

**tibrē<sup>®</sup>**  
SHIRTS & TROUSERS

**GANGOTRI**  
Textiles Ltd.

***25<sup>th</sup>***  
***Annual Report***  
***2013- 2014***

**Gangotri Textiles Limited**

**REGISTERED OFFICE :**

No. 35, Robertson Road, R.S.Puram, Coimbatore – 641 002

#### **BOARD OF DIRECTORS**

Sri. MANOJ KUMAR TIBREWAL  
Managing Director

Sri. MOHANLAL TIBREWAL  
Executive Director

Sri. ULLAS R SANGHVI  
Director  
(up to 29.05.2014)

Sri. R.P.JOSHUA  
Nominee Director of Lender Banks

Sri. G.V. CHANDRA BHASKAR  
Nominee Director of IDBI Bank Ltd

Sri. P. VENUGOPAL  
Nominee Director of Canara Bank

SRI. R.ELANGO  
Nominee Director of United Bank of India

SRI. AJAY KUMAR SREEN  
Nominee Director of State Bank of Hyderabad  
(upto 28-5-2014)

SRI. L.V.RAVINDRA KUMAR  
Nominee Director of State Bank of Hyderabad  
(w.e.f 28-5-2014)

#### **COMPANY SECRETARY**

Sri. MAXIM JOSEPH

#### **BANKERS**

STATE BANK OF INDIA  
STATE BANK OF HYDERABAD  
STATE BANK OF MYSORE  
STATE BANK OF TRAVANCORE  
SYNDICATE BANK  
UNITED BANK OF INDIA  
CANARA BANK  
IDBI BANK LTD  
JM FINANCIAL ARC PVT. LTD.

#### **REGISTERED OFFICE**

No. 35, Robertson Road  
R.S.Puram  
Coimbatore – 641 002

#### **REGISTRAR AND SHARE TRANSFER AGENTS**

**M/S. S.K.D.C Consultants Ltd**  
Kanapathy Towers, 3rd Floor  
1391/A-1, Sathy Road,  
Ganapathy,  
Coimbatore – 641 006

#### **AUDITORS**

#### **M/S THAKKER & SANGHANI**

Chartered Accountants  
47, West Periyasamy Road,  
R.S. Puram, Coimbatore - 641 002

### **CONTENTS**

	Page No.
Notice to Shareholders	2 - 3
Directors' Report	4 - 8
Management Discussion & Analysis Report	9 - 11
Corporate Governance Report	12 - 17
Auditor's Report	18 - 21
Accounts	22 - 37
Cash Flow Statement	38

This Financial statements, Board's Report, Auditor's Report and attachments to such statements and reports are governed by the relevant provisions of the Companies Act, 1956, in terms of circular No. 1/19/2013 - CL-V dated 4.4.2014 issued by the Ministry of Corporate Affairs.

## **NOTICE TO SHAREHOLDERS :**

NOTICE is hereby given that the Twenty Fifth Annual General Meeting of the company will be held on Thursday, the **11th day of September , 2014 at 3.30 p.m** at the A.R. Patel Hall , Coimbatore Sri. Gujarat Samaj, 662, Mettupalayam Road, R.S Puarm, Coimbatore - 641 002 to transact the following business :

### **A G E N D A**

#### **ORDINARY BUSINESS :**

1) To receive, consider and adopt the Directors' Report, Profit & Loss Account for the year ended 31<sup>st</sup> March, 2014 and the Balance Sheet as at that date and the Auditors' Report thereon.

2) To appoint Auditors and fix their remuneration.

#### **SPECIAL BUSINESS :**

**3. To consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution.**

RESOLVED that in accordance with the provisions of Section 198, 269 , 309 and 311 and other applicable provisions if any of the Companies Act, 1956 as amended from time to time read with Schedule XIII of the Companies Act, 1956 corresponding Clause 196, 197 198 & 199 of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013 including any statutory modification or re-enactment thereof for the time being in force and subject to such consents, approvals and permission that may be necessary from time to time , consent of the company be and is hereby accorded to the payment of remuneration to Sri. Manoj Kumar Tibrewal, Managing Director of the company for the period from 1-4-2015 to 31-3-2017 as recommended by the Remuneration Committee of the company as detailed hereunder.

#### **REMUNERATION**

**a) Salary :** 5 % on the Net Profit of the Company computed under the relevant provisions of the Companies Act, 1956.

**b) Perquisites :** The Managing Director shall not be entitled to any perquisites over and above the salary stated above.

Provision of Company's Car for the use of Company's business and Telephone facility at his residence will not be considered as perquisites. However, personal long distance calls shall be billed by the company to the Managing Director.

#### **Minimum Remuneration :**

Notwithstanding anything to the contrary herein contained where in any financial year during the currency of the tenure of Sri. Manoj Kumar Tibrewal, Managing Director, the Company has no profit or the profits of the company are inadequate, the company will pay remuneration to Sri. Manoj Kumar Tibrewal, Managing Director equivalent to the ceiling amount prescribed in terms of Section II in Part II of Schedule V of the Companies Act, 2013 subject to maximum of Rs. 75,000 per month.

The Managing Director during the tenure of his office as Managing Director shall not be liable to retire by rotation.

#### **EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956**

##### **Subject No 3 of the Agenda**

Sri. Manoj Kumar Tibrewal was appointed as Managing Director of the company for a period of five years commencing from 1-4-2012 to 31-3-2017 in the 22nd Annual General Meeting held on 23-9-2011 and the remuneration payable to him was initially fixed by the Remuneration Committee for a period of three years commencing from 1-4-2012 to 31-3-2015.

The Board of Directors in their meeting held on 28-5-2014 have considered and decided to refer to the Remuneration Committee the remuneration payable to Sri. Manoj Kumar Tibrewal, Managing Director for the remaining period of two years

commencing from 1-4-2015 to 31-3-2017 . The Remuneration Committee after considering the various aspects which it is expected to consider, has recommended the remuneration payable to Sri. Manoj Kumar Tibrewal, Managing Director as stated in the body of the resolution.

The Board is now placing the resolution for the payment of remuneration to the Managing Director Sri. Manoj Kumar Tibrewal for the period from 1-4-2015 to 31-3-2017 as recommended by the Remuneration Committee for the approval of the Members.

#### **Minimum Remuneration**

The resolution also provides for the payment of minimum remuneration to the Managing Director in case of absence or inadequacy of profit in any Financial year. The minimum remuneration has been stipulated as the amount fixed as a ceiling prescribed in paragraph 1 (A) of Section II in Part II of Schedule XIII of the Companies Act, 1956 corresponding Section II in Part II of Schedule VI of the Companies Act, 2013. however subject to maximum of Rs. 75,000/- per month.

#### **NOTE :**

**1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member.**

**2. Proxies must be received at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.**

**3. The Register of Members and Share Transfer Books of the company will remain closed from Monday the 1st day of September 2014 to Thursday, the 11th day of September, 2014 ( both the days inclusive ) for the purpose of Annual General Meeting.**

4.Share Transfer documents and all correspondence relating thereto, should be addressed to the Registrar and Share Transfer Agents of the Company.

5. Members who hold shares in physical form are requested to notify immediately any change in their address to the Registrar and Share Transfer Agents of the Company. Similarly, members holding shares in Demat Form shall intimate the change of address, if any, to the respective Depository Participants. (DP).

6. During the financial year 2013-14, unclaimed dividend of Rs 1,63,469 declared for the financial year 2005-06 has been transferred to the Investors' Education & Protection Fund on 25-9-2013 Shareholders who have not encashed the dividend warrants for the year 2006-07 are requested to write to the Secretarial Department of the Company at No.35, Robertson Road, R.S. Puram, Coimbatore - 641 002.

7.Electronic copy of the Annual Report 2014 is being sent to all the Members whose email ID is registered with the Company / Registrar & Share Transfer Agents for communication purpose unless any Member has requested for a Hard Copy of the same. For Members who have not registered their email address, physical copy of the Annual Report is being sent in the permitted mode.

8. subsequent to the resignation of the Independent Director, Sri. Ullas R. Sanghvi on 29-5-2014, there is no Director retiring by rotation at the ensuing 25th Annual General Meeting.

By Order of the Board  
For **GANGOTRI TEXTILES LIMITED**

Coimbatore  
28-5-2014

**MANOJ KUMAR TIBREWAL**  
MANAGING DIRECTOR



## DIRECTORS' REPORT TO SHAREHOLDERS

Ladies and Gentlemen,

Your Directors present the 25th Annual Report of the Company along with the audited statement of accounts for the year ended 31st March 2014.

### FINANCIAL RESULTS

( in Rs )

PARTICULARS	31.03.2014	31.03.2013
Sales Turnover	80,84,14,576	86,62,61,319
Profit/Loss before interest, depreciation and tax	(3,48,25,087)	(2,38,34,410)
Less: Interest	27,92,70,128	31,35,08,967
Depreciation	17,53,73,826	18,03,39,897
Impairment of Asset	5,77,88,023	56,67,64,212
Net Profit / loss for the year before Tax	( 54,72,57,064)	(108,44,47,486)

### PERFORMANCE

During the year under review, the performance of the company is not satisfactory because of working in a special situation of financial distress with very limited Working Capital availability. The company is now working primarily on " Asset Protection Mode "

With the limited resources available, the company found it extremely difficult to run all the units. At the same time it was felt not advisable to close one or more Units and the assets are to be maintained in a good condition atleast to get a good price for that matter. Hence, keeping in mind the life of the assets and for a regular income, the company has given Ring Spinning Unit ( Unit - 4 & 9 ) situated at Pushpattur Village, Udamalpet Taluk and Open End Spinning Unit (Unit -3) situated at Kolhapur, Maharashtra State to Job Work.

### REFERENCE TO BIFR :

As reported last year, the Company has made a reference to Board for Industrial and Financial Reconstruction (BIFR) in terms of Section 23 of the Sick Industrial Companies ( Special Provisions ) Act, 1985 on 13-6-2013 in view of the accumulated loss exceeded the Net Worth of the company during the financial year ended 31st March, 2013. M/s State Bank of India, as a Leader of the consortium of bankers have filed a Miscellaneous Application to the Board for Industrial and Financial

Reconstruction (BIFR) seeking for the abatement of the reference made by the company in terms of third proviso to Section 13 (1) of Sick Industrial Companies ( Special Provisions ) Act, 1985. The case was heard on 10-9-2013, 21-11-2013, 9-12-2013 and 28-1-2014 and the Board has finally abated the reference on 26-3-2014.

### DEBT RECOVERY TRIBUNAL :

M/s State Bank of India, Stressed Asset Management Branch, Coimbatore as the leader of the consortium banks have filed Original Application in the Debt Recovery Tribunal, Coimbatore for the recovery of the outstanding dues of Rs 353,38,13,295 /- as on 1-3-2013.. This outstanding amount is exclusive of the dues to IDBI.. The matter is sub-judice. In the meantime the Lenders have initiated action for the recovery of the dues under SARFAESI Act. The company has filed appeal against the Original Application filed by M/s State Bank of India and challenging the action of the Lenders and the matter is sub-judice.

### DIVIDEND

In view of the huge loss incurred by the company during the year, the Directors are not in a position to recommend any dividend for the financial year ended 31st March, 2014.

## FINANCE

During the year under review, the Company has been served with Notice under Section 13(4) of the SARFAESI Act, ( Possession Notice ) on 11-6-2013 and 11-7-2013 taking symbolic possession of all the Units. Subsequently, the Lenders have issued E-auction Sale Notice on 22-12-2013 for the sale of (1) Ring Spinning Units ( Unit 4 & Unit –9 ) situated at Pushpattur Village, Udamalpet Taluk (2) Weaving & Processing Unit ( Unit –8 ) situated at SIPCOT Industrial Growth Center, Perundurai and (3) Two Wind Mills situated at Udamalpet Taluk and the auction date was fixed on 30-1-2014 and the outcome of auction is not known.

