. P. Siotia, Shri M. L. Bagaria

**CHAIRMAN:** Shri V. K. Gupta

The Company Secretary acts as the Secretary to the Committee. The Statutory Auditors, Internal Auditors and Cost Auditors attend the Audit Committee Meeting by invitation.

Amongst the Board of Directors two Independent Directors are members of Audit Committee Meeting. The Committee has members with sound knowledge of finance, accounting and law. The Committee deals with all matters of financial reporting, internal controls, risk management, related party transactions etc. The power and role of Audit Committee is as per guidelines set out in the Listing Agreement. It meets at least four times in a year and reviews the quarterly and annual financial statements before they are submitted to the Board. The Committee monitors any proposed change in accounting policy, accounting implications of major transactions, etc. The committee also closely reviews the adequacy of internal controls, formulates and monitors the annual audit plan.

Four Audit Committee Meetings were held during the financial year 2014-15. These meetings were held on 30th May, 2014, 9th August, 2014, 8th November, 2014 and 14th February, 2015.

The attendance at the meeting is as under:

Name of the Member	No. of Meetings Attended
Shri V. K. Gupta	4
Shri H. P. Siotia	3
Shri M. L. Bagaria	2

#### **4. NOMINATION & REMUNERATION COMMITTEE**

**MEMBERS :** Shri M. L. Bagaria, Shri H. P. Siotia, Shri D. K. Patel, Shri Rajiv Patodia, Shri P. P. Dundh.

**CHAIRMAN : Shri M. L. Bagaria**

During the Financial Year 2014-15 two Nomination & Remuneration Committee Meetings were held on 30th May, 2014 and 7th February, 2015. The Company Secretary acts as the Secretary to the Committee. Details of attendance at the Nomination & Remuneration Committee are as follow:

Name of the Member	No. of Meetings Attended
Shri H. P. Siotia	1
Shri Rajiv Patodia	1
Shri P. P. Dundh	1
Shri M. L. Bagaria	2
Shri D. K. Patel	1

#### **(A) Brief about Remuneration Policy :**

Your Company has formulated a policy on Nomination & Remuneration of Directors and Key Managerial Personnel and the major points relating to Remuneration policy are as under:

- (a) Remuneration structure of Independent & Executive Directors:
  1. Independent Directors receive remuneration by way of sitting fees for attending Board Meetings and Board Committee Meetings.
  2. The remuneration / compensation / commission etc. to be paid to Managing Directors / Executive Director shall be as per their terms of appointment, subject to the terms and conditions under the Companies Act, 2013 and Rules made thereunder or any other enactment for the time being in force and the approval of the shareholders.
- (b) Remuneration structure of Key Managerial Personnel (KMP):
  1. The remuneration of KMP shall be approved by Nomination & Remuneration Committee.
  2. The compensation of a KMP is done keeping in consideration the prevailing market value of the resources, criticality of role and internal parity.
  3. The remuneration structure to KMPs may include a variable performance linked component.

The remuneration to Executive Directors is disclosed under point no. 4(C) of this report.

#### **(B) Remuneration paid to Non-Executive Directors for the year ended 31st March, 2015 :**

The Non-Executive Directors have been paid sitting fees for attending Board/Committee Meetings, at the rate of Rs.7000/- per meeting. No sitting fee is paid for attending Stakeholders Relationship Committee Meeting.

The details of fees paid for attending Board Meeting, Audit Committee Meeting and Nomination & Remuneration Committee Meeting for the year ended 31st March, 2015 to the Directors are as follows:

(Amount in Rs.)

Sr. No.	Name of the Director	Board Meeting	Audit Committee	Nomination & Remuneration Committee
1	Shri H. P. Siotia	21,000/-	21,000/-	7,000/-
2	Shri D. K. Patel	21,000/-	-	7,000/-
3	Shri V. K. Gupta	28,000/-	28,000/-	-
4	Shri P. P. Dundh	21,000/-	-	7,000/-
5	Shri M. L. Bagaria	14,000/-	14,000/-	14,000/-
6	Shri A. R. Garde	21,000/-	-	-



**(c) Remuneration paid to Executive Directors for the year ended 31st March, 2015 :**

Name	Shri K. K. Patodia Chairman and Managing Director	Shri Narayan Patodia Managing Director	Shri Rajiv Patodia  Executive Director and CFO
Salary (Rs.)	21,00,000	15,00,000	9,00,000
Others (Rs.)	26,39,951	10,48,336	15,37,437
Appointment valid upto	20/05/2018	20/05/2018	20/05/2018
Stock Option Details	NIL	NIL	NIL

**5. STAKEHOLDERS RELATIONSHIP COMMITTEE**

Members : Shri K. K. Patodia, Shri H. P. Siotia, Shri Narayan Patodia and Shri Rajiv Patodia.

**Chairman: Shri H. P. Siotia.**

The Company Secretary acts as the Secretary to the Committee. The functions of the Committee include redressal of investors' grievance pertaining to:

- Transfer/transmission of shares.
- Issue of duplicate share certificates.
- Review of shares dematerialised.
- Dividend
- All other matters relating to shareholders

During the year 2014-15, four meetings were held on 21st April, 2014, 18th July, 2014, 28th October, 2014 and 22nd January, 2015.

Total number of service requests, enquiries, queries received during the year was thirty four and all of them were resolved. Total number of investor complaints received during the year was seven.

SEBI by its circular has mandated all the Listed Companies to get their SCORES Registration done. Accordingly, the Company has obtained the same. However, no complaints have been received during the year.

Total number of meetings attended by members:

Name of the Member	No. of Meetings Attended
Shri K. K. Patodia	4
Shri H. P. Siotia	4
Shri Narayan Patodia	2
Shri Rajiv Patodia	4

**Special Resolution(s) passed through Postal Ballot :**

a) During the year, the members have approved the following matters by passing a Special Resolutions through Postal Ballot Notice dt. 30th May, 2014:

1. Insertion of New Object Clause in the Memorandum of Association of the Company.

Promoter/ Public	No. of shares held (1)	No. of invalid votes (2)	No. of valid votes (3)	No. of votes polled (4)	% of votes polled on outstanding shares (5)= [(4)/(1)]x 100	No. of votes in favour (6)	No. of votes against (7)	% of Votes in favour on votes polled (8)= [(6)/(3)]x 100	% of votes against on votes polled (9)= [(7)/(3)]x 100
Promoter & Promoter Group	6211627	0	6211627	6211627	100	6211627	0	100	0
Public/ Institutional Holders	53880	0	0	0	0	0	0	0	0
Public/ Others	2484358	604	49486	50090	2.02	47767	1719	96.53	3.47
<b>Total</b>	<b>8749865</b>	<b>604</b>	<b>6261113</b>	<b>6261717</b>	<b>71.56</b>	<b>6259394</b>	<b>1719</b>	<b>99.97</b>	<b>0.03</b>

**6. RISK MANAGEMENT COMMITTEE**

The Board of Directors of the Company at their meeting held on 8th November, 2014 constituted a Risk Management Committee of the Board comprising of Shri K. K. Patodia, Shri H. P. Siotia and Shri Rajiv Patodia.

**7. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE**

The Board of Directors of the Company at their meeting held on 30th May, 2014 constituted a Corporate Social Responsibility Committee of the Board comprising of Shri K. K. Patodia, Shri Rajiv Patodia and Shri P. P. Dundh.

**8. GENERAL BODY MEETINGS**

Details of Annual General Meetings held during the last three years:

Year	AGM/ EGM	Location	Date/ Time	Special Resolution Passed
2014	AGM	"The Residence" An Apartment Hotel Saki Vihar Road Before Nitie, Powai, Mumbai-400 087	06.09.14 9.30 AM	No Special Resolution was passed in the Meeting.
2013	AGM	"The Residence" An Apartment Hotel Saki Vihar Road Before Nitie, Powai, Mumbai-400 087	07.09.13 9.30 AM	No Special Resolution was passed in the Meeting.
2012	AGM	"The Residence" An Apartment Hotel Saki Vihar Road Before Nitie, Powai, Mumbai-400 087	15.09.12 9.30 AM	1. Appointment of Shri K. K. Patodia as Managing - Director 2. Appointment of Shri Narayan - Patodia as Managing Director. 3. Appointment of Shri Rajiv Patodia as Executive Director

2. Borrowing limits of the Company.

Promoter/ Public	No. of shares held (1)	No. of invalid votes (2)	No. of valid votes (3)	No. of votes polled (4)	% of votes polled on outstanding shares (5)= [(4)/(1)]x 100	No. of votes in favour (6)	No. of votes against (7)	% of Votes in favour on votes polled (8)= [(6)/(3)]x 100	% of votes against on votes polled (9)= [(7)/(3)]x 100
Promoter & Promoter Group	6211627	0	6211627	6211627	100	6211627	0	100	0
Public / Institutional Holders	53880	0	0	0	0	0	0	0	0
Public / Others	2484358	604	49486	50090	2.02	47766	1720	96.53	3.47
<b>Total</b>	<b>8749865</b>	<b>604</b>	<b>6261113</b>	<b>6261717</b>	<b>71.56</b>	<b>6259393</b>	<b>1720</b>	<b>99.97</b>	<b>0.03</b>

3. Creation of Charge / Mortgage on assets of the Company.

Promoter/ Public	No. of shares held (1)	No. of invalid votes (2)	No. of valid votes (3)	No. of votes polled (4)	% of votes polled on outstanding shares (5)= [(4)/(1)]x 100	No. of votes in favour (6)	No. of votes against (7)	% of Votes in favour on votes polled (8)= [(6)/(3)]x 100	% of votes against on votes polled (9)= [(7)/(3)]x 100
Promoter & Promoter Group	6211627	0	6211627	6211627	100	6211627	0	100	0
Public / Institutional Holders	53880	0	0	0	0	0	0	0	0
Public / Others	2484358	604	49486	50090	2.02	47767	1719	96.53	3.47
<b>Total</b>	<b>8749865</b>	<b>604</b>	<b>6261113</b>	<b>6261717</b>	<b>71.56</b>	<b>6259394</b>	<b>1719</b>	<b>99.97</b>	<b>0.03</b>

4. Loan/ Guarantee / Security & Investment by the Company.

Promoter/ Public	No. of shares held (1)	No. of invalid votes (2)	No. of valid votes (3)	No. of votes polled (4)	% of votes polled on outstanding shares (5)= [(4)/(1)]x 100	No. of votes in favour (6)	No. of votes against (7)	% of Votes in favour on votes polled (8)= [(6)/(3)]x 100	% of votes against on votes polled (9)= [(7)/(3)]x 100
Promoter & Promoter Group	6211627	0	6211627	6211627	100	6211627	0	100	0
Public / Institutional Holders	53880	0	0	0	0	0	0	0	0
Public / Others	2484358	604	49486	50090	2.02	47767	1719	96.53	3.47
<b>Total</b>	<b>8749865</b>	<b>604</b>	<b>6261113</b>	<b>6261717</b>	<b>71.56</b>	<b>6259394</b>	<b>1719</b>	<b>99.97</b>	<b>0.03</b>



b) Person who conducted the Postal Ballot Exercise:

Dr. S. K. Jain, Practicing Company Secretary, 13/16, Kapadia Chambers, Ground Floor, 599, J.S.S. Road, Chira Bazar, Mumbai – 400 002.

(c) Procedure for Postal Ballot:

The procedure for Postal Ballot is as per the provisions contained in this behalf in the Companies Act, 2013 and Rules made thereunder namely the Companies (Management and Administration) Rules, 2014.

#### 9. MEETING OF INDEPENDENT DIRECTORS:

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the Listing Agreement, a separate meeting of the Independent Directors of the Company was held on 7<sup>th</sup> February, 2015 to review the performance of Non-Independent Directors, Chairman and the Board as whole. The Independent Directors also reviewed the quality, quantity and timeliness of the flow of information between the Management and the Board and it's Committees which is necessary to effectively and reasonably perform and discharge their duties.

#### 10. DISCLOSURES

- (a) There are no materially significant related party transactions i.e. transactions material in nature, with its Promoters, the Directors, or the Management having potential conflict with the interest of Company at large.
- (b) There has not been any non-compliance by the Company and no penalties or strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority, or any matter related to Capital Markets, during the last three years.
- (c) The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has a Vigil Mechanism and a Whistle Blower Policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. Employees may also report to the Chairman of the Audit Committee any unethical behavior. During the year under review no employee was denied access to Audit Committee.
- (d) Compliance with the Clause 49 of the Listing Agreement:  
The Company confirms that it has complied with all mandatory requirement prescribed in Clause 49 of the Listing Agreement.

#### 11. MEANS OF COMMUNICATION

The Company generally publishes the quarterly, half yearly, nine months and annual audited financial results in FREE PRESS JOURNAL (National) and NAV SHAKTI (Regional - Marathi) news papers.

The Company's website ([www.eurotexgroup.com](http://www.eurotexgroup.com)) contains a separate dedicated section 'Investor Information' which contains relevant information for shareholders. Further, the Annual Report and Financials are also available on the website of the Company.

All periodical compliance like Announcements, Shareholding Pattern, Corporate Governance Report, Book Closure Dates, etc. are electronically filed in NSE and BSE through 'NSE NEAPS' and 'BSE LISTING CENTRE'.

All material information about the Company is promptly sent through facsimile to Stock Exchanges where the Company's shares are listed and released to the press.

#### 12. SHAREHOLDERS' INFORMATION

1. Annual General Meeting:

- Day, Date and Time : Saturday, 12th September, 2015 at 9.00 a.m.
- Venue : 'The Residence', An Apartment Hotel, Saki Vihar Road, Before Nitie, Powai, Mumbai – 400 087.

2. Financial Calendar (tentative)

- Annual General Meeting: 12th September, 2015
- Results for quarter ending 30th June, 2015: First week of August, 2015
- Results for quarter ending 30th September, 2015: First week of November, 2015
- Results for quarter ending 31st December, 2015: First week of February, 2016
- Results for year ending 31st March, 2016: Last week of May, 2016

3. Book closure Date : 1st September, 2015 to 12th September, 2015 (Both days inclusive)

4. Registered Office : **EUROTEX INDUSTRIES AND EXPORTS LTD.**  
809, Raheja Chambers, 8th Floor  
213, Nariman Point,  
Mumbai-400 021.

5. Listing Details of Equity Shares :

- a) Bombay Stock Exchange Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001.
- b) National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai-400 051.

Listing fees for the Financial Year 2015-16 has been paid to the Stock Exchanges where the shares of the Company are listed.

6. Stock Code 1) 521014 at Bombay Stock Exchange Ltd.  
2) EUROTEXIND at National Stock Exchange of India Ltd.

7. Depositories for Equity Shares :

- National Securities Depository Ltd. : ISIN
- Central Depository Services (India) Ltd. : INE022C01012

8. Stock Performance

Stock price Data:

Year	Bombay Stock Exchange Ltd. (BSE)		(In Rs.)
	High	Low	
April, 2014	20.95	17.90	
May, 2014	24.40	17.15	
June, 2014	29.00	20.50	
July, 2014	36.80	24.00	
August, 2014	30.75	24.25	
September, 2014	33.80	25.90	
October, 2014	30.00	26.10	
November, 2014	33.50	20.80	
December, 2014	24.65	18.10	
January, 2015	27.00	19.10	
February, 2015	27.00	20.40	
March, 2015	27.90	19.30	



**EUROTEX  
INDUSTRIES AND EXPORTS  
LIMITED**

National Stock Exchange of India Ltd. (NSE) (In Rs.)

Year	High	Low
April, 2014	21.10	17.60
May, 2014	24.95	17.00
June, 2014	28.65	22.50
July, 2014	36.80	24.05
August, 2014	31.15	23.75
September, 2014	35.85	26.00
October, 2014	30.00	26.25
November, 2014	30.90	20.35
December, 2014	24.20	21.00
January, 2015	26.00	21.75
February, 2015	28.75	21.50
March, 2015	25.90	19.00

9. Comparison of share prices with broad based index like BSE SENSEX: Since the company is in the Textile Industry which does not have proper representation in the BSE SENSEX, the comparison of share prices with BSE SENSEX movement is not given.

10. Registrars & Transfer Agents: Datamatics Financial Services Ltd.  
Plot No.B-5, Part B, Cross Lane,  
MIDC, Marol, Andheri (East)  
Mumbai - 400 093  
Phone No.: 022 - 66712156  
Fax No.: 022 - 66712161

11. Share Transfer System:

Shares sent for transfer in physical form are registered by the Registrars and Share Transfer Agents within 15 days of receipt of the documents, if found in order. Shares under objection are returned within two weeks. All requests for dematerialisation of shares are processed and the confirmation is given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) within 15 days.

12. Distribution of shareholding as on 31st March, 2015:

No. of Equity Shares	No. of Shareholders	No. of Shares held	% of Share holding
Upto 500	6,423	8,57,630	9.80
501 to 1000	313	2,54,295	2.91
1001 to 2000	140	2,11,101	2.41
2001 to 3000	64	1,60,862	1.84
3001 to 4000	28	98,442	1.13
4001 to 5000	20	92,065	1.05
5001 to 10,000	23	1,76,478	2.02
10,001 to 50,000	26	5,97,968	6.83
50,001 and above	5	63,01,024	72.01
<b>Total</b>	<b>7,042</b>	<b>87,49,865</b>	<b>100.00</b>

13. Dematerialisation of shares and liquidity:

94.91% of total Equity Capital is held in dematerialised form with NSDL and CDSL as on 31st March, 2015. Trading in Equity Shares of the Company is permitted only in dematerialised form w.e.f. April 28, 2001 as per notification issued by Securities and Exchange Board of India (SEBI).

14. Plant Locations : Plot E-23 and E-1, MIDC, Gokul Shirgaon, Taluka - Karveer, Kolhapur-416 234, Maharashtra.

15. Address for Correspondence : Eurotex Industries and Exports Ltd. 809, Raheja Chambers, 8th Floor, 213, Nariman Point, Mumbai-400 021  
Phone : 022-22041408  
Fax : 022-22044139  
Email: eurotex@eurotexgroup.com

16. Compliance Officer : Rahul Rawat  
Company Secretary  
809, Raheja Chambers, 8th Floor  
213, Nariman Point,  
Mumbai-400 021  
Phone : 022-22041408  
Fax : 022-22044139

For and on behalf of the Board of Directors

**K. K. Patodia**  
Chairman

Place : Mumbai  
Date : 23rd May, 2015

and Managing Director

## DIRECTORS' PROFILE

Smt. Hema Thakur (DIN: 01363454) is a degree holder in Law & Economics from Mumbai University. She has a vast experience in Banking Sector having worked for more than 36 years in a Public Sector Bank. She has vast experience in all facets of Corporate Banking including appraisal, project finance, working capital, monitoring and revival of sick units.

## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE CERTIFICATE

To The Members of  
**M/s. Eurotex Industries and Exports Ltd.**

We have examined the compliance of the conditions of Corporate Governance by **M/s. Eurotex Industries and Exports Limited ("The Company")**, for the year ended 31st March 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

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

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

representation given by the management of the Company, we certify that the Company has materially complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

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

**For LODHA & CO**  
Chartered Accountants

**(R. P. BARADIYA)**  
Partner

Place : Mumbai  
Date : 23rd May, 2015

(M. No. 44101)  
Firm Regn. No. 301051E



## INDEPENDENT AUDITORS' REPORT

TO  
THE MEMBERS OF  
EUROTEX INDUSTRIES AND EXPORTS LIMITED

### Report on the Standalone Financial Statements

We have audited the accompanying financial standalone statements of **EUROTEX INDUSTRIES & EXPORTS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the Standalone Financial Statements:

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; Selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the Audit Report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards required 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 the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the standalone financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at 31st March, 2015 and its loss and its 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, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) on the basis of the written representations received from the Directors as on 31st March, 2015 and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2015 from being appointed as a Director in terms of Section 164(2) of the Act;
  - (f) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) The Company has disclosed the impact of pending litigations on its financial position in the aforesaid financial statements - Refer Note 26(1) & 26(3) to the financial statements,
    - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses,
    - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **LODHA & COMPANY**  
Chartered Accountants

**(R. P. BARADIYA)**  
Partner

Place: Mumbai  
Date : 23rd May, 2015

(M. No. 44101)  
Firm Regn. No. 301051E

**ANNEXURE REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF THE EUROTEX INDUSTRIES AND EXPORTS LIMITED ON STANDALONE FINANCIAL STATEMENTS**

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

1. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
b) As explained, the assets have been physically verified by the management in accordance with the phased programme designed to cover all the assets over three years. In our opinion, the frequency of verification is reasonable considering the size of the Company and nature of its fixed assets. As informed, no major discrepancies were noticed on such verification.
2. a) The inventory has been physically verified by the management at reasonable intervals during the year. Inventory-in-transit has been verified by the management with reference to the relevant documents.  
b) The procedures for physical verification of the inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.  
c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and book records were not material considering the operations of the Company and have been properly dealt with in the books of account.
3. During the year, the Company has not granted any loans, secured or unsecured to / from Companies, firms or other parties covered in the register maintained under Section 189 of the Act.
4. In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased and sold are of the special nature and suitable alternative source does not exist for obtaining comparable quotations, there are adequate internal control systems commensurate with the size of the Company and nature of its business for purchase of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system.
5. No deposits within the meaning of directives issued by RBI (Reserve Bank of India) and Sections 73 to 76 or any other relevant provisions of the Act and Rules framed thereunder have been accepted by the Company.
6. On the basis of records produced, we are of the opinion that prima facie, the cost records and accounts prescribed by the Central Government under Section 148(1) of the Act have been maintained. However, we are not required to and thus have not carried out any detailed examination of such accounts and records, with a view to ascertain whether these are accurate and complete.
7. (a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employee’s State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Cess and other material statutory dues applicable to the Company with the appropriate authorities. No undisputed amount payable in respect of the aforesaid



statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.