The company felt that, the sale of Windmills would be detrimental in the interest of the company. More than the financial loss (by way of EB Bill going up by Rs.35 lakhs per month), disposal of Windmills will directly affect the operations of the remaining units including the garment production. Everyday, during the peak hour (6 pm to 10 pm) the regular TNEB power is not available for production. This will result in loss of production as well as under utilization of manpower. If the Company has the Windmill, it can use the Power Generated and overcome the Bottle neck. In short, sale of Windmill should not be seen in isolation and instead it should be seen as a facilitator for running the other units. Therefore, the company was forced to file two Writ Petition in the Hon'ble High Court, Chennai praying for a direction to the bank to refrain from putting the Windmill to sale on the Ground that E- Auction is not the correct process adopted by the Lenders for the recovery of their dues and also challenging the classification of the Company's Account as a Non-performing Asset by the Lenders.

The case came up for hearing on 29-1-2014 and their Lordships after hearing the case were pleased to grant Interim Injunction relief as to "Not to confirm the Sale in the e-Auction which is to be conducted on 30th January, 2014 until the final disposal of the main Writ Petition." Ultimately, the Hon'ble Madras High Court has dismissed a bunch of petitions filed for various issues vide its Order dated 8-5-2014. The High Court has also held that e –Auction is also a valid means of recovery.

In the meantime, State Bank of India has issued another E-auction Sale Notice on 9-3-2014 for the sale of all the Units of the Company excluding the Open End Spinning Unit ( Unit-3) situated at Kolhapur & two

windmills and the auction date was fixed on 9-4-2014. The Reserve Price fixed for all the Units was Rs 192.32 crores. In the above Notice two Wind Mills were not included as the issue is pending before the Court.

Since the Lenders started taking various steps including release of e-Auction Notices, the Company as stated elsewhere was forced to resort to seeking remedies through legal avenues. However, the intention of the company was ( or for that matter is ) not to find out solutions for its heavy debt problem in the corridor of Courts.

The Company strongly believes that any solution which is practical as well as permanent one, can be found only with the co-operation of the Lenders.

Therefore, parallelly the Company started scouting for ways and means to mitigate its debt burden through all possible sources including the Lenders. The Company is glad to share with you the fact that negotiations are underway with an entity who has shown keen interest in stepping in to the company initially as a Strategic Investor. Once this effort of the company fructifies, the company will be in a position to approach the Banks with a proposal of One Time Settlement (OTS).

Once the discussions reach a particular level, the company shall approach the Banks, the Shareholders and other Statutory Authorities to proceed further.

## DEPOSITS

There are no deposits outstanding as on 31st March 2014 remaining unclaimed or unpaid. The company has complied with all the requirements of Section 58A of the Companies Act and the rules there under in so far as the deposits which were in existence during the earlier period is concerned.

## CORPORATE GOVERNANCE

A separate Report on the Corporate Governance is enclosed as part of this Annual Report. The Auditors of the Company have also given their certificate relating to compliance of Corporate Governance and this report is annexed to the report of Corporate Governance as is required by the Listing Agreement.

## LISTINGS

The company's shares are listed both in National Stock Exchange of India Ltd and Mumbai Stock Exchange Ltd. The company has paid listing fee to both the exchanges. The company has already applied for

de-listing of its equity shares to Calcutta Stock Exchange Association Ltd and Coimbatore Stock Exchange Ltd. Though all the formalities have been completed and reminders have been sent, reply from these two stock exchanges are awaited. However no listing fee has been paid to these two stock exchanges.

#### **DIRECTORS RESPONSIBILITY STATEMENT**

In terms of the requirement of Section 217 (2AA) of the Companies Act, 1956, the Directors hereby confirm:

- 1) that in the preparation of Annual Accounts, the applicable Accounting Standards have been followed;
- 2) that the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the accounting year namely March 31, 2014 and of the profit / loss of the Company for that year
- 3) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- 4) that the Directors have prepared the Annual Accounts on a going concern basis.

#### **REPLY TO THE QUALIFICATION/OBSERVATIONS OF THE STATUTORY AUDITORS:**

1. The due action is being taken by the management to recover the dues/confirmation.
2. On receipt of a demand from the lenders regarding the higher interest on account of company being out of CDR package, the due provision for the interest differentials will be made in the accounts.
3. In the opinion of the Management, in order to reflect the actual position of Debtors and creditors, netting of Debit and Credit balance of the same party has been resorted to.
4. The management has taken earnest efforts to strengthen the internal controls.

#### **RESIGNATION OF INDEPENDENT DIRECTOR**

Sri. Ullas R Sanghvi, the only Independent Director on the Board of the Company has vide his letter dated 19-5-2014 informed that he would resign from the Directorship (as Independent Director) and Chairman of the Audit Committee with effect from 29-5-2014 due to pre-occupation in his professional work.

Sri. Ullas R Sanghvi was inducted in the Board on 7-5-2009. He is a Chartered Accountant by profession and has vast knowledge in the Software Development. He has contributed significantly to the Board during Company's crisis period. The Board of Directors wish to place on record their appreciation for the valuable contribution offered by Sri. Ullas R Sanghvi during his tenure as an Independent Director.

The Company is looking after the replacement for the vacancy created by the resignation of Sri. Ullas R Sanghvi and shall be filled within the time limit prescribed by the Company's Act, 2013.

#### **DIRECTORS RETIRING BY ROTATION :**

Since the only Independent Director Sri. Ullas R Sanghvi who is supposed to retire by rotation at this 25th Annual General Meeting has submitted his resignation with effect from 29-5-2014, there is no Director retiring by rotation during this year.

#### **AUDITORS**

M/s.Thakker & Sanghani, Chartered Accountants, retire at the ensuing Annual General Meeting and they have given necessary certificate in terms of Section 224 (1) (b) of the Companies Act, 1956. They are entitled to be re-appointed.

#### **GENERAL**

There are no employees falling under Section 217 (2A) of the Companies Act, 1956. The information pursuant to the Company (disclosure to particulars in the report of Board of Directors) Rules 1988 to the extent applicable is attached.

#### **ACKNOWLEDGEMENT :**

Your Directors wish to thank and record their appreciation to all the Bankers of the Company for their valuable financial support extended to the Company as also for the valuable advice and guidance given by them. Your Directors also wish to thank the suppliers and all others who have extended their valuable support during times of turbulence. Last but not the least, your Directors express their heartfelt thanks for the employees at all levels who have stood by the Company in these testing times.

By Order of the Board  
For **GANGOTRI TEXTILES LIMITED**

**MANOJ KUMAR TIBREWAL**  
MANAGING DIRECTOR

**Coimbatore**  
**28-5-2014**

**MOHANLAL TIBREWAL**  
EXECUTIVE DIRECTOR

**ANNEXURE TO THE DIRECTORS' REPORT**

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

**FORM A**

(See Rule 2)

**FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY**

		<b>CURRENT YEAR 2013 - 2014</b>	<b>PREVIOUS YEAR 2012 - 2013</b>
<b>A)</b>	<b>Power and Fuel Consumption</b>		
<b>1</b>	Electricity		
a)	Purchased Unit (KWH)	<b>2,03,18,876</b>	1,57,92,039
	Total Amount (in Rs.)	<b>14,68,03,470</b>	11,88,79,186
	Rate/Unit (Rs.)	<b>7.22</b>	7.53
b)	Own Generation		
	Through Diesel Generator- Cotton Yarn		
	Unit(KWH)	<b>2,36,745</b>	18,70,902
	Units/Ltr of Diesel of Oil	<b>3.48</b>	3.51
	Cost/Unit	<b>16.40</b>	14.13
b)	Own Generation		
	Through Diesel Generator- Fabrics		
	Unit(KWH)	<b>17,710</b>	2,903
	Units/Ltr of Diesel of Oil	<b>2.75</b>	3.50
	Cost/Unit	<b>21.24</b>	13.74
d)	Own Generation		
	Through Diesel Generator- Garments		
	Units	<b>16,892</b>	48,472
	Units/Ltr of Diesel	<b>3.11</b>	3.29
	Cost/Unit	<b>17.47</b>	17.58
e)	Own Generation through power Plant (Cotton Yarn)		
	Units	-	-
	Units/Ltr Furnance Oil	-	-
	Cost/Unit	-	-
f)	Own Generation thro Windmill		
	Units	<b>62,09,176</b>	78,69,224
	Cost/Unit	<b>4.34</b>	4.82
<b>2</b>	<b>Fuel Consumption</b>		
a)	Furnance Oil (Cotton Yarn)		
	Quantity (Kilo Litre)	-	-
	Total Cost (in Rs.)	-	-
	Average Rate	-	-
b)	Furnance Oil (Garments)		
	Quantity (Kilo Litre)	-	14
	Total Cost (in Rs.)	-	7,05,808
	Average Rate	-	51.39
<b>B)</b>	<b>Consumption per unit of production standrads (if any)</b>		
	Products- Cotton Yarn (Kgs) - Own production	<b>51,02,841</b>	65,91,784
	Products- Cotton Yarn (Kgs)- Job work production	<b>43,11,626</b>	15,83,956
	Consumption (units)	<b>2.16</b>	2.12
	Products- Garments (Kgs)	<b>2,26,054</b>	2,23,794
	Consumption (units)	<b>1.06</b>	1.10
	Products- Fabrics (Mtrs)	-	-
	Consumption (units)	-	-

**FORM B**  
**FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO ABSORPTION**

**Research and Development ( R & D)**

- I. No research and development is pursued in-house. However, Research and Development is carried out by Southern India Textile Research Association (SITRA), of which company is a member. Suitable measures suggested by SITRA are adopted.
- II. Benefits derived as a result of the above are,
  - (a) Improvement in production efficiency and product quality
  - (b) Higher market shares for company's product
  - (c) Effective realisation of indigenous technology
- III. Existing arrangements being comfortable for the company same may be continued for future operations as well.
- IV. There is no expenditure on R & D

**Technology absorption, adoption and innovation**

- (a) There is no technology development at spinning sector. Spinning technology developed by textile machinery sector alone adopted at the spinning sector.
- (b) Spinning technology developed by textile machinery sector and absorbed and adopted by the company has the positive effect on product improvement, cost reduction, product development and import substitution.
- (c) Indigenous technology alone used.

(In Rs.)

<b>Foreign Exchange Earnings and Outgo</b>	<b>Current Year 2013 - 2014</b>	<b>Previous Year 2012 - 2013</b>
1 Foreign exchange earned through Direct Export	-	-
2 Expenditure in Foreign Currency		
a. On Business Travel	-	-
b. On Capital Goods	-	-
c. On Stores & Spares	5,01,540	42,65,831
d. On Raw materials	-	91,24,748

By Order of the Board  
For **GANGOTRI TEXTILES LIMITED**

**MANOJ KUMAR TIBREWAL**  
Managing Director

**Coimbatore**  
**28-5-2014**

**MOHANLAL TIBREWAL**  
Executive Director

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **INDUSTRY STRUCTURE AND DEVELOPMENT :**

The recession prevailing in the Textile Industry continued during the year under review owing to various factors such as non-availability of raw material, skilled labour, high labour cost and poor market demand. Though there was slight improvement in the Power position, 20 % power –cut was still there for the H.T Industries and during Peak Hours the quantum of Power-cut as was around 90 %. Hence production schedule was not kept-up and consequently the delivery schedule was affected to that extent. Operating with captive Diesel / Furnace Oil Generators are proving to be totally un-economical.

The company has effected sales turnover of Rs 45.93 crores as against Rs 63.19 crores last year in respect of yarn and Rs 19.27 crores as against Rs 17.99 crores last year in respect of Ready made Garments. In spite of an unfavourable condition prevailing in the Textile Industry, the company was able to perform to a satisfactory level during the year under review by efficient administration in respect of yarn division.

### **OPERATION OF UNITS :**

In view of the insufficient Working Capital available with the Company and in order to run the industry for fetching a better price, the company has given the Ring Spinning Unit ( Unit -4 and Unit- 9 ) at Udumalpet and Open End Spinning Unit ( Unit- 3 ) at Kolhapur to Job Work during the year under review.