- (b) According to the records of the Company, there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Cess which have not been deposited on account of any dispute except the following:

Name of the Statute	Nature of Dues	Forum where the dispute is pending	Financial Year	Amount in Rs.	
The Custom Act, 1962	Cenvat Duty & Penalty	Custom, Excise and Service Tax Appellate Tribunal (CESTAT), Mumbai.	2001-02 to 2003-04	1,74,367	
			2005-06	3,56,890	
			2006-07	1,31,07,968	
The Central Excise Act, 1944	Excise Duty & Penalty	Custom, Excise and Service Tax Appellate Tribunal (CESTAT), Mumbai.	2001-02 to 2005-06	30,73,840 13,39,07,368	
			Supreme Court of India	2001-02	2,00,827
The Bombay Sales Tax Act, 1959 / Central Sales Tax Act, 1956	Sales Tax	Deputy Commissioner of Sales Tax (Appeal), Kolhapur	2001-02	51,22,933	
			Joint Commissioner of Sales Tax (Appeal) Kolhapur	2006-07	1,13,28,290
				2009-10 2007-08	59,00,594 77,51,400

- (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

8. The Company has no accumulated losses as at

31st March, 2015 and it has not incurred any cash losses in the financial year ended on that date and in the immediately preceding financial year.

9. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks and financial institutions.
10. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.
11. Based on the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
12. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing standards in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For **LODHA & COMPANY**  
Chartered Accountants

**(R. P. BARADIYA)**

Partner

(M. No. 44101)

Firm Regn. No. 301051E

Place : Mumbai  
Date : 23rd May, 2015.

## BALANCE SHEET

As at 31st March, 2015

	Note No.	As at 31st March, 2015 (₹ in Lacs)	As at 31st March, 2014 (₹ in Lacs)
<b>I EQUITY AND LIABILITIES</b>			
<b>1 SHAREHOLDERS' FUNDS</b>			
(a) Share Capital	1	874.02	874.02
(b) Reserves and Surplus	2	5,565.17	6,056.98
		<b>6,439.19</b>	6,931.00
<b>2 NON-CURRENT LIABILITIES</b>			
(a) Long Term Borrowings	3	707.28	1,410.21
(b) Deferred Tax Liabilities (Net)	26(4)	1,234.73	1,335.65
<b>3 CURRENT LIABILITIES</b>			
(a) Short-Term Borrowings	4	4,458.24	4,281.16
(b) Trade payables		2,542.53	3,477.49
(c) Other Current Liabilities	5	1,116.68	1,213.74
(d) Short-Term Provisions	6	178.07	629.89
<b>TOTAL</b>		<b>16,676.72</b>	19,279.14
<b>II ASSETS</b>			
<b>1 NON-CURRENT ASSETS</b>			
(a) Fixed Assets:	7		
(i) Tangible Assets		7,306.78	7,580.33
(ii) Capital Work-in-Progress		5.24	166.30
(b) Non-Current Investments	8	318.27	318.27
(c) Long-Term Loans and Advances	9	65.12	116.55
(d) Other Non-Current Assets	10	772.62	745.92
<b>2 CURRENT ASSETS</b>			
(a) Inventories	11	6,101.11	7,429.78
(b) Trade Receivables	12	1,170.72	1,565.98
(c) Cash and Bank Balances	13	136.59	80.53
(d) Short-Term Loans and Advances	14	69.35	79.12
(e) Other Current Assets	15	730.92	1,196.36
<b>TOTAL</b>		<b>16,676.72</b>	19,279.14

SIGNIFICANT ACCOUNTING POLICIES AND  
OTHER NOTES TO FINANCIAL STATEMENTS

25 & 26

Notes referred to above form an integral  
part of the Financial Statements

As per our attached report of even date

**For LODHA & COMPANY**

Chartered Accountants

**(R. P. BARADIYA)**

Partner

(M. No. 44101)

(Firm No. 301051E)

Mumbai, 23rd May, 2015

**RAHUL RAWAT**

Company Secretary

**K. K. PATODIA**

**NARAYAN PATODIA**

**RAJIV PATODIA**

**H. P. SIOTIA**

**V. K. GUPTA**

**D. K. PATEL**

**P. P. DUNDH**

**M. L. BAGARIA**

**HEMA THAKUR**

Chairman and Managing Director (CEO)

Managing Director

Executive Director & CFO

Director

Director

Director

Director

Director

Director

Mumbai, 23rd May, 2015



## PROFIT AND LOSS STATEMENT

For the year ended 31st March, 2015

	Note No.	For the Year ended 31st March, 2015 (₹ in Lacs)	For the Year ended 31st March, 2014 (₹ in Lacs)
<b>I REVENUE FROM OPERATIONS</b>	16	<b>28,065.56</b>	34,430.11
<b>LESS : EXCISE DUTY</b>		<b>0.73</b>	0.63
<b>REVENUE FROM OPERATIONS (NET OF EXCISE DUTY)</b>		<b>28,064.83</b>	34,429.48
<b>II OTHER INCOME</b>	17	<b>54.08</b>	47.31
<b>III TOTAL REVENUE (I + II)</b>		<b>28,118.91</b>	34,476.79
<b>IV EXPENSES :</b>			
Cost of Materials Consumed	18	<b>13,806.97</b>	14,719.47
Purchase of Stock-in-Trade	19	<b>4,714.53</b>	9,651.44
Manufacturing and Operating Costs	20	<b>3,601.34</b>	3,643.45
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	21	<b>433.43</b>	(873.78)
Employee Benefits Expense	22	<b>2,541.73</b>	2,247.66
Finance Costs	23	<b>868.31</b>	911.52
Depreciation and Amortisation Expense		<b>462.26</b>	967.19
Amount Withdrawn from Revaluation Reserve		-	(7.09)
Other Expenses	24	<b>2,027.33</b>	2,192.06
<b>TOTAL EXPENSES</b>		<b>28,455.90</b>	33,451.92
<b>V PROFIT / (LOSS) FOR THE YEAR</b>		<b>(336.99)</b>	1,024.87
<b>VI PROFIT / (LOSS) FOR THE YEAR BEFORE TAX</b>			
<b>Tax Expenses:</b>			
Provision for Taxation		-	475.84
Deferred Tax		<b>(14.44)</b>	(21.45)
Prior Years' Tax Adjustments		-	13.26
<b>Net Tax Expenses</b>		<b>(14.44)</b>	467.65
<b>VII NET PROFIT / (LOSS) FOR THE YEAR AFTER TAX</b>		<b>(322.55)</b>	557.22
<b>VIII Earnings per Share (of the face value of Rs.10 per equity share)</b>			
<b>Basic and Diluted earnings per share</b>		<b>(3.69)</b>	6.37

SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES TO FINANCIAL STATEMENTS

Notes referred to above form an integral part of the Financial Statements

As per our attached report of even date

**For LODHA & COMPANY**

Chartered Accountants

**(R. P. BARADIYA)**

Partner

(M. No. 44101)

(Firm No. 301051E)

Mumbai, 23rd May, 2015

**RAHUL RAWAT**

Company Secretary

**K. K. PATODIA**

**NARAYAN PATODIA**

**RAJIV PATODIA**

**H. P. SIOTIA**

**V. K. GUPTA**

**D. K. PATEL**

**P. P. DUNDH**

**M. L. BAGARIA**

**HEMA THAKUR**

Chairman and Managing Director (CEO)

Managing Director

Executive Director & CFO

Director

Director

Director

Director

Director

Director

Mumbai, 23rd May, 2015

## CASH FLOW STATEMENT

For the year ended 31st March, 2015

(₹ in Lacs)

	For the Year ended on 31st March, 2015	For the Year ended on 31st March, 2014
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit / (Loss) before Tax	<b>(336.99)</b>	1,024.87
<b>Adjustments for:</b>		
- Depreciation	<b>462.26</b>	960.10
- Interest on Delay Payment of Income Tax	-	35.88
- Interest and Other Borrowing Costs (Net)	<b>868.31</b>	911.52
- (Profit)/Loss on disposal of Fixed Assets	<b>(12.51)</b>	(13.23)
- Dividend Received	<b>(39.59)</b>	(32.10)
- Provision for wealth-tax	<b>2.16</b>	1.90
<b>Operating Profit before working capital changes</b>	<b>943.64</b>	2,888.94
<b>Adjustments for:</b>		
- Decrease/(Increase) in Trade and other receivables	<b>858.60</b>	(350.05)
- Decrease/(Increase) in Inventories	<b>1,328.67</b>	198.93
- Increase/(Decrease) in Trade and other payables	<b>(948.98)</b>	375.45
Cash generated from operations	<b>2,181.93</b>	3,113.27
Direct Taxes paid	<b>(487.83)</b>	(80.19)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>1,694.10</b>	3,033.08
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
- Purchase of Fixed Assets	<b>(276.24)</b>	(883.35)
- Disposal of Fixed Assets	<b>13.91</b>	61.90
- Interest Received	<b>41.72</b>	64.09
- Dividend Received	<b>39.59</b>	32.10
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(181.02)</b>	(725.26)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
- (Repayment) of Long-Term Borrowings (Net)	<b>(728.45)</b>	(232.57)
- (Repayment) / Proceeds of Short-Term Borrowings (Net)	<b>177.08</b>	(1,093.97)
- Dividend and Dividend Tax	<b>(49.81)</b>	-
- Interest and Other Borrowing Costs	<b>(910.03)</b>	(975.61)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(1,511.21)</b>	(2,302.15)
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>1.87</b>	5.67
Cash and cash equivalents (Opening)	<b>18.50</b>	12.83
Cash and cash equivalents (Closing)	<b>20.37</b>	18.50

Note:

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Accounting Standard - 3 on "Cash Flow Statement" issued by the Institute of Chartered Accountants of India.
- Previous year's figures have been regrouped / rearranged wherever necessary.

SIGNIFICANT ACCOUNTING POLICIES AND

OTHER NOTES TO FINANCIAL STATEMENTS 25 & 26

Notes referred to above form an integral part of the Financial Statements

As per our attached report of even date

**For LODHA & COMPANY**

Chartered Accountants

**(R. P. BARADIYA)**

Partner

(M. No. 44101)

(Firm No. 301051E)

Mumbai, 23rd May, 2015

**RAHUL RAWAT**

Company Secretary

**K. K. PATODIA**

**NARAYAN PATODIA**

**RAJIV PATODIA**

**H. P. SIOTIA**

**V. K. GUPTA**

**D. K. PATEL**

**P. P. DUNDH**

**M. L. BAGARIA**

**HEMA THAKUR**

Chairman and Managing Director (CEO)

Managing Director

Executive Director & CFO

Director

Director

Director

Director

Director

Director

Mumbai, 23rd May, 2015



## NOTES TO FINANCIAL STATEMENTS

Forming Part of the Balance Sheet as at 31st March, 2015

As at 31st March, 2015	As at 31st March, 2014
(₹ in Lacs)	(₹ in Lacs)

### SHAREHOLDERS' FUND:

#### NOTE - 1

#### SHARE CAPITAL

Share Capital	As at 31st March, 2015		As at 31st March, 2014	
	Number (in Lacs)	₹ in Lacs	Number (in Lacs)	₹ in Lacs
<b>Authorised :</b>				
Equity Shares of Rs.10 each	100.00	1,000.00	100.00	1,000.00
Preference Shares of Rs.10 each	300.00	3,000.00	300.00	3,000.00
	400.00	4,000.00	400.00	4,000.00
<b>Issued, Subscribed and Paid-up :</b>				
Equity Shares of Rs. 10 each	87.50	874.99	87.50	874.99
Less : Allotment money receivable (Other than from Directors)	-	0.97	-	0.97
	87.50	874.02	87.50	874.02

#### Right of Equity Shareholders:

Company has only one class of equity shares of par value Rs. 10. The holder of this equity share is entitled to one vote per share. In the event of liquidation of the Company the holder of equity share will be entitled to receive any of the remaining assets of the Company after distribution of the preferential payments. However, no such preferential amounts exist currently. The distribution will be in proportion to the nos. of equity shares held by the shareholders.

#### Reconciliation of Shares outstanding at the beginning and at the end of the year

Particulars	As at 31st March, 2015		As at 31st March, 2014	
	Number (in Lacs)	₹ in Lacs	Number (in Lacs)	₹ in Lacs
Shares outstanding at the beginning of the year	87.50	875.00	87.50	875.00
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	87.50	875.00	87.50	875.00

Shareholders holding more than 5% Shareholding

Name of Shareholder	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares held (in Lacs)	% of Holding	No. of Shares held (in Lacs)	% of Holding
Patodia Syntex Limited	37.95	43.37	37.07	42.37
PBM Polytex Limited	22.32	25.51	22.32	25.51

#### Note:

**During previous five years, the Company has not issued bonus shares/bought back shares/issued shares for consideration other than cash**



**NOTES TO FINANCIAL STATEMENTS**  
Forming Part of the Balance Sheet as at 31st March, 2015

	<b>As at 31st March, 2015 (₹ in Lacs)</b>	<b>As at 31st March, 2014 (₹ in Lacs)</b>
<b>NOTE - 2</b>		
<b>RESERVES AND SURPLUS</b>		
a) Capital Reserve (Special Capital Incentive) As per last Balance Sheet	<b>40.00</b>	40.00
b) Capital Redemption Reserve As per last Balance Sheet	<b>3,275.10</b>	3,275.10
c) Securities Premium Account As per last Balance Sheet	<b>1,005.07</b>	1,005.07
d) Revaluation Reserve As per last Balance Sheet	<b>72.46</b>	79.55
Less : Transferred to Profit and Loss Statement on account of depreciation on revalued amount	-	7.09
	<u>-</u>	<u>7.09</u>
	<b>72.46</b>	72.46
e) Surplus Opening Balance	<b>1,664.35</b>	1,158.31
Less: Additional depreciation due to change in life of assets (Net of Deferred Tax of Rs.86.48 lacs) (Refer Note No.7)	<b>169.26</b>	-
Add/Less: Profit/(Loss) for the year	<b>(322.55)</b>	557.22
Balance Available for Appropriations	<b>1,172.54</b>	1,715.53
Less: Appropriations during the year		43.75
Proposed Dividend	-	7.43
Corporate Dividend Tax	-	-
	<u>-</u>	<u>51.18</u>
Closing Balance	<b>1,172.54</b>	1,664.35
	<b>5,565.17</b>	6,056.98

**NOTE - 3**

**LONG TERM BORROWINGS**

<b>a) Secured Loans:</b>		
i) Term Loan from Banks	<b>681.00</b>	1,380.00
ii) Vehicle Loan from a Bank and a Financial Institution	<b>23.28</b>	27.21
<b>b) Unsecured Loans:</b>		
Promoter's Contribution	<b>3.00</b>	3.00
	<b>707.28</b>	1,410.21

**Notes:**

- 1) Term Loans at (a) (i) above are secured by way of first pari-passu mortgage created on immovable properties of the Company, situated at MIDC, Gokul Shirgaon, Kolhapur and other movable assets both present and future and second pari-passu charge created on inventories and book debts both present and future and some immovable properties of the Company at Kolhapur.
- 2) Loans in (a)(ii) above are secured by way of hypothecation of Vehicles purchased there against.
- 3) Maturity Profile and Rate of interest on Loans are Set out below:

	<b>Maturity Profile</b>			
	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-21</b>
<b>Term Loans - From Financial Institutions:</b>				
Carrying interest rate @2.70% above LTMLR	47.00	-	-	-
<b>Term Loans - From Banks:</b>				
Interest Rate @ 1.50% below BPLR	279.85	194.94	-	-
Interest Rate @ 3.50% above Base rate	239.83	319.94	216.55	-
Interest Rate @ 4.00% above Base rate	-	24.00	48.00	260.00
Interest Rate @ 0.75% below BPLR	160.00	160.00	156.45	-
Total	679.68	698.88	421.00	260.00
Vehicle Loans from a Bank & Financial Institution	8.37	10.65	10.83	12.45
Grand Total	<u>735.05</u>	<u>709.53</u>	<u>431.83</u>	<u>272.45</u>



**NOTES TO FINANCIAL STATEMENTS**  
Forming Part of the Balance Sheet as at 31st March, 2015

	<b>As at 31st March, 2015</b>	<b>As at 31st March, 2014</b>
	<b>(₹ in Lacs)</b>	<b>(₹ in Lacs)</b>
<b>CURRENT LIABILITIES:</b>		
<b>NOTE - 4</b>		
<b>SHORT TERM BORROWINGS</b>		
Working Capital Facilities from Banks	<b>4,458.24</b>	4,281.16
	<b>4,458.24</b>	4,281.16

Notes:

Working Capital Facilities and non-fund limits of Rs.5 lacs (Previous Year Rs.5 lacs) are secured by way of hypothecation of, both present and future, inventories and book debts as well as by way of first pari-passu mortgage created on some immovable properties at Kolhapur and second pari-passu charge created on immovable properties of the Company situated at MIDC, Gokul-Shirgaon, Kolhapur and other movable assets both present and future.

The above Working Capital Facilities carrying interest @ 10.45% p.a. to 14.45% p.a. (Previous Year 9.70% p.a. to 17% p.a.)

**NOTE - 5**

**OTHER CURRENT LIABILITIES**

a) Current Maturities of Long-Term Debts	<b>709.53</b>	735.05
b) Unclaimed Dividend	<b>1.37</b>	-
c) Interest accrued but not due on loans	<b>8.90</b>	12.87
d) Advance received from Customers	<b>343.48</b>	383.04
e) Payable towards Capital Expenditure	<b>8.55</b>	37.13
f) Statutory Dues Payable	<b>43.30</b>	41.23
g) Others	<b>1.55</b>	4.42
	<b>1,116.68</b>	1,213.74

**NOTE - 6**

**SHORT TERM PROVISIONS**

**a) Provision for Employees Benefits:**

i) Leave Entitlement	<b>104.05</b>	80.09
ii) Gratuity	<b>71.80</b>	28.32

**b) Others:**

i) Provision for Wealth Tax (Net of Taxes paid ₹ 1.84 lacs; Previous Year ₹ 5.39 lacs)	<b>2.22</b>	1.90
ii) Provision for Income Tax (Net of Advance Taxes and TDS Previous Year ₹ 337.71 lacs)	-	468.40
iii) Proposed Dividend	-	43.75
iv) Corporate Dividend Tax	-	7.43
	<b>178.07</b>	629.89

**NOTES TO FINANCIAL STATEMENTS**  
Forming Part of the Balance Sheet as at 31st March, 2015

**NOTE - 7**

**FIXED ASSETS**

(₹ in Lacs)

PARTICULARS	GROSS BLOCK (At Book Value)				DEPRECIATION/AMORTISATION				NET BLOCK
	As at 1.4.2014	Add. during the year	Ded./Adj. during the year	As at 31.03.2015	Upto 01.04.2014	Add. during the year	Ded./Adj. during the year	Upto 31.03.2015	As at 31.03.2015
1	2	3	4	5	6	7	8	9	10
<b>(1) Tangible Assets:</b>									
Land : Freehold	123.63	-	23.48	100.15	-	-	-	-	100.15
Land : Leasehold	200.67	-	-	200.67	23.36	2.09	-	25.45	175.22
Buildings	4,221.01	375.03	-	4,596.04	1,782.64	198.48	-	1,981.12	2,614.92
Plant & Equipment	16,049.79	59.82	166.21	15,943.40	11,661.15	283.55	166.06	11,778.64	4,164.76
Furniture & Fittings	297.95	4.11	7.83	294.23	253.75	14.58	7.51	260.82	33.41
Electrical Installations	1,153.52	4.26	2.28	1,155.50	851.10	182.25	2.16	1,031.19	124.31
Office Equipment	183.61	10.22	2.36	191.47	152.89	21.17	1.88	172.18	19.29
Vehicles	155.51	15.90	18.64	152.77	80.47	15.87	18.29	78.05	74.72
<b>Total of Tangible Assets</b>	<b>22,385.69</b>	<b>469.34</b>	<b>220.80</b>	<b>22,634.23</b>	<b>14,805.36</b>	<b>717.99</b>	<b>195.90</b>	<b>15,327.45</b>	<b>7,306.78</b>
<b>(2) Capital Work-in-Progress for Tangible Assets: Building under Constructions.</b>									<b>5.24</b>

(₹ in Lacs)