The workers of the Weaving & Processing Unit situated at Perundurai had gone for strike with effect from 24-1-2012 demanding the wage revision on the higher side and the unit is not working since then. Except the Weaving & Processing Unit (Unit -8) all other Units were in operation during the year under review.

## **OPPORTUNITIES AND THREATS**

Though the cotton price continued to rule high, the yarn price has decreased by Rs 10-20 per kg due to sluggish demand in the domestic and export markets. Under this scenario, the sudden removal of export benefits under Focus Market Scheme ( FMS ) has come as a rude shock for the cotton spinning sector. The office of the Director General of Foreign Trade has issued a Notification stating that export of cotton and cotton yarn will not be eligible for Focus Market Scheme which were enjoying 3% Export Incentive in certain markets and 4 % incentive in certain markets. With the landing price of cotton shooting up to more than Rs 50,000/- a candy, cotton prices have also gone up. This has resulted in slow demand of yarn from weavers and garment manufacturers.

India's Per Capita Expenditure rose at a rapid pace during the last two years increasing 19 % annually in the rural areas and 17 % in the urban areas. The Rupee has been one of the worst performing currencies while the Chinese Yuan has appreciated against Dollar which has made Indian Textile more competitive causing inquiries to flow in.

Bangladesh Textile remains more competitive than India's Textiles. In spite of drastic increase in Minimum Wages of Labourers in Bangladesh together with their high cost of production still makes their product much more competitive than the textiles produced in India. Credit Ratings and Service providers said that Indian Textile Sector in general and Cotton Textile Sector in particular is exposed to volatile raw material prices which is the largest cost variant and can affect a company's finance.

Labour scenario also continues to be on the discomfort side. . There are many units which are being run on partial capacity for want of adequate skilled labour. The money market which was very liquid and easy in the past is witnessing continuous increase in the interest rates and the company being a heavy borrower, the interest charges have become one of the major elements.



## FINANCIAL PERFORMANCE AND ANALYSIS

(in Rs.)

PARTICULARS	2013 - 2014	2012 - 2013	Change Increase (+) Decrease(-)	%
Turnover	80,84,14,576	86,62,61,319	-5,78,46,743	-6.68
Other Income	10,12,027	21,18,914	-11,06,887	-52.24
Gross Revenue	80,94,26,603	86,83,80,233	-5,89,53,630	-6.79
PBIDT	-3,48,25,087	-2,38,34,410	-5,86,59,497	-246.12
Interest	27,92,70,128	31,35,08,967	-3,42,38,839	-10.92
PBDT	-31,40,95,215	-33,73,43,376	-2,32,48,162	-6.89
Depreciation	17,53,73,826	18,03,39,897	-49,66,071	-2.75
Impairment Assets	5,77,88,023	56,67,64,212	-50,89,76,189	-89.80
Net Profit / Loss Before Tax	-54,72,57,064	-108,44,47,486	53,71,90,422	49.54

During the year under review, the Company has incurred loss amounting to Rs 54.73 crores.

### SEGMENTWISE OR PRODUCTWISE PERFORMANCE

The Company continues to deal with in Yarn, Cloth and Garments. In so far as the yarn is concerned the position is fully explained. It is to be further added that during the year under review, due to under utilization of the Capacity, the overall performance of the company is not satisfactory

#### GARMENTS

The company's Garment Division has registered sales of Rs.19.27 crores as against Rs.17.99 crores previous year. As stated earlier, there was a hit in the Apparel market during the year under review. In fact, even branded Readymade Garments are being sold in street corners and at the time of festivals, garments are being sold by weight rather than in numbers. This shows the amount of pressure and competitions that the company is facing in marketing its branded quality material. In spite of the fact stated above, the company was able to increase its sales slightly during the year under review.

#### WIND ENERGY

The Company has two Wind Energy Generators and the entire production of energy is being captively consumed.

#### OUTLOOK

With the recession likely to continue and in the backdrop of Global Economic and financial condition, the outlook for the Industry in general is not that much promising atleast in short term. Unless all the favorable factors like

availability of raw material at an affordable cost, availability of skilled labour at a reasonable cost, financial assistance at a lower rate of interest and above all, the improved power position come into existence, the question of survival of the industry will be a question mark..

### FINANCE

In view of the heavy financial constraints, the Company could not repay the Term Loan and the Interest as well. The Company's Account has been classified as NPA ( Non-performing Asset ) and the Bankers have issued Notice under Section 13(2) of the SARFAESI Act on 4-12-2012 and an amended Notice on 4-4-2013. They have a filed the case in the Debt Recovery Tribunal (DRT) and the matter is sub-judice.

### RISK AND CONCERNS

The risks that the Industry is facing and as a part of the Industry, the company is facing are identical. As has been stated they are a) non-availability of raw material at an affordable price b) non-availability of skilled labour c) high interest cost d) un-remunerative prices of yarn resulting in distress sales by many mills e) accumulating stock of yarn across the Country and above all f) un-scheduled and frequent power tripping .

The concern is regarding in what manner and when the situation could be got over and in what form and when



any support will be forthcoming from the Government. The sooner any one or more of these areas improve, that would be a big relief for the Industry.

Not only your company but also the whole industry is facing these problems with the added problem in case of our company with regard to finance due to loan burden. While in so far as setting right the financial situation, it can be achieved only by disposing the units as stated last year or infusion of funds by strategic investors.

#### **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY.**

In order to ensure proper implementation of the Corporate Debt Restructuring Scheme, the Lenders have appointed concurrent Auditors who are at present available always and no transaction goes through without their prior approval.

The Company has appointed an Internal Auditor also, in addition to the concurrent Auditors appointed by the Lenders and he audits the adequacy and the effectiveness of the internal controls prescribed by the Management and wherever necessary suggests improvements.

The Audit Committee of the Board of Directors periodically review the financial positions, audit plans, internal audit reports adequacy of internal controls and risk management.

#### **HUMAN RESOURCES**

The industry as a whole as well as the Company is not able to get adequate hands. We are trying to get personnel from outside, give them training and retain them. Various incentives comparable to units in the region being offered to retain capable hands. Efforts are being taken to make a culture of competency, self-motivation and total involvement as corner stone of all work force related activities.

#### **INDUSTRIAL RELATIONS**

Industrial relations continue to be harmonious in all the Units.

#### **CAUTIONARY STATEMENTS**

Statements describing Company's projections, estimates, expectations etc may be forward looking statements in the context of applicable Securities, Laws and Regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand / supply and price conditions in the domestic market and changes in the Government Regulations, Tax Laws and other Statutes and other incidental factors.

By Order of the Board  
**For GANGOTRI TEXTILES LIMITED**

**MANOJ KUMAR TIBREWAL**  
**MANAGING DIRECTOR**

**Coimbatore**  
**28-5-2014**

**MOHANLAL TIBREWAL**  
**EXECUTIVE DIRECTOR**

## CORPORATE GOVERNANCE REPORT

Companies policies on the Corporate Governance under the due compliance report on specific areas, where applicable for the year 2013-2014 are given hereunder, classified under broad heads.

### 1. Company's Philosophy on Corporate Governance :

Achievement of long term corporate goals and enhancement of shareholder value are the objective. Gangotri believes that one essential factor for achieving the said objective is good Corporate Governance. The Gangotri's management and the employees have the common objective of manufacturing and marketing the Company's products which will create value, which can

be sustained over a long term for all viz shareholders, employees, customers, lenders and the Government. Gangotri puts in every effort towards compliance of all regulatory requirements and ensures highest standards of ethical conduct are practiced throughout the organisation.

### 2. Board of Directors :

The Board of Directors, on the date of this report is comprised of eight members, out of which six are non-executive Directors who account for two-thirds of the Board's strength as against minimum requirement of one half in terms of the Listing Agreement.

#### a) Composition of the Board :

Name of the Director	Category	No. of other Directorship Held	No.of. other Board Committees of which he is a member	No.of. other Board Committees of which he is a Chairman
Sri. Manoj Kumar Tibrewal	Managing Director - Executive	NIL	NIL	NIL
Sri. Mohanlal Tibrewal	Executive Director - Executive	NIL	NIL	NIL
Sri.Ullas R Sanghvi (Up to 29-5-2014)	Independent Director	1	NIL	NIL
Sri. R.P.Joshua	Nominee Director	4	NIL	NIL
Sri. G.V.Chandra Bhaskar	Nominee Director	NIL	NIL	NIL
Sri. P.Venugopal	Nominee Director	NIL	NIL	NIL
Sri. R.Elango (w.e.f 6-8-2013)	Nominee Director	NIL	NIL	NIL
Sri. Ajay Kumar Sreen (w.e.f 25-10-2013) and resigned on 28-5-2014	Nominee Director	NIL	NIL	NIL
Sri. L.V.Ravindra Kumar (w.e.f 28-5-2014)	Nominee Director	NIL	NIL	NIL

Note :

- 1) The Independent Director Sri. Ullas R Sanghvi has resigned with effect from 29-5-2014.
- 2) M/s State Bank of Hyderabad has nominated Sri. L.V Ravindra Kumar as its Nominee Director with effect from 28-5-2014 in the place of Sri. Ajay Kumar Sreen.

#### b ) Details of Sitting Fees, remuneration etc paid to Directors

Name of the Director	Remuneration paid During the year 2013 - 14 (Rs)	Sitting Fees for Attending meetings of the Board and / or Committee thereof (Rs)
Sri. Manoj Kumar Tibrewal	9,00,000	Nil
Sri. Mohanlal Tibrewal	9,00,000	Nil
Sri. Ullas R. Sanghvi	Nil	55,000
Sri. R.P. Joshua	Nil	50,000
Sri. G.V. Chandra Bhaskar*	Nil	50,000
Sri. P. Venugopal **	Nil	25,000
Sri. E. Elango ***	Nil	20,000
Sri. Ajay Kumar Sreen ****	Nil	10,000

\* Paid to IDBI.

\*\*\* Paid to United Bank of India

\*\* Paid to Canara Bank

\*\*\*\* Paid to State Bank of Hyderabad

**c) Number of Board Meetings held and attended by the Directors :**

Meetings of the Board of Directors were held during the year ended 31-3-2014 on the following dates.

- (1) 23rd May, 2013 (2) 6th August, 2013 (3) 25th October, 2013 (4) 12th November, 2013  
(5) 12th February, 2014

**ii. Attendance recorded of each of the Directors at the Board Meeting during the year ended 31st March, 2014 as also of the Annual General Meeting is as under.**

Name of the Director	No of Board Meetings Attended	Attendance at the Last AGM
Sri. Manoj Kumar Tibrewal	5	Yes
Sri. Mohanlal Tibrewal	5	Yes
Sri. Ullas R. Sanghvi	5	Yes
Sri. R.P. Joshua	5	Yes
Sri. G.V. Chandra Bhaskar	5	Yes
Sri. P. Venugopal	4	Yes
Sri. E. Elango	4	No
Sri. Ajay Kumar Sreen	2	No

**3. Audit Committee**

The Audit Committee of the Company consists of the following Members.

1. Sri. Ullas R Sanghvi Chairman ( Independent Director )
2. Sri. R.P.Joshua Member ( Nominee Director )
3. Sri. G.V.Chandra Bhaskar Member (Nominee Director)

The Audit Committee meetings were held on the following dates:

- (1) 23rd May, 2013 (2) 6th August, 2013  
(3) 12th November, 2013 (4) 12th February, 2014

**ii. Attendance of the Audit Committee Meeting held during the financial year ended 31<sup>st</sup> March, 2014.**

Name of the Member	No of Meetings Attended
Sri.Ullas R Sanghvi	4
Sri.R.P.Joshua	4
Sri. G.V.Chandra Bhaskar	4

The Chairman of the Audit Committee Sri. Ullas R Sanghvi has resigned with effect from 29-5-2014. Hence, the Audit Committee would be re-constituted after the appointment of Independent Directors in terms of the provisions of the Companies Act, 2014.

The role and terms of the Audit Committee covers the various matters specified in Clause 49 of the Listing Agreement as also what is contained in section 292 A of the Companies Act, 1956.