PARTICULARS	GROSS BLOCK (At Book Value)				DEPRECIATION/AMORTISATION				NET BLOCK
	As at 1.4.2013	Add. during the year	Ded./Adj. during the year	As at 31.03.2014	Upto 01.04.2013	Add. during the year	Ded./Adj. during the year	Upto 31.03.2014	As at 31.03.2014
1	2	3	4	5	6	7	8	9	10
<b>(1) Tangible Assets:</b>									
Land : Freehold	123.63	-	-	123.63	-	-	-	-	123.63
Land : Leasehold	200.67	-	-	200.67	21.27	2.09	-	23.36	177.31
Buildings	4,047.66	173.35	-	4,221.01	1,670.09	112.55	-	1,782.64	2,438.37
Plant & Equipment	15,845.29	512.64	308.14	16,049.79	11,146.05	779.71	264.61	11,661.15	4,388.64
Furniture & Fittings	295.08	3.36	0.48	297.96	244.90	9.34	0.48	253.76	44.20
Electrical Installations	1,163.47	3.07	13.02	1,153.52	808.74	50.79	8.43	851.10	302.42
Office Equipment	182.22	2.70	1.31	183.61	147.76	5.89	0.76	152.89	30.72
Vehicles	95.08	60.43	-	155.51	73.65	6.82	-	80.47	75.04
<b>Total of Tangible Assets</b>	<b>21,953.10</b>	<b>755.55</b>	<b>322.95</b>	<b>22,385.70</b>	<b>14,112.46</b>	<b>967.19</b>	<b>274.28</b>	<b>14,805.37</b>	<b>7,580.33</b>
<b>(2) Capital Work-in-Progress for Tangible Assets: Building under Constructions.</b>									<b>166.30</b>

**Notes:**

\* Consequent to the enactment of the Companies Act, 2013 (the Act) and its applicability for accounting periods commencing from 1st April, 2014, the Company has realigned the remaining useful life of its fixed assets in accordance with the provisions prescribed under Schedule II to the Act. Consequently,

- in case of assets which have completed their useful life, the carrying value (net of residual value) as at 1st April, 2014 amounting to ₹ 255.73 lacs which has been included in Current Depreciation and adjusted to "Surplus in the Statement of Profit and Loss" and
- in case of other assets the carrying value (net of residual value) is being depreciated over the revised remaining useful lives. Accordingly, the depreciation and amortization expense for the year ended 31st March, 2015 is lower by ₹ 338.37 lacs.
  - Leases in respect of land acquired from time to time are for 95 years commencing from the year 1989 to year 2006.
  - Leasehold Land and Buildings include ₹ 6.78 lacs (Previous Year ₹ 6.78 Lacs) and ₹ 11.08 Lacs (Previous Year Rs.11.08 Lacs), respectively being cost of premises in a Co-operative Society held in the name of Managing Director on behalf of the Company.
  - Buildings include ₹ 0.01 Lac (Previous Year ₹ 0.01 Lac) being the value of 10 Shares in a Co-operative Society.



## NOTES TO FINANCIAL STATEMENTS

Forming Part of the Balance Sheet as at 31st March, 2015

	As at <b>31st March, 2015</b> (₹ in Lacs)	As at 31st March, 2014 (₹ in Lacs)
<b>NOTE - 8</b>		
<b>NON-CURRENT INVESTMENTS: INVESTMENTS (LONG TERM-QUOTED)</b>		
a) <b>Trade:</b> 15,82,347 Equity Shares of ₹ 10 each fully paid up in PBM Polytex Ltd. (Extent of Holding - 19.46%)	<b>309.56</b>	309.56
b) <b>Non-Trade:</b> 10,720 Equity Shares of ₹ 10 each fully paid up in IDBI Limited. (Extent of Holding - N.A.)	<b>8.71</b>	8.71
<b>Aggregate cost of quoted investments</b>	<b>318.27</b>	318.27
Note: Aggregate Market value of quoted investments ₹ 981.55 Lacs; (Previous Year ₹ 850.41 Lacs)		
<b>NOTE - 9</b>		
<b>LONG-TERM LOANS AND ADVANCES</b> (Unsecured, Considered good) :		
a) Capital Advances	<b>28.02</b>	97.05
b) Advance Tax / Tax Deducted at Source (Net of Provisions for Taxation ₹ 647.21 Lacs)	<b>17.60</b>	-
c) Balance with Government Departments	<b>19.50</b>	19.50
	<b>65.12</b>	116.55
<b>NOTE - 10</b>		
<b>OTHER NON-CURRENT ASSETS</b>		
a) Security Deposits	<b>368.08</b>	370.24
b) Load Factor Incentives / Other Refund Receivable	<b>178.06</b>	178.06
c) MVAT / CST Refund Receivable	<b>226.48</b>	144.80
d) Fixed Deposits with maturity of more than one year	-	52.82
Note: Fixed Deposits kept with banks as collateral security against their term loans.		
	<b>772.62</b>	745.92
<b>CURRENT ASSETS:</b>		
<b>NOTE - 11</b>		
<b>INVENTORIES*</b> (As taken, valued and certified by the management)		
a) Raw Materials	<b>3,356.69</b>	4,358.48
b) Stock-in-Process	<b>430.69</b>	484.34
c) Finished Goods (Including finished Goods-in-transit for exports Rs.506.80 Lacs; Previous Year Rs.411.90 Lacs)	<b>1,719.64</b>	2,148.04
d) Stores, Spares and Fuel	<b>283.33</b>	214.35
e) Packing Materials	<b>58.71</b>	44.62
f) Waste	<b>228.57</b>	179.95
g) Freehold Land**	<b>23.48</b>	-
	<b>6,101.11</b>	7,429.78
* Valuation of Inventories : Refer Note 25(7) of Significant Accounting Policies		
** Valuation of Freehold Land : Refer Note 26(14) of Notes to Accounts		

## NOTES TO FINANCIAL STATEMENTS

Forming Part of the Balance Sheet as at 31st March, 2015

	As at 31st March, 2015 (₹ in Lacs)	As at 31st March, 2014 (₹ in Lacs)
<b>NOTE - 12</b>		
<b>TRADE RECEIVABLES</b>		
(Secured by Letter of Credit, Considered Good)		
(i) Debts Outstanding for a period exceeding six months from the date they are due for payment	-	-
(ii) Others - Outstanding for the period less than six months from the date they are due for payment	<b>986.12</b>	956.50
(Unsecured, Considered Good)		
(i) Debts Outstanding for a period exceeding six months from the date they are due for payment	-	-
(ii) Others - Outstanding for the period less than six months from the date they are due for payment	<b>184.60</b>	609.48
	<b>1,170.72</b>	1,565.98
<b>NOTE - 13</b>		
<b>CASH AND BANK BALANCES</b>		
a) Cash and Cash Equivalents :		
i) Cash on hand	<b>0.80</b>	1.10
ii) Balances with Scheduled Banks in Current Account	<b>19.57</b>	17.40
	<b>20.37</b>	18.50
b) Other Bank Balances :		
i) Unpaid Dividend Account	<b>1.37</b>	-
ii) Fixed Deposits with Banks	<b>114.85</b>	114.85
Less: Fixed Deposits with maturity of more than one year Refer Note 10	-	52.82
	<b>116.22</b>	62.03
	<b>136.59</b>	80.53
Note: Fixed Deposits kept with banks as collateral security against their term loans		
<b>NOTE - 14</b>		
<b>SHORT-TERM LOANS AND ADVANCES</b>		
(Unsecured and Considered good)		
a) Advances to Suppliers	<b>69.31</b>	79.09
b) Balance with Government Authorities	<b>0.04</b>	0.03
	<b>69.35</b>	79.12
<b>NOTE - 15</b>		
<b>OTHER CURRENT ASSETS</b>		
a) Export Incentive Receivable	<b>336.12</b>	405.03
b) MVAT Refund Receivable	<b>65.07</b>	386.95
c) Interest Rebate Receivable	<b>151.65</b>	112.39
d) Interest and Other Income Receivable	<b>45.36</b>	66.56
e) Cenvat Credit Refund Receivable	<b>36.56</b>	105.16
f) Prepaid Expenses	<b>86.89</b>	120.27
g) Import Licenses (SHIS)	<b>9.27</b>	-
	<b>730.92</b>	1,196.36



## NOTES TO FINANCIAL STATEMENTS

Forming Part of the Profit and Loss Statement for the year ended 31st March, 2015

	For the year ended 31st March, 2015 (₹ in Lacs)	For the year ended 31st March, 2014 (₹ in Lacs)
<b>NOTE - 16</b>		
<b>REVENUE FROM OPERATIONS</b>		
<b>1. Sale of Products</b>		
a) Manufactured Goods	22,191.48	23,477.04
b) Traded Goods	4,779.93	9,767.51
<b>Total Sale</b>	<b>26,971.41</b>	<b>33,244.55</b>
<b>2. Sale of Services</b>		
Job Work Processing Charges	61.78	117.50
<b>3. Other Operating Revenue</b>		
a) Export Incentives	634.48	853.90
b) Foreign Exchange Gain/(Loss) on Export Bills & Forward Contracts	373.74	95.71
c) Foreign Exchange Gain/(Loss) - (Others)	(46.11)	24.82
d) Premium Income on Import Licence	-	57.50
e) Sale of Scrap	16.35	24.43
f) Others: Cash Discount Received & Excess Provisions Written Back	54.08	11.98
<b>Other Operating Revenue</b>	<b>1,032.54</b>	<b>1,068.34</b>
Less: Excise Duty on Scrap Sales	0.17	0.28
<b>Net Other Operating Revenue</b>	<b>1,032.37</b>	<b>1,068.06</b>
<b>Revenue from Operations</b>	<b>28,065.56</b>	<b>34,430.11</b>
<b>Manufactured Goods:</b>		
Yarn	19,884.11	20,351.57
Knitted Fabric	671.75	1,078.37
Cotton Waste	1,635.62	2,047.10
<b>Total Manufactured Goods</b>	<b>22,191.48</b>	<b>23,477.04</b>
<b>Traded Goods:</b>		
Yarn	4,172.25	9,623.82
Cotton	607.25	140.84
Cotton Waste	0.43	2.85
<b>Total Traded Goods</b>	<b>4,779.93</b>	<b>9,767.51</b>

## NOTE - 17

### OTHER INCOME

a) Dividend on Long Term Trade Investments	39.59	32.10
b) Lease Charges Received	1.98	1.98
c) Profit on disposal of Fixed Assets	12.51	13.23
	<b>54.08</b>	<b>47.31</b>

## NOTES TO FINANCIAL STATEMENTS

Forming Part of the Profit and Loss Statement for the year ended 31st March, 2015