**4. Remuneration Committee :**

The Remuneration Committee of the Company consists of the following Members.

1. Sri. Ullas R Sanghvi Chairman ( Independent Director )
2. Sri. R.P.Joshua Member ( Nominee Director )
3. Sri. G.V.Chandra Bhaskar Member ( Nominee Director )

The Remuneration Committee meeting was held on 28-5-2014 and approved the remuneration payable to Sri. Manoj Kumar Tibrewal, Managing Director for the period from 1-4-2015 to 31-3-2017.

The Chairman of the Remuneration Committee Sri. Ullas R Sanghvi has resigned with effect from 29-5-2014. Hence, the Remuneration Committee would be re-constituted after the appointment of Independent Directors in terms of the provisions of the Companies Act, 2014.

**5. Investors Grievance Committee :**

a) The Investors' Grievance Committee of the Company consists of the following Members.

1. Sri. Manoj Kumar Tibrewal — Chairman
2. Sri. Mohanlal Tibrewal — Member
3. Sri. Ullas R Sanghvi — Member

The Investors' Grievance Committee meeting was held on 28 -5-2014 and reviewed the complaints received from the Investors during the financial year ended 31st March, 2014.

Sri. Ullas R Sanghvi has resigned with effect from 29-5-2014. Hence, the Investors' Grievance Committee would be re-constituted after the appointment of Independent Directors in terms of the provisions of the Companies Act, 2014.

During the financial year ended 31st March, 2014, the company has not received any- complaint from the Investor's and as on 31st March, 2014 no complaints / queries were there pending reply. The share transfer applications are normally completed within a period of 15 days.

**b Details of Director seeking appointment / re-appointment at the ensuing Annual General Meeting fixed on 11-9-2014 are given hereunder.**

Out of the composition of eight Directors, Sri. Manoj Kumar Tibrewal, Managing Director, Sri. Mohanlal Tibrewal, Executive Director, Sri. G.V.Chandra Bhaskar, Nominee Director of IDBI, Sri. R.P Joshua, Nominee Director of Lending Banks, Sri.P.Venugopal Nominee Director of Canara Bank, Sri. R.Elango, Nominee Director of United Bank of India and Sri. L.V.Ravindra Kumar, Nominee Director of State Bank of Hyderabad are not liable to retire by rotation. The only Independent Director Sri. Ullas R. Sanghvi has also submitted his resignation with effect from 29-5-2014 and as such there is no Director retiring by rotation at this 25th Annual General Meeting.

**6. Board Procedure :**

The Members of the Board have been provided with all the information mentioned in the Listing Agreement which were placed before the Board Meetings and the same were dealt with appropriately at the meetings. All the Directors, who are on the various committees are within the permissible limits as given in the Listing Agreement. The Directors concerned also intimate from time to time about their membership in the various committees in other companies.

**7. Compliance Certificate**

Compliance Certificate for Corporate Governance from the Auditors of the Company is enclosed herewith.

**8. Annual General Meetings / Extra Ordinary General Meetings :**

**a) Details of Annual General Meetings held during the last three years are as under:**

AGM / NO	DAY	DATE	TIME	VENUE
22	Friday	23.09.2011	3.30 pm	Conference Hall, Sree.Coimbatore Gujarat Samaj 662, Mettupalayam Road, P.B. No. 1164, R.S.Puram, Coimbatore - 641 002
23	Wednesday	12.09.2012	3.30 pm	A.R. Patel Hall, Sree.Coimbatore Gujarat Samaj 662, Mettupalayam Road, P.B. No. 1164, R.S.Puram, Coimbatore - 641 002
24	Friday	26.7.2013	3.30 pm	A.R. Patel Hall, Sree.Coimbatore Gujarat Samaj 662, Mettupalayam Road, P.B. No. 1164, R.S.Puram, Coimbatore - 641 002

b) In the 24th Annual General Meeting held on 26-7-2013, no Special Resolutions was proposed to be passed

**9. Disclosures :**

i) The transactions with related parties form part of the financial statements circulated to all the members in conformity with the necessary accounting standards to be followed by the Company

ii) No penalty or levy have been imposed by the Stock Exchanges or SEBI or any other statutory authority on any matter related to Capital Markets during the last three years.

**10. Means of Communications**

i) Quarterly Results will be published in Trinity Mirror (English) and in Makkal Kural (Tamil)

ii) Any website where displayed : [www.gangotritextiles.com](http://www.gangotritextiles.com)

iii) Whether Management's Discussion and Analysis is part of Annual Report : Yes

# **11. General Shareholder Information :**

## **a) Annual General Meeting to be held on 11 -9-2014 ( 25th AGM )**

Day : Thursday  
Date : 11-9-2014  
Time : 3.30 P.M  
Venue : A.R.Patel Hall , Shree Coimbatore Gujarati Samaj, 662, Mettupalayam Road,  
Post Box No 1164, R.S.Puram, Coimbatore - 641 002

## **b) Financial Calendar Year 2014-2015 :**

First quarterly Financial Results : On or before 15-08-2014  
Second quarterly Financial Results : On or before 15-11-2014  
Third quarterly Financial Results : On or before 15-02-2014  
Audited Financial Results for the year ended 31-3-2015 : On or before 31-05-2015

**c) Dates of Book Closure :** From: 1-9-2014 To : 11-9-2014 (Both the days inclusive) for the purpose of Annual General Meeting.

## **d) Dividend payment date :**

In the absence of Profit for the financial year ended 31st March, 2014 the Board of Directors have not recommended any dividend for the financial year 31-3-2014.

## **e) Listing on Stock Exchanges :**

The Equity Shares of the Company are listed on the following Stock Exchanges.

1. National Stock Exchange of India Ltd
2. Bombay Stock Exchange Limited
3. The Calcutta Stock Exchange Association Ltd

## **f) Delisting :**

The company had already applied for de-listing of its Equity Shares from The Calcutta Stock Exchange and the order for delisting is still awaited from them.

## **12. Market Price Data :**

The details of the monthly highest and lowest closing quotations of the equity shares of the Company at the Bombay Stock Exchange Ltd, during the financial year 2013-14 are as under.

MONTH		Highest Rate (Rs)	Lowest Rate (Rs)
APRIL	2013	2.39	1.52
MAY	2013	2.06	1.34
JUNE	2013	1.39	1.01
JULY	2013	1.79	1.03
AUGUST	2013	1.89	1.80
SEPTEMBER	2013	1.94	1.64
OCTOBER	2013	2.20	1.36
NOVEMBER	2013	1.84	1.27
DECEMBER	2013	1.70	1.12
JANUARY	2014	1.62	1.00
FEBRUARY	2014	1.10	0.88
MARCH	2014	1.05	0.80

### 13. Registrar and Share Transfer Agents :

The Company has appointed Registrar and Share Transfer Agents for share transfers. The name and address of the Registrar and Share Transfer Agents is as under.

**M/s. S.K.D.C. Consultants Limited**, Kanapathy Towers, 3rd Floor 1391 / A-1, Sathy Road, Coimbatore – 641 006  
Phone No : 0422 – 4039900 Fax No : 0422 – 2539837 E-mail : info@skdc.consultants.com

### 14. Share Transfer System :

Share Transfers are registered and returned within a maximum period of 30 days from the date of receipt. If the documents are clear, the transfers are completed normally within one week and returned within 15 days. The Transfer Agents have been authorized to put through the transfers expeditiously.

### 15. Distribution of Shareholding as on 31.3.2014

No of Shares	No of Shareholders	No of Shares	Percentage
1 - 500	6575	15,33,974	4.70
501 - 1000	1430	12,29,844	3.77
1001 - 2000	737	11,51,984	3.53
2001 - 3000	244	6,18,077	1.90
3001 - 4000	128	4,68,668	1.44
4001 - 5000	114	5,36,123	1.64
5001 - 10000	171	12,77,051	3.92
10001 and above	140	2,57,98,913	79.10
<b>Total</b>	<b>9539</b>	<b>3,26,14,634</b>	<b>100.00</b>

### 16. Shareholding Pattern as on 31.3.2014

Category	No of Shares held	Percentage
Promoters	79,98,457	24.524
Mutual Funds	1,600	0.005
Financial Institutions / Banks	14,16,473	4.343
Bodies Corporate	64,95,750	19.917
NRI	1,10,790	0.340
Insurance Companies	12,02,000	3.685
General Public	1,53,89,564	47.186
<b>TOTAL</b>	<b>3,26,14,634</b>	<b>100.000</b>

### 17. Dematerialisation of Equity Shares :

As on 31-3-2014 shares representing 98.506 % percentage of the total paid up capital of the Company is held in dematerialized form with NSDL and CDSL.

## 18. Plant Location

### Unit I:

S.F.No 496/A, 497  
Kaduvettipalayam Post  
Karumathampatty  
Palladam Taluk  
Coimbatore District

### Unit II

Sri Dwarka Textiles  
3/161, Ponnandampalayam  
Kaniyur Post  
Avinashi Taluk  
Coimbatore District

### Unit III

Kumbhojgiri Road  
Village Alate  
Tal. Hatkanangale  
District Kolhapur

### Unit IV

Pushpattur Village  
Palani Taluk  
Dindigul District

### UNIT – V (Stitching Unit)

3/161, Ponnandampalayam  
Kaniyur Post  
Avinashi Taluk  
Coimbatore District

### UNIT - VI

Plot No L4, L5 & L6  
5th Cross Road  
SIPCOT Industrial Complex  
Perundurai

### UNIT – VII

S.F No 262 / 2B, 262 /3, 262/4  
Mopperipalayam Village  
Palladam Taluk  
Coimbatore District

### UNIT – VIII

(Not working since 24.1.2012)  
Plot No PP2, PP3, PP4  
SIPCOT Industrial Complex  
Perundurai  
Erode District

### UNIT IX

S.F No 138, 142, 143, 78  
Pushpattur Village  
Palani Taluk  
Dindigul District

## 19. Address for correspondence :

**Registered Office :** Old No 42, New No 35, Robertson Road, R.S.Puram, Coimbatore - 641 002  
**Telephone No :** 0422 – 4332100 **Fax No :** 0422 – 2474499 **Mail Id :** tibre@gangotritextiles.com  
**CIN.** L17115TZ1989PLC002491

## 20. Chief Executive Declaration on Code of Conduct.

I hereby declare that the Board of Directors of the Company have adopted a Code of Conduct for the Board Members and Senior Management of the Company and the same has also been posted in the website of the Company and that all the Board Members and Senior Management Personnel to whom this Code of Conduct is applicable have affirmed the compliance of Code of Conduct during the year 2013-14

**Coimbatore**  
**28-5-2014**

**MANOJ KUMAR TIBREWAL**  
**MANAGING DIRECTOR**

## 22. CEO / CFO CERTIFICATE

### We certify that

- We have reviewed financial statements and cash flow statements for the year ended 31<sup>st</sup> March, 2014 and that to the best of our knowledge and belief :
  - these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading
  - 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.
- There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to the financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- We have indicated to the Auditors and the Audit Committee
  - significant changes in internal control over financial reporting during the year;
  - significant changes in accounting policies during the year and that the same have been disclosed in the Notes to the financial statements.
  - 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.— NIL

**Coimbatore**  
**28-5-2014**

**MANOJ KUMAR TIBREWAL**  
**MANAGING DIRECTOR**

The above Corporate Governance Report has been placed before the Board of Directors at their meeting held on 28-5-2014 and the same was approved thereat.



## AUDITORS REPORT

### To the Members of M/s Gangotri Textiles Limited

#### REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of M/s Gangotri Textiles Limited (the Company), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 (the Act) read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### AUDITORS' RESPONSIBILITY

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Basis for Qualified Opinion

1. The exceptional item of Rs.423.00 lakhs represents an advance given to one party in 2006 remains doubtful and, now provided for.
2. The interest provisions for all terms loans have been worked out based on the then prevailing CDR package rates, and not on the original sanction/revised floating rates. Consequent to the company being out of CDR package and reverting back to the original sanction, the differential interest that ought to have been provided for in the accounts is estimated at Rs.85 Crores (from 1.7.2008 to 31.03.2014). Since the same has not been provided for the loss has been understated to the above extent.
3. Notices to treat the Company as willful defaulter from certain lenders have been served on the Company and the management.
4. The Company has changed the method of Accounting for NETTING of balance when transactions are made with the same party. Hitherto the company was not netting the debit and credit balances of the same party. However, for the year ended 31.03.2014 the company has NETTED the debit and credit balances of the same party. Hence, Debtors and Creditors have got reduced by Rs. 60.45 Crores each as on 31.03.2014.

#### OPINION

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

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014 ;
- (b) In the case of the Statement of Profit and Loss, Loss of the Company for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

#### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by the Companies (Auditor's Report) Order, 2003 (the Order) issued by the Central Government of India in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
  - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c. The Balance Sheet, 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 Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
  - e. On the basis of the written representations received from the directors as on March 31, 2014, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of Section 274(1)(g) of the Act.

**Coimbatore**  
**28-5-2014**

**For THAKKER & SANGHANI**  
Firm Registration No:004351S  
Chartered Accountants  
**Aswin.C**  
Partner  
Membership No:22204

#### **ANNEXURE TO THE AUDITORS' REPORT**

The Annexure referred to in our report to the members of Gangotri Textiles Limited ('the Company') for the year ended 31 March 2014. We report that:

- (I) (a) The Company is in the process of updating the records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) Fixed assets disposed off during the year were not substantial and therefore, do not affect the going concern assumption. And, it is noted that according to the management, these assets will not be replaced in the foreseeable future. The Company has provided for impairment of all its assets during the year under review.
- (d) As explained to us, inventories of the company at all its location have been physically verified at reasonable intervals.
- (II) (a) by the management during the year.  
In our opinion, the Procedures of physical verification of inventory followed by the management are reasonable and
- (b) adequate in relation to the size of the Company and the nature of its business.  
The Company is maintaining proper records of inventory and material discrepancies, noticed on physical
- (c) verification have been properly dealt with in the books of account.  
According to the information and explanations given to us, The Company has not granted any loans, secured or unsecured
- (III) (a) to the companies firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the provisions stated in para 4 (iii) (b) (c) and (d) of the order are not applicable.
- (b) The Company has taken unsecured interest free loan from two parties involving an amount of Rs.11.50 crores, and the transaction during the year is Nil and accordingly year end balance remain the same.  
The terms and conditions in respect of the above loan taken by the Company are, prima facie, not prejudicial to the interest
- (c) of the Company.

- (iv) **In our opinion and according to the information and explanations given to us, the internal control system is not commensurate with the size of the Company and the nature of its business with regard to purchase and sale of goods and services.**
- (v) (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
- (b) In our opinion, and according to the information and explanations given to us, the transactions made in pursuance of contracts and arrangements referred to in (v)(a) above and exceeding the value of Rs 5 lakh with any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) In our opinion and according to the explanations given to us, the company has complied with the directives issued by the Reserve Bank of India, and also provisions of the Section 58A and Section 58AA of the Companies Act, 1956 and the rules framed there under, in respect of deposits accepted by it. No order has been passed by the Company Law Board and the Company has not accepted any deposit under 58A and 58AA of the Companies Act, 1956.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and the nature of its business.
- (viii) We have broadly reviewed the records maintained by the company pursuant to the rules made by the Central Government for the maintenance of the cost records u/s 209 (1) (d), of the Act. We are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view of determining whether they are accurate or complete.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Income-tax, Sales - tax, Wealth tax, Service tax and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Employees' State Insurance, Customs duty and Excise duty.  
According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Income - tax, Sales - tax, Wealth tax, Service tax and other material statutory dues were in arrears as at 31 March 2014 for a period of more than six months from the date they became payable.
- (b) At the end of the Financial year there were no dues of Sales Tax, Customs Duty, Wealth Tax, Excise Duty, Cess which have not been paid for a period of more than 6 months from the date they become payable except as detailed below:

Name of the Statute	Year	Nature of Dues	Amount in Lakhs	Forum where dispute is pending	Provided in the books of accounts
TamilNadu Additional Sales Tax Act, 1970	1996-97	Additional Sales Tax	20.07	Supreme Court of India	Yes
CST Acts	2002-03	TNGST, Surcharge AST, Penalty	1.82	STAT Coimbatore	No
TNGST, CST Acts	2003-04	TNGST, Surcharge AST, Penalty	13.54	STAT Coimbatore	No
Income Tax Act, 1961	2004-05	Interest U/S 234B / 234C	5.85	ITAT Chennai	No

- x) **There are accumulated losses at the end of the financial year ended 31.03.2014. In our opinion the accumulated losses of the Company as on 31.03.2014 are more than 100% of its network and the company has become a sick company within the definition of Section 3(1) (o) of the SICA (Special Provisions) Act, 1985. The Company has incurred cash loss during the financial year covered by our audit.**

**xi) The Company has defaulted in repayment of dues, both principal and interest to lenders. The principal default of Rs. 266.65 crores is from April 2011 and interest default of Rs. 71.24 crores from October 2011, based on CDR Package.**

xii) During the year the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities According to the information and explanations given to us.

xiii) In our opinion, the provisions of special statue applicable to Chit Fund, Nidhi/Mutual Benefit Fund / societies are not applicable to the company.

xiv) The company is not dealing or trading in shares, securities, debentures and other investments.

xv) In our opinion and according to the information an explanations given to us, the company has not given any guarantee for loans taken by offers from banks or financial institutions.

xvi) According to the information and explanations given to us, the company has utilized term loans for the purpose for which the loans were obtained.

xvii) On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on short-term basis, which have been used for long - term investments by the Company.

xviii) According to the information and explanations given to us, the company has not made any preferential allotment of shares to parties and companies oared in the register maintained under Section 301 of the Act.

xix) During the year the Company has not issued any debentures.

xx) According to the information and explanations given to us, during the year the Company has not raised money by public issue.

xxi) To the best of our knowledge the belief and according to the information and explanations given to us, no fraud on or by the company was noticed or reported during the year.

**For THAKKER & SANGHANI**  
Firm Registration No:004351S  
Chartered Accountants

Coimbatore  
28.05.2014

**Aswin.C**  
Partner  
Membership No:22204

**BALANCE SHEET AS AT 31st MARCH, 2014**

Particulars	Note No.	31.03.2014 (Rs.)	31.03.2013 (Rs.)
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's Funds</b>			
(a) Share Capital	1	1,06,72,73,170	1,06,72,73,170
(b) Reserves and Surplus	2	-2,39,13,71,021	-1,84,22,76,722
<b>Sub total - Shareholders Funds</b>		<b>-1,32,40,97,851</b>	<b>-77,50,03,552</b>
<b>Non-Current Liabilities</b>			
(a) Long-term borrowings	3	4,49,666	13,03,29,542
(b) Other Long term liabilities	4	12,67,11,514	13,39,53,152
(c) Long term provisions	5	5,55,00,000	5,55,00,000
<b>Sub total - Non Current Liabilities</b>		<b>18,26,61,180</b>	<b>31,97,82,694</b>
<b>Current Liabilities</b>			
(a) Short-term borrowings	6	3,55,10,56,409	3,18,31,33,409
(b) Trade payables		8,24,82,874	21,27,49,735
(c) Other current liabilities	7	7,84,88,894	3,78,44,258
(d) Short-term provisions	8	20,000	50,000
<b>Sub total - Current Liabilities</b>		<b>3,71,20,48,177</b>	<b>3,43,37,77,402</b>
<b>Total Equity and Liabilities</b>		<b>2,57,06,11,506</b>	<b>2,97,85,56,544</b>
<b>Assets</b>			
<b>Non-current assets</b>			
(a) <i>Fixed assets</i>			
(i) Tangible assets	9	1,94,24,49,867	2,17,45,76,034
(b) Non-current investments	10	15,00,65,500	15,00,65,500
(c) Deferred tax assets (net)		14,04,73,811	14,04,73,811
(d) Long term loans and advances	11	4,48,24,754	4,49,01,417
(e) Other non-current assets	12	4,01,69,841	4,94,05,926
<b>Sub total - Non Current Assets</b>		<b>2,31,79,83,773</b>	<b>2,55,94,22,688</b>
<b>Current assets</b>			
(a) Inventories	13	12,42,84,494	12,21,28,512
(b) Trade receivables	14	7,64,89,355	23,17,43,560
(c) Cash and cash equivalents	15	68,93,132	79,62,405
(d) Short-term loans and advances	16	3,40,418	6,03,010
(e) Other current assets	17	4,46,20,334	5,66,96,369
<b>Sub total - Current Assets</b>		<b>25,26,27,733</b>	<b>41,91,33,856</b>
<b>Total Assets</b>		<b>2,57,06,11,506</b>	<b>2,97,85,56,544</b>
<b>Summary of significant accounting policies - Annexure I</b>			
<b>The notes referred to above form an integral part of the Balance Sheet</b>			

MAXIM JOSEPH  
Company Secretary

Vide our Report of Even Date  
For **THAKKER & SANGHANI**  
Firm Registration No.004351S  
Chartered Accountants

**MANOJ KUMAR TIBREWAL**  
Managing Director

Coimbatore  
28.05.2014

**Aswin.C**  
Partner  
Membership No:22204

**MOHANLAL TIBREWAL**  
Executive Director

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2014**

Particulars	Note No.	31.03.2014 (Rs.)	31.03.2013 (Rs.)
<b>Income</b>			
<b>I</b> Revenue from operations	<b>18</b>	<b>80,84,14,576</b>	86,62,61,319
<b>II</b> Other Income	<b>19</b>	<b>10,12,027</b>	21,18,914
<b>III Total Revenue (I +II)</b>		<b>80,94,26,603</b>	<b>86,83,80,233</b>
<b>IV Expenses:</b>			
Cost of materials consumed	<b>20</b>	<b>45,16,76,421</b>	54,38,84,772
Changes in inventories of finished goods,			
Work in Progress	<b>21</b>	<b>-15,32,391</b>	4,02,20,792
Employee benefit expense	<b>22</b>	<b>6,82,27,630</b>	7,19,23,737
Financial costs	<b>23</b>	<b>27,92,70,128</b>	31,35,08,967
Depreciation	<b>24</b>	<b>17,53,73,826</b>	18,03,39,897
Other expenses	<b>25</b>	<b>28,35,80,030</b>	25,95,62,949
<b>Total Expenses</b>		<b>1,25,65,95,644</b>	<b>1,40,94,41,114</b>
<b>V</b> Profit before exceptional and extraordinary items and tax		<b>-44,71,69,041</b>	<b>-54,10,60,881</b>
<b>VI</b> Exceptional Items	<b>26</b>	<b>4,23,00,000</b>	-2,33,77,607
<b>VII</b> Profit before extraordinary items and tax (V - VI)		<b>-48,94,69,041</b>	<b>-51,76,83,274</b>
<b>VIII</b> Extraordinary Items	<b>27</b>	<b>5,77,88,023</b>	56,67,64,212
<b>IX</b> Profit before tax (VII - VIII)		<b>-54,72,57,064</b>	<b>-1,08,44,47,486</b>
<b>X</b> Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
(3) Tax relating to Earlier year		-	1,01,773
<b>XI</b> Profit(Loss) from the period from continuing operations		<b>6,41,43,534</b>	<b>-33,87,40,162</b>
<b>XII</b> Profit/(Loss) from discontinuing operations		<b>-61,14,00,598</b>	<b>-74,58,09,097</b>
<b>XIII</b> Tax expense of discounting operations		-	-
<b>XIV</b> Profit/(Loss) from Discontinuing operations (XII - XIII)		<b>-61,14,00,598</b>	<b>-74,58,09,097</b>
<b>XV</b> Profit/(Loss) for the period (XI + XIV)		<b>-54,72,57,064</b>	<b>-1,08,45,49,259</b>
<b>XVI</b> Earning per equity share:			
(i) Basic - before extraordinary items		<b>-17.12</b>	<b>-17.98</b>
(ii) Diluted - after extraordinary items		<b>-18.89</b>	<b>-35.36</b>
Weighted Average number of Shares		<b>3,26,14,634</b>	<b>3,26,14,634</b>
<b>Summary of significant accounting policies - Annexure I</b>			
The notes referred to above form an integral part of the Profit & Loss A/c			