	For the year ended 31st March, 2015		For the year ended 31st March, 2014
	(₹ in Lacs)	(₹ in Lacs)	(₹ in Lacs)
<b>NOTE - 18</b>			
<b>COST OF MATERIALS CONSUMED</b>			
Raw Materials Consumed			
Opening Stock	4,358.48		5,412.12
Add: Purchases	13,121.45		13,878.97
	17,479.93		19,291.09
Less: Sales	316.27		213.14
Less: Closing Stock	3,356.69		4,358.48
		<b>13,806.97</b>	14,719.47
<b>Raw Materials:</b>			
a) Cotton		13,250.37	13,705.40
b) Yarn		556.60	1,014.07
		<b>13,806.97</b>	14,719.47
<b>NOTE - 19</b>			
<b>PURCHASE OF STOCK-IN-TRADE</b>			
a) Yarn		4,157.39	9,380.44
b) Cotton		557.14	271.00
		<b>4,714.53</b>	9,651.44
<b>NOTE - 20</b>			
<b>MANUFACTURING AND OPERATING COSTS</b>			
Stores and Spares Consumed		349.70	442.03
Packing Materials Consumed		348.16	357.51
Power and Fuel		2,798.26	2,737.61
Repairs and Maintenance:			
a) Plant and Machinery	31.52		43.16
b) Buildings	73.70		63.14
		105.22	106.30
		<b>3,601.34</b>	3,643.45
<b>NOTE - 21</b>			
<b>CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE</b>			
Stock as at Close:			
a) Finished Goods	1,719.64		2,148.04
b) Stock-in-Process	430.69		484.34
c) Waste	228.57		179.95
		<b>2,378.90</b>	2,812.33
Less: Stocks as at commencement:			
a) Finished Goods	2,148.04		1,216.70
b) Stock-in-Process	484.34		633.81
c) Waste	179.95		88.04
		<b>2,812.33</b>	1,938.55
		<b>433.43</b>	(873.78)



## NOTES TO FINANCIAL STATEMENTS

Forming Part of the Profit and Loss Statement for the year ended 31st March, 2015

	For the year ended 31st March, 2015	For the year ended 31st March, 2014
	(₹ in Lacs)	(₹ in Lacs)
<b>NOTE - 22</b>		
<b>EMPLOYEES BENEFITS EXPENSE</b>		
a) Salary, Wages and Bonus	2,295.44	2,063.17
b) Contribution to Provident and other Funds	207.52	146.79
c) Welfare expenses	38.77	37.70
	<b>2,541.73</b>	<b>2,247.66</b>
<b>NOTE - 23</b>		
<b>FINANCE COSTS</b>		
a) Interest:		
on Fixed Loans	175.74	200.48
Others	677.66	692.30
Interest on Loans	853.40	892.78
Less: Interest Received	(41.72)	(64.09)
	<b>811.68</b>	<b>828.69</b>
b) Interest on Income Tax	-	35.88
c) Other Borrowing Costs	56.63	46.95
	<b>868.31</b>	<b>911.52</b>
<b>NOTE - 24</b>		
<b>OTHER EXPENSES</b>		
Rent	23.63	30.29
Insurance	83.73	84.23
Rates and Taxes (Includes Provision for Wealth Tax ₹ 2.16 Lacs; Previous Year ₹ 1.90 Lacs.)	16.41	32.85
Travelling and Conveyance	99.84	85.58
Communication Charges	23.16	21.16
Brokerage and Commission on Sales	381.25	456.00
Freight and Forwarding	835.33	941.91
Bank Charges	94.84	98.08
Directors' Sitting Fees	2.60	2.66
Legal and Professional Charges	94.16	93.91
Repairs and Maintenance: Others	13.06	12.53
Auditors Remuneration*	3.83	5.46
Miscellaneous Expenses	355.49	327.40
	<b>2,027.33</b>	<b>2,192.06</b>
* Auditors Remuneration (Including Service Tax):		
i) Statutory Auditor's Remuneration:		
Audit Fees	2.28	2.25
Tax Audit Fees	0.57	0.56
Certification Fees	0.98	1.12
	<b>3.83</b>	<b>3.93</b>
ii) Cost Auditor's Remuneration:		
Cost Audit Fees	-	1.12
Certification Fees	-	0.41
	<b>-</b>	<b>1.53</b>
Total Remuneration	<b>3.83</b>	<b>5.46</b>



## NOTES

Forming Part of the Financial Statements for the year ended 31st March, 2015

### NOTE - 25

#### SIGNIFICANT ACCOUNTING POLICIES :

1. **Basis of Accounting:**

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles ("GAAP") under the historical cost convention (except for certain revalued fixed assets) on the accounting principles of a going concern and the Company follows mercantile system of accounting and recognizes income and expenditure on accrual basis except those with significant uncertainties. GAAP comprises mandatory accounting standards issued by the Institute of Chartered Accountants of India ("ICAI"), the provisions of the Companies Act, 2013 and guidelines issued by the Securities and Exchange Board of India. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy hitherto in use.

2. **Revenue Recognition:**

Sale is recognised on the basis of date of dispatch / Bill of lading and as and when significant risks and rewards of ownership are transferred to the customers. Sales include excise duty and freight, wherever applicable. Claims and Rebates are excluded therefrom.

3. **Use of Estimates:**

The presentation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP), requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent liabilities on the date of financial statements. Actual results may differ from these estimates. Any revision to accounting estimates is recognised prospectively.

4. **Fixed Assets:**

- a) Buildings, Plant and Machinery and Electrical Installations acquired up to 31st March, 1993 were revalued on 1st April, 1993 and are stated at updated book value less depreciation. Other assets are stated at cost less accumulated depreciation.
- b) Expenditure during construction period is included under Capital Work-in-Progress and the same is allocated to the respective Fixed Assets on the completion of its construction.

5. **Depreciation / Amortisation and Impairment Loss:**

- a) Depreciation on Fixed Assets is provided on the Straight Line Method (S. L. M.) by writing off 95% of the cost/revalued amount of the assets over the 'Useful Life' of the assets in accordance with the provisions of Section 123 (2) read with Part C of Schedule II to the Companies Act, 2013.
- b) Leasehold premium is being amortised over the remaining period of lease after the commencement of production.
- c) The Company assesses at each Balance Sheet date whether there is any indication that any asset may be impaired. If any such indication exists, the carrying value of such assets is reduced to its recoverable amount and the impairment loss is charged to Statement of Profit & Loss. If at the Balance Sheet date there is any indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that effect.

6. **Investments:**

Long-Term Investments are carried at cost and provision is made to recognize any decline, other than temporary, in the value of such Investments.

7. **Valuation of Inventories:**

- a) Inventories are valued at the lower of the cost and net realisable value.
- b) Cost of raw materials is determined on specific identification basis.
- c) Cost of stores, spares, packing materials and fuel is determined on weighted average basis.
- d) Finished goods and work-in-progress include conversion and other costs incurred in bringing the inventories to their present location and condition.



## NOTES

Forming Part of the Financial Statements for the year ended 31st March, 2015

NOTE - 25 (contd.)

### SIGNIFICANT ACCOUNTING POLICIES

#### 8. Employee benefits:

Employee Benefits in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.

Gratuity liability under the Payment of Gratuity Act, 1972 is a defined benefit obligation and is provided for on the basis of the actuarial valuation made at the end of each financial year.

Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation.

Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred.

#### 9. Transaction of Foreign Currency Items:

Transaction in Foreign Currency is recorded at the rate of exchange in force at the date of transaction. Foreign Currency assets and liabilities are stated at the rate of exchange prevailing at the year end and resultant gains / losses are recognised in the Statement of Profit and Loss. Premium / Discount in respect of forward foreign exchange contracts is recognised over the life of the contracts.

#### 10. Government Grants:

Capital grants relating to specific assets are reduced from the gross value of the Fixed Assets and Capital grants for Project Capital Subsidy are credited to Capital Reserve. Other revenue grants are credited to the Statement of Profit and Loss or deducted from the related expenses.

#### 11. Borrowing Costs:

Interest and other costs in connection with the borrowing of the funds to the extent related/attribution to the acquisition/construction of qualifying fixed assets are capitalised up to the date when such assets are ready for its intended use and other borrowing costs are charged to the Statement of Profit and Loss.

#### 12. Taxation:

Provision for current tax is made on the basis of the estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961.

The deferred tax for timing differences between the book and tax profits for the year is accounted for using the tax rates and laws that have been enacted or substantively enacted as of the Balance Sheet date. Deferred tax assets arising from timing differences are recognised to the extent there is reasonable/virtual certainty that these would be realised in future and are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.

#### 13. Provisions, Contingent Liabilities and Contingent Assets:

A provision is made based on a reliable estimate when it is probable that an outflow of resources embodying economic benefits will be required to settle an obligation.

Contingent Liabilities in respect of show cause notices received are considered only when they are converted into demands. Contingent Liabilities under various fiscal laws include those in respect of which the Company/ Department is in appeal. Contingent liabilities are disclosed by way of notes to accounts.

Contingent assets are not recognised or disclosed in the financial statement.

## NOTES

Forming Part of the Financial Statements for the year ended 31st March, 2015

As at  
**31st March, 2015**      31st March, 2014  
(₹ in Lacs)                      (₹ in Lacs)

### NOTE - 26

#### OTHER NOTES TO FINANCIAL STATEMENTS

1. **Contingent liabilities :**

Contingent liabilities not provided for in respect of :

- |  |                 |          |
|--|-----------------|----------|
| a) Amount outstanding in respect of Bills discounted under Export Letter of Credit (Since realised ₹498.82 Lacs; Previous Year ₹1199.69 Lacs)  | <b>1,480.02</b> | 3,195.05 |
| b) Disputed Statutory claims / levies, including, those pending in court and other claims not acknowledged as debts (excluding interest where not ascertained / demanded) in respect of: |                 |          |

(₹ in Lacs)

Sr. No.	Particulars	Current Year	Previous Year
a	Sales Tax	408.44	330.92
b	Excise Duty	1,391.32	1,391.32
c	Custom Duty	136.39	136.39

- c) "The Company's pending litigations comprise of claims against the Company and proceedings pending with tax and other Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not reasonably expect the outcome of these proceedings to have a material impact on its financial statements."