**MAXIM JOSEPH**  
Company Secretary

Vide our Report of Even Date  
For **THAKKER & SANGHANI**  
Firm Registration No.004351S  
Chartered Accountants

**MANOJ KUMAR TIBREWAL**  
Managing Director

Coimbatore  
28.05.2014

**Aswin.C**  
Partner  
Membership No:22204

**MOHANLAL TIBREWAL**  
Executive Director

## NOTES TO THE FINANCIAL STATEMENTS

Note : 1 - Share Capital		31.03.2014 (Rs.)	31.03.2013 (Rs.)
<b>Authorised</b>			
6,00,00,000 Equity Shares of Rs.5/- each	30,00,00,000		
92,00,00,000 Preference Shares of Rs.100/- each	92,00,00,000	1,22,00,00,000	1,22,00,00,000
<b>Issued</b>			
<b>Equity Share Capital</b>			
3,26,14,634 Equity Shares of Rs.5 each (Of the above 96,00,000 shares of Rs.5/- each fully capitalisation of reserves)	16,30,73,170		
<b>Preference Share Capital</b>			
90,42,00,000 Cumulative Redeemable Preference Shares of Rs.100/- each issued at part for consideration other than cash (of this 1/3rd will be redeemed on 31.03.2016, another 1/3rd will be Redeemed on 31.03.2017 and Final 1/3 will be redeemed on 31.03.2018)	90,42,00,000	1,06,72,73,170	1,06,72,73,170
<b>Subscribed &amp; Paid up</b>			
3,26,14,634 Equity Shares of Rs.5 each fully paid	16,30,73,170		
90,42,00,000 Cumulative Redeemable Preference Shares of Rs.100/- each fully paid	90,42,00,000	1,06,72,73,170	1,06,72,73,170
<b>Total</b>		<b>1,06,72,73,170</b>	<b>1,06,72,73,170</b>

### Reconciliation of the number of shares outstanding and the amount of Share Capital at 31st March 2014 and 31st March 2013 is as under

Description	As at 31st March 2014		As at 31st March 2013	
	No. of Shares	Value in Rs.	No. of Shares	Value in Rs.
<b>a Equity Share Capital</b>				
Outstanding at the beginning of the Year	3,26,14,634	16,30,73,170	3,26,14,634	16,30,73,170
Outstanding at the end of the Year	3,26,14,634	16,30,73,170	3,26,14,634	16,30,73,170
<b>b Preference Share Capital</b>				
Outstanding at the beginning of the Year	90,42,000	90,42,00,000	90,42,000	90,42,00,000
Outstanding at the end of the Year	90,42,000	90,42,00,000	90,42,000	90,42,00,000

#### a Teams/Rights attached to Equity shares

The company has both Equity and Preference shares

(i) The Equity share have a par value of Rs.5/- per share. Each holder of Equity Shares is entitled is one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend Proposed by the Board of Directors is subject to approval of shareholders in Annual General Meeting.

For the year ended 31st March'2014, the amount of per share dividend recognized as distribution to Equity Shareholder is Nil (Previous year Nil)

In the event of liquidation of the company the holders of Equity Share will be entitled to receive remaining assets of the Company in proportion to the amount paid up as credited in such Equity shares respectively, after distribution of all preferential amounts.

#### Rights of Preference Share

- b (ii) The Company's Preference Share have a par value of Rs.100/- per share. The preference shareholders have right over the equity shareholders in respect of declare of dividend and in the distribution of the assets in the event of liquidation of the company.



**c Details of shares held by shareholders holding more than 5% of the aggregative shares in the Company**

Name of the Shareholder	As at 31st March 2014	As at 31st March 2013
	No. of Shares	No. of Shares
01. Anita Tibrewal	52,33,661	52,33,661
02. Martin .S	-	33,48,066
03. Manoj Kumar Tibrewal	21,92,596	21,92,596
04. Usha Tibrewal	17,68,531	17,68,531
05. Future Gaming and Hotel Services	33,48,066	-

Particulars	31.03.2014 (Rs.)	31.03.2013 (Rs.)
<b>Note : 2 - Reserves and Surplus</b>		
<b>a. Capital Reserves</b>		
Opening Balance	1,74,51,131	1,84,39,637
Less: Transfer to P&L	9,88,506	9,88,506
Closing Balance	1,64,62,625	1,74,51,131
<b>b.General Reserve</b>		
Opening Balance	-2,35,06,54,683	-1,26,61,05,424
General Reserve Trf	-8,48,729	-
Profit/(Loss) for the year	-54,72,57,064	-1,08,45,49,259
Closing Balance	-2,89,87,60,476	-2,35,06,54,683
<b>c.Share Warrant Forfeited</b>	80,00,000	80,00,000
Balance as per last account	80,00,000	80,00,000
<b>d.Share Premium</b>		
Balance as per last account	48,29,26,830	48,29,26,830
	48,29,26,830	48,29,26,830
<b>Total (a+b+c+d)</b>	<b>-2,39,13,71,021</b>	<b>-1,84,22,76,722</b>
<b>Note : 3 - Long Term Borrowings</b>		
Secured - Term Loan		
From Banks	4,49,666	13,03,29,542
<b>Total</b>	<b>4,49,666</b>	<b>13,03,29,542</b>

**Nature of Security**

**TERM LOANS**

- a Term Loan of Rs.245 million and Funded Interest Term Loan of Rs.4.94 million sanctioned by IDBI are secured by extension of first charge on all assets of the company, present and future, except to the prior charge created/to be created (i) on specific assets covered by loans from other financial institutions and banks (ii) on specified movables (Current Assets) in favour of the Company's Bankers for working capital borrowings.
- b Term Loan of Rs.76.10 million and Funded Interest Term Loan of Rs.2.36 million sanctioned by Corporation Bank is Secured by way of exclusive charge over the assets created out of the said loan
- c Term Loan of Rs.15 million and Funded Interest Term Loan of Rs.20.79 million sanctioned by State Bank of India is secured by exclusive first charge over the assets financed under the term loan and second charge on the entire current assets of the Company on Pari Pasu basis and extension of charge on the fixed assets of washing unit at Perundurai
- d Term Loan of Rs.100 million and Funded Interest Term Loan of Rs.23.10million sanctioned by IDBI is secured by extension of first charge on Pari Pasu basis except the assets which are exclusively charged by SBI and Corporation Bank. First Charge by way of Hypothecation in Favour of IDBI of all assets of the Company's movable (save and except book debts), including movable machinery, machinery spares, tools and accessories, present and future, subject to the prior charge created/to be created in favour of Company's bankers on the Company's stocks of raw materials, semi finished and finished goods, consumable stores and such other movable as may be agreed to by IDBI for securing the borrowings for working capital requirements in the ordinary course of business.
- d Term Loan of Rs.150 million and Funded Interest Term Loan of Rs.9.59 million sanctioned by State Bank of Indore is secured by second charge on all present and fixed assets of the Company
- Term Loan for New Project from Sanctioned amount.

Rs. In million

Bank Name	Sanctioned Amt	FITL 1&2 *
State Bank of India	410	50.85
State Bank of Hyderabad	250	29.80
State Bank of Mysore	300	31.83
State Bank of Travancore	200	22.86
Syndicate Bank	270	27.37
United Bank of India	400	44.07
Canara Bank	500	79.65
JM Financial ARC Pvt. Ltd	400	43.87

The Term Loan sanctioned by the above banks in consortium is secured by first charge on pari passu basis by way of Equitable mortgage of Land and Buildings and Hypothecation of all the fixed assets and second charge on all the current assets of the Company share on pari passu basis with banks in the consortium for New Project of Rs.351 crores.

\* FITL - Funded Interest Term Loan - Under the CDR and reworked package

**SECURED TERM LOANS OUTSTANDING AS ON 31.03.2014**

(In Rs.)

BANKERS	TERM LOAN Rate of Interest @ 10% p.a.	FITL I&II Rate of Interest FITL I @ 5% p.a. FITL II @ 15% p.a.	INTEREST ACCRUED	TOTAL
STATE BANK OF INDIA	35,68,70,914	***	10,99,59,892	46,68,30,806
STATE BANK OF HYDERABAD	16,29,15,922	1,98,21,659	4,14,15,660	22,41,53,241
STATE BANK OF MYSORE	16,14,67,013	2,54,17,434	4,77,67,281	23,46,51,728
STATE BANK OF TRAVANCORE	11,25,85,408	1,39,04,080	3,22,52,394	15,87,41,882
SYNDICATE BANK	16,03,13,331	***	4,60,89,869	20,64,03,200
UNITED BANK OF INDIA	22,01,24,653	2,53,22,041	6,42,65,024	30,97,11,718
CANARA BANK	30,02,08,950	7,07,19,747	10,11,25,739	47,20,54,436
IDBI BANK	9,09,30,442	1,82,92,903	2,51,00,658	13,43,24,003
JM Financial ARC Pvt. Ltd	27,62,13,252	3,48,17,565	7,56,17,100	38,66,47,917
<b>TOTAL</b>	<b>184,16,29,885</b>	<b>20,82,95,429</b>	<b>54,35,93,617</b>	<b>259,35,18,931</b>

## WORKING CAPITAL LOANS

- a The working capital loan of Rs.200.30 million sanctioned by State Bank of India is secured by hypothecation of entire current assets and movable assets of the Company and a second charge over entire fixed assets of the Company on *pari passu* basis with other commercial bankers under consortium agreement.
- b The working capital loan of Rs.28.30 million sanctioned by State Bank of Hyderabad is secured by hypothecation of the entire current assets of the Company and movable assets of the Company and a second charge on the fixed assets of the Company on *pari passu* basis with other commercial banks under consortium agreement.
- c The working capital loan of Rs.18.70 million sanctioned by Corporation Bank is secured by hypothecation of the entire current assets of the Company and movable assets of the Company and a second charge on the fixed assets of the Company on *pari passu* basis with other commercial banks under consortium agreement.

### FUNDED INTEREST TERM LOAN

State Bank of India	Rs.99.07 million
State Bank of Hyderabad	Rs.23.39 million
JM Financial ARC Pvt. Ltd	Rs.15.78 million
Funded interest Term Loan is secured by First charge on the entire fixed assets of the company existing / proposed including EM on factory land and buildings on <i>pari passu</i> basis with other Consortium TL Bankers	

### WORKING CAPITAL TERM LOAN

State Bank of India	Rs.399.76 million
State Bank of Hyderabad	Rs. 88.60 million
JM Financial ARC Pvt. Ltd	Rs. 57.30 million

## SECURED WORKING CAPITAL LOANS OUTSTANDING AS ON 31.03.2014

(In Rs.)