2. **Commitments:**

- |   |               |        |
|---|---------------|--------|
| a) Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances of ₹ 28.03 Lacs; Previous Year ₹ 97.05 Lacs) | <b>205.44</b> | 335.06 |
|---|---------------|--------|

- b) **Forex Derivative Instruments:**

Details of foreign currency balances hedged:

Particulars	Foreign Currency Denomination	Current Year		Previous Year	
		Foreign Currency (in Lacs)	Indian Rupees (in Lacs)	Foreign Currency (in Lacs)	Indian Rupees (in Lacs)
Assets (Trade Receivable)	USD	15.76	986.12	15.93	956.50

- c) Other Significant Commitments: Nil

3. a) The Company's case in the matter of Electricity Charges wrongly claimed by Maharashtra State Electricity Distribution Company Ltd. (MSEDCL) from November, 1998 to June, 2008 has been decided favourably by Maharashtra Electricity Regulatory Commission (MERC) and Appellate Tribunal, New Delhi. MSEDCL has filed an appeal before the Supreme Court.
- b) Similarly the High Court of Mumbai has in the matter of Electricity



## NOTES

### Forming Part of the Financial Statements for the year ended 31st March, 2015

	<b>As at 31st March, 2015</b>	<b>As at 31st March, 2014</b>			
	<b>(₹ in Lacs)</b>	<b>(₹ in Lacs)</b>			
<b>NOTE - 26 (contd.)</b>					
duty on Captive Power Generation has decided in Company's favour and the Government has filed an appeal before the Supreme Court.					
c) The Management foresees only a remote possibility of an outflow of/adjustments to the resources embodying economic benefits, in view of the expert legal opinion in the aforesaid matters obtained by the Company.					
4. Deferred Tax Liability / (Assets) at the year end comprises of timing differences on account of :					
Depreciation	<b>1,305.04</b>	1,374.10			
Expenditure / Provisions allowable	<b>(70.31)</b>	(38.45)			
Unabsorbed losses & Depreciation	<b>(96.12)</b>	-			
	<b>1,138.61</b>	1,335.65			
Less: Deferred Tax Asset not recognised as a matter of prudence	<b>(96.12)</b>	-			
Net Deferred Tax Liability	<b>1,234.73</b>	1,335.65			
5. a) In the opinion of Board, the assets other than Fixed Assets and non-current Investments have a value on realisation in the ordinary course of business, atleast equal to the amount at which they are stated in the Balance Sheet. The provision for depreciation and other known liabilities is adequate and not in excess of what is required.					
b) The account of certain Trade Receivables, Loans and Advances given / received, Trade Payables and Bank Accounts are, however, subject to formal confirmations and reconciliations, if any. The management, however, is confident that the impact whereof for the year on the financial statements will not be material.					
6. Buildings, Plant & Machinery and Electrical Installations were revalued as on 1st April, 1993 on the basis of reports of approved valuer on market value / replacement cost basis using standard indices after considering the obsolescence and age of individual assets. The revalued amounts (Net of withdrawals) remaining substituted for the historical cost in the gross block of fixed assets at the close of the year are :					
Buildings	<b>763.86</b>	763.86			
Plant & Machinery	<b>738.69</b>	895.00			
Electrical Installations	<b>127.53</b>	127.53			
7. a) Foreign Exchange difference (net) in respect of Foreign Exchange contracts to be credited/(debited) to subsequent year's Statement of Profit and Loss.	<b>65.27</b>	115.17			
b) Details of foreign currency balances not hedged:					
Particulars	Foreign Currency Denomination	Current Year	Previous Year		
		Foreign Currency in Lacs	Indian Rupees in Lacs	Foreign Currency in Lacs	Indian Rupees in Lacs
Advances to Vendors	EURO	0.01	0.51	0.03	2.80
	JPY	-	-	0.92	0.54
	CHF	-	-	0.01	0.88
Payable to Suppliers	USD	17.29	1,083.74	11.71	704.53
	CHF	0.02	1.51	-	-

## NOTES

Forming Part of the Financial Statements for the year ended 31st March, 2015

### NOTE - 26 (contd.)

#### 8. Employee Benefits:

Defined Benefit Plans as per actuarial valuations as on 31.03.2015

Details of Gratuity plan are as follows:

Description	(₹ in Lacs)	(₹ in Lacs)
<b>1. Reconciliation of opening and closing balances of obligation</b>		
a. Obligation as at 01.04.2014	<b>517.35</b>	484.16
b. Current Service Cost	<b>49.01</b>	41.36
c. Interest Cost	<b>47.35</b>	39.22
d. Actuarial (Gain) / Loss	<b>69.69</b>	(29.83)
e. Benefits Paid	<b>(5.43)</b>	(17.56)
f. Obligation as at 31.03.2015	<b>677.97</b>	517.35
<b>2. Change in Plan Assets (Reconciliation of opening and closing balances)</b>		
a. Fair Value of plan assets as at 01.04.2014	<b>489.02</b>	322.49
b. Actual Company Contributions	<b>26.65</b>	160.00
c. Expected return on plan assets	<b>39.97</b>	31.50
d. Benefits Paid	<b>5.43</b>	17.56
e. Actuarial Gain / (Loss)	<b>55.95</b>	(7.40)
f. Fair Value of plan assets as at 31.03.2015	<b>606.16</b>	489.02
<b>3. Reconciliation of fair value of assets and obligations</b>		
a. Present value of obligation as at 31.03.2015	<b>677.97</b>	517.34
b. Fair Value of plan assets as on 31.03.2015	<b>606.16</b>	489.02
c. Net liability recognized in the Balance Sheet	<b>71.81</b>	28.32
<b>4. Expense recognized in the period</b>		
a. Current service cost	<b>49.01</b>	41.36
b. Interest cost	<b>47.35</b>	39.22
c. Expected return on plan assets	<b>39.97</b>	31.50
d. Actuarial (Gain) / Loss	<b>13.74</b>	(22.43)
e. Expense recognized till 31.03.2015	<b>70.13</b>	26.65
<b>5. Investment Details</b>		
The full amount has been invested in cash accumulation scheme of Insurer Managed Funds		
<b>6. Assumptions</b>	<b>31/03/2015</b>	31/03/2014
a. Discount rate (per annum)	<b>7.87%</b>	9.20%
b. Estimated rate of return on plan assets (per annum)	<b>8.00%</b>	8.00%
c. Rate of escalation in salary (per annum)	<b>5.00%</b>	5.00%
<b>7. Plan Assets</b>		
BSL Group Secure Fund Plan I	<b>369.31</b>	300.94
BSL Group Stable Fund Plan I	<b>236.84</b>	188.07



## NOTES

Forming Part of the Financial Statements for the year ended 31st March, 2015

### NOTE - 26 (contd.)

9. Related Party disclosures pursuant to Accounting Standard '18':

1. Name of the Parties:

(i) Key Management Personnel:

Shri Krishan Kumar Patodia (Chairman and Managing Director)

Shri Narayan Patodia (Managing Director)

Shri Rajiv Patodia (Executive Director & CFO w.e.f. 8th November, 2014)

Shri Rahul Rawat (Company Secretary)

(ii) Other Related Parties (Associates), where transactions have taken place during the year:

PBM Polytex Limited

Patodia Syntex Limited

Murarilal Mahendra Kumar

Paramount Cotton Co.

2. Transactions with Related Parties :

(₹ in Lacs)

Sr. No.	NAME OF PARTIES	2014-15	2013-14
<b>1</b>	<b>KEY MANAGERIAL PERSONNEL: DIRECTORS REMUNERATION</b>		
	Shri Krishan Kumar Patodia	<b>47.40</b>	46.71
	Shri Narayan Patodia	<b>25.48</b>	23.13
	Shri Rajiv Patodia	<b>24.37</b>	27.12
	Shri Rahul Rawat	<b>6.37</b>	4.53
<b>2</b>	<b>OTHER RELATED PARTIES (ASSOCIATES): PURCHASE OF GOODS &amp; MATERIAL</b>		
	PBM Polytex Ltd.	<b>11.31</b>	-
	Patodia Syntex Ltd.	-	0.85
	<b>SALE OF GOODS AND MATERIAL</b>		
	PBM Polytex Ltd.	<b>9.32</b>	-
	<b>DIVIDEND INCOME ON SHARES</b>		
	PBM Polytex Ltd.	<b>39.56</b>	31.65
	<b>RENT RECEIVED</b>		
	PBM Polytex Ltd.	<b>0.18</b>	0.18
	<b>RENT PAID</b>		
	Patodia Syntex Ltd.	<b>3.60</b>	3.60
	Murarilal Mahendra Kumar	<b>0.90</b>	-
	<b>CHARGES TOWARDS USE OF OFFICE PREMISES (RENT)</b>		
	Murarilal Mahendra Kumar	<b>3.90</b>	3.90
	Paramount Cotton Company	<b>3.00</b>	3.00
	<b>REIMBURSEMENT OF ELECTRICITY &amp; OFFICE MAINTANANCE EXPENSES</b>		
	Murarilal Mahendra Kumar	<b>5.38</b>	5.02
	Paramount Cotton Company	<b>1.56</b>	1.67
	<b>PRESSING CHARGES PAID</b>		
	Patodia Syntex Ltd.	<b>50.46</b>	52.94
	<b>JOB WORK CHARGES RECEIVED</b>		
	Patodia Syntex Ltd.	-	0.21

## NOTES

Forming Part of the Financial Statements for the year ended 31st March, 2015

### NOTE - 26 (contd.)

(₹ in Lacs)

Sr. No	CLOSING BALANCE OF RELATED PARTIES	2014-15	2013-14
	<b>PAYABLE</b>		
	Patodia Syntex Ltd.	<b>3.48</b>	4.17
	Patodia Syntex Ltd. (Promoter's Contribution)	<b>3.00</b>	3.00
	<b>RECEIVABLE</b>		
	Patodia Syntex Ltd.	<b>1.74</b>	-
	<b>INVESTMENT</b>		
	PBM Polytex Ltd.	<b>309.56</b>	309.56

Note: 1. Related party relationship is as identified by the Company and relied upon by the Auditors.

2. No amounts in respect of related parties have been written off/written back during the year, nor any provision has been made for doubtful debts/receivables.

10. In terms of Accounting Standard 17, the Company operates primarily only in one business segment Viz. Cotton yarn and has its production facilities and all other assets located in India. Sales comprises exports sales of ₹ 20,180.78 Lacs (Previous year ₹ 25,021.61 Lacs) and Domestic sales of ₹ 6,789.91 Lacs (Previous year ₹ 8,222.32 Lacs).

11. Earnings per share (EPS) is calculated as under:

	<b>As at 31st March, 2015</b>	<b>As at 31st March, 2014</b>
	<b>₹ in Lacs</b>	<b>₹ in Lacs</b>
Basic and Diluted EPS after Taxation		
Numerator:		
Net Profit after Taxation as disclosed in Statement of Profit & Loss	<b>(322.55)</b>	557.22
Denominator:		
Average No. of Equity Shares outstanding during the year	<b>87.50</b>	87.50
Earnings Per Share (EPS) ₹	<b>(3.69)</b>	6.37
The nominal value per Equity Share ₹	<b>10</b>	10

12. **Additional Information pursuant to Schedule III to the Companies Act, 2013:**

	<b>2014 - 15</b>			<b>2013 - 14</b>		
	<b>Percentage</b>	<b>Kgs. (in Lacs)</b>	<b>₹ in Lacs</b>	<b>Percentage</b>	<b>Kgs. (in Lacs)</b>	<b>₹ in Lacs</b>
a) Consumption of Raw Materials						
(Indigenous)						
Cotton	<b>79.62</b>	<b>96.31</b>	<b>10,993.66</b>	86.89	111.61	12,789.36
Cotton Yarn	<b>4.03</b>	<b>2.53</b>	<b>556.60</b>	6.89	3.34	1,014.07
(Imported)						
Cotton	<b>16.35</b>	<b>18.55</b>	<b>2,256.71</b>	6.22	7.24	916.04
Cotton Yarn	-	-	-	-	-	-
	<b>100.00</b>	<b>117.39</b>	<b>13,806.97</b>	100.00	122.19	14,719.47
b) Stores, Spares and Packing Material Consumed:						
Imported	<b>8.70</b>		<b>60.74</b>	14.01		112.00
Indigenous	<b>91.30</b>		<b>637.12</b>	85.99		687.54
	<b>100.00</b>		<b>697.86</b>	100.00		799.54



## NOTES

Forming Part of the Financial Statements for the year ended 31st March, 2015

### NOTE - 26 (contd.)

	2014 - 15	2013 - 14
	₹ in Lacs	₹ in Lacs
c) Value of Imports Calculated on CIF basis :		
Raw Materials	2,799.50	878.47
Components and spare parts	103.99	95.48
Capital Goods	-	368.23
	<b>2,903.49</b>	<b>1,342.18</b>
d) Earnings in Foreign Exchange :		
F.O.B. value of goods exported	<b>19,724.19</b>	24,488.54
e) Expenditure in Foreign Currency :		
Commission	337.21	397.50
Interest	4.08	1.01
Others	66.63	59.24
	<b>407.92</b>	<b>457.75</b>

13. Disclosure in accordance with Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

		(₹ in Lacs)	
Sr.No.	Particulars	2014-15	2013-14
a)	Principal amount remaining unpaid (not overdue)	14.72	10.72
b)	Interest paid in terms of Section 16	-	-
c)	Interest due and payable for the period of delay in payment	-	-
d)	Interest accrued and remaining unpaid	-	-
e)	Interest due and payable even in succeeding years	-	-

The Company has compiled the above information based on verbal/written confirmations from suppliers.

14. During the year, certain freehold land has been converted into stock-in-trade and included in the inventory at cost. (Fair Value as per Govt. Valuer is 106.75 lacs).

15. Previous years' figures have been regrouped / rearranged wherever necessary to conform with current year's presentation.

Signatures to Notes '1' to '26'

**RAHUL RAWAT**  
Company Secretary

**K. K. PATODIA**  
**NARAYAN PATODIA**  
**RAJIV PATODIA**  
**H. P. SIOTIA**  
**V. K. GUPTA**  
**D. K. PATEL**  
**P. P. DUNDH**  
**M. L. BAGARIA**  
**HEMA THAKUR**

*Chairman and Managing Director (CEO)*  
*Managing Director*  
*Executive Director & CFO*  
*Director*  
*Director*  
*Director*  
*Director*  
*Director*

Mumbai, 23rd May, 2015

Mumbai, 23rd May, 2015





# EUROTEx INDUSTRIES AND EXPORTS LIMITED

Registered Office : 809, Raheja Chambers, 8th Floor, 213, Nariman Point, Mumbai - 400021 (INDIA)

Phone : (022) 66301400 E-mail : eurotex@eurotexgroup.com Website : www.eurotexgroup.com

CIN: L70200MH1987PLC042598

## 29TH ANNUAL GENERAL MEETING

### ATTENDANCE SLIP

**DATE**  
SATURDAY,  
12TH SEPTEMBER, 2015

**VENUE:**  
"THE RESIDENCE"  
SAKI VIHAR ROAD, BEFORE NITIE,  
POWAI, MUMBAI 400 087.

**TIME**  
9.00 A.M.

Folio No. / DP ID & :  
Client ID

Name & Address of the :  
Member(s)  
(IN BLOCK LETTERS)

I certify that I am a Member / Proxy for the Member holding .....shares.

Please ✓ in the box

Member       Proxy

-----  
**Name of the Proxy**

(IN BLOCK LETTERS)

-----  
**Signature of Member / Proxy**

#### Note:

1. Shareholder / Proxy are requested to bring the Attendance Slips with them, duly completed when they come to the meeting and deposit it at the entry gate of the hall, affixing their signatures on them.
2. Duplicate Attendance Slip will not be issued at the venue.

### ELECTRONIC VOTING

E-voting Details:

Electronic Voting Sequence Number EVSN	USER ID	SEQUENCE NO.
<b>150727017</b>		

# EUROTEX INDUSTRIES AND EXPORTS LIMITED

Registered Office : 809, Raheja Chambers, 8th Floor, 213, Nariman Point, Mumbai - 400 021

Tel : 91 22 6630 1400 Fax : 91 22 2204 4139 E-mail : eurotex@eurotexgroup.com

Website : www.eurotexgroup.com CIN : L70200MH1987PLC042598

## 29TH ANNUAL GENERAL MEETING

### PROXY FORM

Form No. MGT-11

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

Name of Member(s) :  
(Including Joint Holders, if any  
(IN BLOCK LETTERS)

E-mail ID :

Folio No. / Client ID :

Registered Address of the  
Sole / First Named Member :

DP ID No. :

I/We, being the member(s) of .....shares of Eurotex Industries and Exports Limited, hereby appoint :

1. Name:..... Address.....

E-mail ID..... Signature.....,or failing him

2. Name:..... Address.....

E-mail ID..... Signature.....,or failing him

3. Name:..... Address.....

E-mail ID..... Signature.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 29th Annual General Meeting of the Company, to be held on the 12th day of September, 2015 at 9:00 a.m. at "The Residence", An Apartment Hotel, Saki Vihar Road, before Nitie, Powai, Mumbai – 400 087 and at any adjournment thereof in respect of such Resolutions as are indicated below:

Resolution Number	Description
-------------------	-------------

#### Ordinary Business

1.	Adoption of Financial Statements for the financial year ended 31st March, 2015 and the Reports of the Directors and Auditors thereon.
2.	Appointment of Director in place of Shri H. P. Siotia (DIN: 00015103) who retires by rotation and offers himself for re-appointment.
3.	Ratification of the Appointment of M/s Lodha & Co., Chartered Accountants, as Auditors, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting.

#### Special Business

4.	Appointment of Smt. Hema Thakur (DIN: 01363454) as an Independent Director for a period of 4 years.
5.	To ratify the remuneration of the Cost Auditor for the financial year ending 31st March, 2016.

Signed this ..... day of ..... 2015.

Signature of the Shareholder(s) .....

Signature of the Proxy holder(s) .....

Affix  
Re.1/-  
Revenue  
Stamp

**Note: This form of proxy in order to be effective should be duly completed and deposited at the 12th Floor, Raheja Chambers, 213, Nariman Point, Mumbai - 400 021, not less than 48 hours before the commencement of the Meeting i.e. by 9:00 a.m. on 10th September, 2015.**

# EUROTEX INDUSTRIES AND EXPORTS LIMITED

Registered Office : 809, Raheja Chambers, 8th Floor, 213, Nariman Point, Mumbai - 400 021

Tel : 91 22 6630 1400 Fax : 91 22 2204 4139 E-mail : eurotex@eurotexgroup.com

Website : www.eurotexgroup.com CIN : L70200MH1987PLC042598

## BALLOT FORM

1. Folio No. / DP ID No. / Client ID No. :
2. Name and Registered address of the sole / first named Shareholder :
3. Name(s) of the Joint Shareholder(s), if any :
4. Number of Equity shares held :
5. I/We hereby exercise my/our vote in respect of Resolutions to be passed for the business stated in the Notice of the 29th Annual General Meeting of the Company dated 23rd May, 2015, by conveying my/our assent or dissent to the said Resolution(s) by placing tick (✓) mark at the appropriate box below:

Description of the Resolution	No. of Equity Shares for which Votes cast	(FOR) I / We assent to the Resolution	(AGAINST) I / We dissent to the Resolution
1. Adoption of Financial Statements for the financial year ended 31st March, 2015, and the Reports of the Directors and Auditors thereon			
2. Appointment of Director in place of Shri H. P. Siotia (DIN: 00015103) who retires by rotation and offers himself for re-appointment.			
3. Ratification of the Appointment of M/s Lodha & Co., Chartered Accountants, as Auditors, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting.			
4. Appointment of Smt. Hema Thakur (DIN: 01363454) as an Independent Director for a period of 4 years.			
5. To ratify the remuneration of the Cost Auditor for the financial year ending 31st March, 2016.			

Place :

Date :

\_\_\_\_\_  
**Signature of the Shareholder**

## INSTRUCTIONS

1. Members may fill up the Ballot Form and submit the same in a sealed envelope to the Scrutinizer, Dr. S. K. Jain, Practising Company Secretary, 13/16, Kapadia Chambers, Ground Floor, 599, J.S.S. Road, Chira Bazar, Mumbai – 400 002, so as to reach by **5:00 P.M.** on **11th September, 2015**. Ballot Form received thereafter will strictly be treated as if not received.
2. The Company will not be responsible if the envelope containing the Ballot Form is lost in transit.
3. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutinizer on the validity of the forms will be final and binding.
4. In case the Member casts his votes through both the processes i.e., E-voting and Physical Ballot Form, the votes in the electronic system would be considered and the Ballot Form would be ignored.
5. The right of vote under E-voting and Ballot Form (By Post) shall not be exercised by a proxy.
6. To avoid fraudulent transactions, the identity/signature of the Members holding shares in electronic/demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of Members holding shares in physical form is verified as per the records of the share transfer agent of the Company i.e., Datamatics Financial Services Limited. Members are requested to keep the same updated.
7. There will be only one Ballot Form for every Folio / DP ID & Client ID irrespective of the number of Joint members.
8. In case of joint holders, the Ballot Form should be signed by the first named shareholder and in his / her absence by the next named shareholders. Ballot form signed by a joint holder shall be treated valid if signed as per records available with the Company and the Company shall not entertain any objection on such Ballot Form signed by other joint holders.
9. Where the Ballot Form has been signed by an authorized representative of the Body Corporate/ Trust/ Society etc., a certified copy of the relevant authorization / Board Resolution to vote should accompany the Ballot Form.
10. Electronic voting (e-voting) facility is being provided in respect of the Resolutions proposed at the 29th Annual General Meeting, in accordance with Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014. Please see Note 14 to the Notice dated 23rd May, 2015 convening the Annual General Meeting for the procedure with respect to e-voting.

**BY COURIER**



*If Undelivered, Please Return to:*

**EUROTEX INDUSTRIES AND EXPORTS LTD.**

Raheja Chambers, 12th Floor,  
213, Nariman Point, Mumbai - 400 021.