Bankers	CASH CREDIT Rate of Interest @ 10% p.a.	WCTL Rate of Interest @ 10% p.a.	FITL Rate of Interest @ 5% p.a.	INTEREST ACCRUED	TOTAL
State Bank of India	12,92,71,374	39,97,55,579	8,32,29,974	12,90,95,113	74,13,52,040
State Bank of Hyderabad	2,78,18,708	8,85,99,943	***	2,64,63,842	14,28,82,493
JM Financial ARC Pvt. Ltd	1,74,30,252	3,33,46,818	1,16,60,322	1,32,20,781	7,56,58,173
<b>TOTAL</b>	<b>17,45,20,334</b>	<b>52,17,02,340</b>	<b>9,48,90,296</b>	<b>16,87,79,736</b>	<b>95,98,92,706</b>

Particulars	31.03.2014 (Rs)	31.03.2013 (Rs)
<b>Note : 4 Other Long Term Liabilities</b>		
Other Payable	12,67,11,514	13,39,53,152
<b>Total</b>	<b>12,67,11,514</b>	<b>13,39,53,152</b>
<b>Note : 5 Long Term Provisions</b>		
Provisions	5,55,00,000	5,55,00,000
<b>Total</b>	<b>5,55,00,000</b>	<b>5,55,00,000</b>
<b>Note : 6 Short Term Borrowings Secured</b>		
(a) Working Capital Loans from Banks	17,16,98,607	17,47,21,945
(b) Hire Purchase Loan	4,66,500	3,07,408
(c) Funded Interest Term Loan & Interest Accrued	1,01,55,59,078	72,22,73,204
(d) Current maturities of Long-Term Debt	2,36,33,32,224	2,28,58,30,852
<b>Total</b>	<b>3,55,10,56,409</b>	<b>3,18,31,33,409</b>
<b>Note : 7 Other Current Liabilities</b>		
(a) Unclaimed dividends	1,64,948	3,28,417
(b) Statutory Dues	13,17,810	3,66,543
(c) Advance against Sales	44,87,188	1,09,22,544
(d) Other payables	3,02,18,948	2,62,26,754
(e) Provisions for Doubtful Loans and Advances	4,23,00,000	-
<b>Total</b>	<b>7,84,88,894</b>	<b>3,78,44,258</b>
<b>Note : 8 Short Term Provisions</b>		
Wealth Tax provision	20,000	50,000
<b>Total</b>	<b>20,000</b>	<b>50,000</b>
<b>Note : 9 Fixed Assets</b>		
(a) Tangible assets	1,94,24,49,867	2,17,45,76,034
<b>Total</b>	<b>1,94,24,49,867</b>	<b>2,17,45,76,034</b>

**SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2014**

**Note - 9 - FIXED ASSETS - (I) TANGIBLE ASSETS**

(In Rs.)

Particulars	GROSS BLOCK				DEPRECIATION						NET BLOCK	
	UP TO 31.03.2013	ADDITIONS	SOLD	TOTAL 31.03.2014	UP TO 31.03.2013	IMPAIRMENT 31.03.2013	FOR THE YEAR	SOLD TRANS- FERRED	IMPAIRMENT for the year	TOTAL 31.03.2014	W.D.V AS 31.03.2014	W.D.V AS 31.03.2013
LAND	9,16,62,925	-	-	9,16,62,925	-	-	-	-	-	-	9,16,62,925	9,16,62,925
BUILDINGS	118,32,38,174	1,84,618	-	118,34,22,792	24,32,56,408	8,43,40,780	3,82,38,323	-	-	36,58,35,511	81,75,87,281	85,56,40,986
PLANT & MACHINERY	306,11,80,722	3,07,713	-	306,14,88,435	138,25,57,425	48,00,59,224	13,41,49,977	-	5,77,88,023	205,45,54,649	100,69,33,786	119,85,64,073
OFFICE EQUIPMENT	4,15,76,321	1,55,000	-	4,17,31,321	3,16,10,805	-	8,55,959	-	-	3,24,66,764	92,64,557	99,65,516
FURNITURE	1,79,60,236	-	-	1,79,60,236	92,86,646	-	10,47,352	-	-	1,03,33,998	76,26,238	86,73,590
VEHICLES	2,71,48,369	18,76,383	20,13,926	2,70,10,826	1,86,67,970	-	19,37,583	15,14,400	-	1,90,91,153	79,19,673	84,80,399
CANTEEN ASSETS	25,91,302	-	-	25,91,302	10,65,658	-	1,33,137	-	-	11,98,795	13,92,507	15,25,644
LIVE STOCK	62,900	-	-	62,900	-	-	-	-	-	-	62,900	62,900
Total	442,54,20,949	25,23,714	20,13,926	442,59,30,737	168,64,44,912	56,44,00,004	17,63,62,331	15,14,400	5,77,88,023	248,34,80,870	194,24,49,867	217,45,76,034
Previous Year	442,92,77,170	46,59,467	85,15,687	442,54,20,949	225,08,44,916	56,44,00,004	18,13,28,403	42,39,703	56,44,00,004	225,08,44,916	217,45,76,034	291,99,20,958

Note: Depreciation includes depreciation on revaluation assets of Rs.9,88,505/- (Previous year Rs.9,88,505/-)

Particulars	31.03.2014 (Rs.)	31.03.2013 (Rs.)
<b>Note : 10 Non Current Investments</b>		
<b>a) Trade Investments</b>		
Government Securities - NSC	13,500	13,500
<b>Total (a)</b>	<b>13,500</b>	<b>13,500</b>
<b>b) Other Investments</b>		
<b>QUOTED</b>		
Equity Shares - 640 IDBI Shares of Rs.10/- each at premium of Rs.120/- each, (Market Value of Rs.41,792/-)	52,000	52,000
<b>UNQUOTED</b>		
Preference Shares (1,50,00,000 6% Redeemable cumulative preference shares of Rs.10/- each at par of M/s.Jagannath Textile Co.Ltd.,)	15,00,00,000	15,00,00,000
<b>Total (b)</b>	<b>15,00,52,000</b>	<b>15,00,52,000</b>
<b>Total (a+b)</b>	<b>15,00,65,500</b>	<b>15,00,65,500</b>
<b>Note: 11 Long Term Loans and Advances</b>		
<b>a. Capital Advances</b>		
Unsecured, considered good	15,74,754	16,01,417
<b>b. Other loans and advances</b>		
Others	4,32,50,000	4,33,00,000
<b>Total</b>	<b>4,48,24,754</b>	<b>4,49,01,417</b>
<b>Note :12 Other Non Current Assets</b>		
<b>a. Long term trade receivables (including trade receivables on deferred credit terms)</b>		
a. MAT Credit receivables	90,23,991	90,23,991
b. Others	3,11,45,850	4,03,81,935
<b>Total</b>	<b>4,01,69,841</b>	<b>4,94,05,926</b>
<b>Note : 13 Inventories</b>		
<b>a. Raw Materials</b>	2,78,28,101	2,58,08,362
<b>b. Work-in-Progress</b>	1,44,89,932	1,09,80,142
<b>c. Finished Goods</b>	6,98,19,455	7,17,06,738
<b>d. Salable waste</b>	5,41,695	6,31,811
<b>e. Accessories</b>	43,02,710	44,85,950
<b>f. Stores and Spares</b>	73,02,601	85,15,509
<b>Total</b>	<b>12,42,84,494</b>	<b>12,21,28,512</b>

Particulars	31.03.2014 (Rs.)	31.03.2013 (Rs.)
<b>Note : 14 Trade Receivables</b>		
Trade receivables outstanding for a period exceeding six months	72,20,438	1,72,93,849
Less: Provisions for doubtful debts	-72,20,438	-1,33,96,260
	-	<b>38,97,589</b>
Trade receivables outstanding for a period less than six months from the date they are due for payment	7,88,38,346	22,78,45,971
Less: Provision for doubtful debts	-23,48,991	-
	7,64,89,355	22,78,45,971
<b>Total</b>	<b>7,64,89,355</b>	<b>23,17,43,560</b>
<b>Note : 15 Cash and Bank Balance</b>		
<b>Cash and Cash Equivalents</b>		
a. Balances with Banks	48,01,357	50,04,208
b. Cash on hand	3,26,827	9,17,517
<b>Total</b>	<b>51,28,184</b>	<b>59,21,725</b>
<b>Other Bank Balance</b>		
a. Unclaimed Dividend	1,64,948	3,28,417
b. Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments	16,00,000	17,12,263
	17,64,948	20,40,680
<b>Total</b>	<b>68,93,132</b>	<b>79,62,405</b>
<b>Note : 16 Short term Loans and advances</b>		
Advance to Staff, Labour and others	3,40,418	6,03,010
<b>Total</b>	<b>3,40,418</b>	<b>6,03,010</b>
<b>Note : 17 - Other Current Assets</b>		
Advance to Suppliers	41,01,491	1,29,86,570
Advance tax / Tax deducted at source	24,65,215	19,26,124
Advances recoverable in cash or in kind or for value to be received	3,55,65,606	3,80,87,701
Prepaid Expenses	24,88,022	36,95,975
<b>Total</b>	<b>4,46,20,334</b>	<b>5,66,96,369</b>



The notes referred to above form an integral part of the Profit and Loss account

Particulars	31.03.2014 (Rs.)	31.03.2013 (Rs.)
<b>18. REVENUE FROM OPERATIONS</b>		
<b>SALE PRODUCT</b>		
Yarn Sales -Domestic	45,93,22,399	62,84,79,142
Yarn Sales -Export	-	34,04,119
Fabric Sales -Domestic -Garment Division	19,375	57,71,208
Garment Sales	19,22,18,648	17,59,47,321
Coton waste & Garment- Trading sales	4,55,886	39,67,835
Waste Sales	1,31,20,605	1,27,95,864
Dyeing Charges Receipts	-	2,49,349
Conversion Receipt	14,21,93,604	3,37,72,949
TFO Charges Receipt	7,64,880	12,67,778
<b>Total A</b>	<b>80,80,95,397</b>	<b>86,56,55,565</b>
<b>OTHER OPERATING REVENUES</b>		
Sale of manufacturing scrap	3,19,179	6,05,754
<b>Total B</b>	<b>3,19,179</b>	<b>6,05,754</b>
<b>TOTAL (A)+(B)</b>	<b>80,84,14,576</b>	<b>86,62,61,319</b>
<b>19. OTHER INCOME</b>		
Other non-operating income	10,06,787	21,18,914
Profit on sale of Assets	5,240	-
<b>Total</b>	<b>10,12,027</b>	<b>21,18,914</b>
<b>20. COST OF RAW MATERIALS CONSUMED</b>		
Inventory at the beginning of the year	3,02,94,313	5,08,68,828
Add: Purchases during the year	45,35,12,919	52,33,10,257
Less: Inventory at the end of the year	3,21,30,811	3,02,94,313
<b>Cost of raw material consumed</b>	<b>45,16,76,421</b>	<b>54,38,84,772</b>
<b>21. CHANGES IN INVENTORIES</b>		
Inventory at the beginning of the Year		
Finished goods & Work in progress	8,33,18,691	12,35,39,483
Inventories at the end of the Year		
Finished goods & Work in progress	8,48,51,082	8,33,18,691
<b>Change in inventories of finished goods</b>	<b>-15,32,391</b>	<b>4,02,20,792</b>
<b>22. EMPLOYEES BENEFITS EXPENSE</b>		
Salaries, Wages and Bonus	5,28,82,977	5,35,51,164
Contribution to Provident Fund	46,50,571	51,74,167
Welfare Expenses	87,14,082	94,18,406
Managing/Whole Time Director's Remuneration	18,00,000	36,00,000
Salary to Management Trainee	1,80,000	1,80,000
<b>Total</b>	<b>6,82,27,630</b>	<b>7,19,23,737</b>

The notes referred to above form an integral part of the Profit and Loss account

Particulars		31.03.2014 (Rs.)	31.03.2013 (Rs.)
<b>23. FINANCE COST</b>			
Interest Expenses		27,92,70,128	31,35,08,967
	<b>Total</b>	<b>27,92,70,128</b>	<b>31,35,08,967</b>
<b>24. DEPRECIATION AND AMORTIZATION EXPENSES</b>			
Depreciation of Tangible Assets		17,53,73,826	18,03,39,897
	<b>Total</b>	<b>17,53,73,826</b>	<b>18,03,39,897</b>
<b>25. OTHER EXPENSES</b>			
Carriage Inwards		2,94,088	86,26,672
Power and Fuel		12,75,56,484	10,70,58,586
Repairs to Building		4,27,310	10,88,150
Repairs to Machinery		1,20,18,191	1,18,04,769
Repairs Others		7,38,440	3,46,006
Factory and Office Maintenance		29,26,720	30,37,241
Stores and Spares		68,36,611	1,07,45,554
Insurance		26,27,627	31,12,046
Processing Charges		6,53,80,095	3,83,58,280
Testing Charges		54,901	66,357
Sitting Fee to Directors		2,35,956	1,31,742
Travelling Expenses		74,78,289	96,49,856
Postage, Courier and Telephone		9,58,139	10,05,443
Rent		9,66,680	5,52,000
Audit Fees		9,83,627	7,15,418
Legal and Professional charges		28,46,273	41,10,313
Rates and Taxes and Licence Fees		71,60,797	1,44,82,862
Printing and Stationery		4,12,981	5,96,613
General Expenses		25,26,243	24,88,413
Carriage Outwards		11,69,278	38,09,438
Advertisement Expenses		1,60,944	2,79,795
Bank Charges		1,90,949	12,00,700
Loss on sale of fixed assets		2,29,221	-
Selling Expenses		2,65,61,203	2,81,71,683
Other Expenses		1,28,38,983	81,25,012
	<b>Total</b>	<b>28,35,80,030</b>	<b>25,95,62,949</b>
<b>26. EXCEPTIONAL ITEM</b>			
Profit on Sale of Non Core - Assests		-	-2,33,77,607
Provision for Doubtful Loan and Advances		4,23,00,000	-
	<b>Total</b>	<b>4,23,00,000</b>	<b>-2,33,77,607</b>
<b>27. EXTRAORDINARY ITEMS</b>			
Loss due to theft		-	23,64,208
Impairment of Assets		5,77,88,023	56,44,00,004
	<b>Total</b>	<b>5,77,88,023</b>	<b>56,67,64,212</b>

**28. Contingent Liabilities not provided for in the accounts.**

- 1) Estimated amount of contract remaining to be executed on capital accounts – Rs. Nil (Previous year Rs.Nil)
- 2) The Company has export obligations for value of Rs.24106 lakhs under EPCG Scheme against which exports aggregating Rs.56.26 Crores including third party exports have been made on 31.03.2014. Balance obligations required to be fulfilled as per various schedules, culminating on 20.07.2015 is Rs.184.79 Crores. If company fails to comply with obligation the customs duty of Rs.18 Crores along with applicable interest is to be paid to customs department and DGFT.
- 3) The Sales Tax Department has preferred an appeal before STAT Coimbatore for the year 2002-03 for issues representing sales tax demand of Rs.1.82 lakhs which is pending before STAT, Coimbatore
- 4) The Sales Tax Department has preferred an appeal before STAT Coimbatore for the year 2003-04 for issues representing sales tax demand of Rs.13.54 lakhs which is pending before STAT, Coimbatore.
- 5) The Income Tax Department has preferred an appeal with a tax effect of Rs.5.85 lakhs before ITAT, Chennai against the Order of CIT (appeal) in favour of the Company regarding interest claim U/S 234B/234C for the Assessment Year 2004-05.
- 6) The Income Tax Department's appeal for assessment year 1998-99 before The Honourable High Court, Chennai against the company's stand regarding Sec 80 IA has been decided in favour of the department and there by the likely demand on the company is estimated at Rs.1.25 lakhs.
- 7) The Company is out of CDR package with effect from 22.10.2012. However, the interest in various loans availed by the company has been continued to be charged based on the CDR rates. The differential interest that ought to have been provided for in the accounts is estimated at Rs.85 Crores. (1.7.2008 - 31.3.2014)
- 8) The company has been served with a demand notice by Maharashtra Sales Tax Department for Rs.32.46 lakhs for issues representing reversal of input vat credit for the Assessment year 2005-06 & 2006-07. An appeal is being preferred by the company.
- 9) The Company has received legal notice from two of the claimants and the matter is sub judice. Further one of the claimants has also proposed winding up provision in the legal notice.  
9a. one claimant has attained a decree against the company for a claim of Rs. 1.18 lakhs which is being disputed by the company.  
9b. one claimant who has issued a legal notice against the company for Rs.93.86 lakhs has also proposed winding up of the company.
- 10) The company had sold its Land to the extent of 1.62 acres at Kalapatty. The Co-owners of the erstwhile sellers to the company have filled a case against the company. The matter is sub judice.
- 11) The company has received a demand from the Electricity Board towards Additional Current Consumption Deposits of about Rs. 1.03 Crores (falling due on May, June and July end) for various units. This deposits yet to be paid by the company.

29. A provision is recognized when there is present obligation as a result of a past event, that probably requires an outflow of resources and a reliable estimate can be made to settle the amount of obligation. Provision is not discounted to its present value and is determined based on the last estimate required to settle the obligation at the year end. These are reviewed at each year end and adjusted to reflect best current estimate.

**30. The investment in 6% Redeemable Cumulative Preference Shares is redeemable as under**

- a. On 25.11.2012 - Rs. 5,00,00,000/- ( Due but not received)
- b. On 25.11.2013 - Rs. 5,00,00,000/- ( Due but not received)
- c. On 25.11.2014 - Rs. 5,00,00,000/-

Total Rs. 15,00,00,000/-

The Management had unilaterally rescheduled the Redemption of CRPS and subsequently the reschedulement was withdrawn as per the advice of the Board. The two instalments amounting to Rs. 10 Crores having fallen due has not yet been received by the company.

**31. TRANSACTION OF RELATED PARTIES (AS 18)**

(In Rs.)

Particulars	Associates	Key Management Personnel	Relatives of Key Management Personnel	Total
	31.03.2014	31.03.2014	31.03.2014	31.03.2014
Finance	-	-	-	-
a) Salary	-	-	1,80,000	1,80,000
Managerial Remuneration	-	18,00,000	-	18,00,000
Outstanding Balance	-	-	-	-
Credit	-	-	8,70,00,000	8,70,00,000
Closing Balance	-	-	8,70,00,000	8,70,00,000

**Names of related parties and description of relationship upto 31.03.2014**

Key management Personal      Sri.Manoj Kumar Tibrewal, Managing Director  
Sri.Mohanlal Tibrewal, Executive Director

Sri. Manoj Kumar Tibrewal	: Managing Director	Sri. Mohanlal Tibrewal	: Executive Director
Smt. Anitha Tibrewal	: Wife	Smt.Lakshmi Devi Tibrewal	: Wife
Mr.Mayank Tibrewal	: Son	Mrs.Suman Tibrewal	: Daughter
Mrs. Arpita Tibrewal	: Daughter in Law	Mrs.Neha Tibrewal	: Daughter
Mr.Umang Tibrewal	: Son		

<b>32. Earning per share (EPS)</b>	<b>2013-14</b>	<b>2012-13</b>
Profit / Loss After Tax (Rs in lakhs)	-5473	-10845
Profit / Loss available to Equity Shareholders (after deducting the probable Dividend on Preference Shares and Dividend Distribution Tax) (Rs in lakhs)	-6160	-11533
Average number of equity shares (Face value of Rs 5 /-each)	3,26,14,634	3,26,14,634
Basic and diluted before extraordinary items EPS (in Rupees)	-17.12	-17.98
Basic and diluted after extraordinary items EPS (in Rupees)	-18.89	-35.36

**33.** Requirement under Clause 32 of the Listing Agreement. Loans and advances in the nature of loans to subsidiaries, Firms, Associates and Companies in which Directors are interested in Rs.Nil (Previous year Nil)

**34.** In compliances with AS 22 relating to "Taxes on Income" the company has not recognized Deferred Tax Liability / assets for current year on account of absence of virtual certainty.

The Net Deferred Tax Asset and Liability are represented as follows :

(Rs. in Lakhs)

Particulars	Opening as on 1.04.2013	During the Year	Closing as on 31.03.2014
Depreciation	4,165	--	4,165
Others	-5,569	--	-5,569
<b>Total</b>	<b>-1,404</b>	<b>--</b>	<b>-1,404</b>

(in Rs)

<b>35. Breakup of Audit Fees</b>	<b>2013-14</b>	<b>2012-13</b>
For Statutory Audit & Tax Audit	6,74,160	3,90,170
For Certification	1,86,995	2,35,360
For Cost Audit & Out of Pocket Expenses	1,22,472	89,888
<b>Total</b>	<b>9,83,627</b>	<b>7,15,418</b>

(in Rs)

<b>36. Expenditure in Foreign Currency on account of</b>	<b>2013-14</b>	<b>2012-13</b>
a. Stores & Spares	5,01,540	42,65,831
b. Raw materials	---	91,24,748

### 37. EMPLOYEE BENEFITS

		31.03.2014 (Rs.)	31.03.2013 (Rs.)
	<b>Company's Contribution to Provident Fund</b>	<b>46,50,571</b>	<b>51,74,167</b>
	<b>Defined Benefit Plans</b>	<b>Gratuity</b>	<b>Gratuity</b>
<b>a</b>	<b>Liability recognised in the balance sheet</b>		
	Present value of obligations as at 01.04.2013	70,99,917	55,55,951
	Interest Cost	5,67,993	4,44,476
	Current Service Cost	11,33,554	11,09,717
	Benefits Paid	-11,25,041	-9,65,452
	Actuarial (gain)/ loss on obligations	5,83,637	14,08,531
	Present value of obligations as at 31.03.2014	82,60,060	75,53,223
<b>b</b>	<b>Fair value of Plan Assets as on 01.04.2013</b>	<b>64,06,907</b>	<b>1,13,85,241</b>
	Expected return on plan assets	8,88,076	10,14,810
	Contributions	56,71,880	1,11,962
	Benefits Paid	-11,25,041	-9,65,452
	Actuarial (gain) / loss on plan assets	-	-
	Fair value of plan assets	1,18,41,822	1,15,46,561
	Funded Status	35,81,762	39,93,338
	Net Asset / (Liability ) recognised in the balance sheet	35,81,762	39,93,338
<b>c</b>	<b>Actuarial (gain) /loss recognised 31.03.2014</b>		
	Actuarial (gain) /loss - obligation	-5,83,637	-14,08,531
	Actuarial (gain) / loss - plan assets	-	-
	Total (gain) / loss for the year	5,83,637	14,08,531
	Actuarial (gain) / loss recognised	5,83,637	14,08,531
<b>d</b>	<b>Expenses during the year</b>		
	Current service cost	11,33,554	11,09,717
	Interest Cost	5,67,993	4,44,476
	Expected return on plan assets	-8,88,076	-10,14,810
	Net actuarial (gain) / loss	5,83,637	14,08,531
	Total	13,97,108	19,47,914
<b>e</b>	<b>Principal actuarial assumptions</b>		
	Discounting rate	8.00%	8.00%
	Salary escalation	6.50%	6.50%

The Company had two Group Gratuity Policies till 31.3.2013. The above two Policies were merged during the year under review and accordingly the Actuarial Liability has been arrived at.

38. Previous year figures have been regrouped and reclassified wherever necessary.

39. Figures have been rounded off to the nearest rupee.

**MAXIM JOSEPH**  
Company Secretary

Vide our Report of Even Date  
**For THAKKER & SANGHANI**  
Firm Registration No.004351S  
Chartered Accountants

**MANOJ KUMAR TIBREWAL**  
Managing Director

Coimbatore  
28.05.2014

**Aswin.C**  
Partner  
Membership No:22204

**MOHANLAL TIBREWAL**  
Executive Director

## SIGNIFICANT ACCOUNTING POLICIES - Annexure I

### 1. BASIS OF ACCOUNTING

The Financial statements are prepared on the basis of historical cost convention based on the accrual concept and in accordance with applicable Accounting Standards referred under section 211 (3C) of the Companies Act, 1956. The accounting is on the basis of going concern concept.

Income and expenditure are recognized and accounted on accrual basis. Revenue for sale transaction is recognized as and when the property in the goods sold is transferred to the buyer for a definite consideration.

### 2. CHANGES IN ACCOUNTING POLICY

During the year ended 31<sup>st</sup> March 2013, the Revised Schedule VI notified under the Company's Act 1956, has become applicable to the Company for preparation and presentation of financial statements. The adoption of Revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statement. However, it has significant impact on the presentation and disclosure of financial statements. The company has also reclassified the previous year figures.

### 3. USE OF ESTIMATES

The preparation of Financial statement requires estimates and assumption to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reported period. Difference between the actual results and estimates are recognized in the period in which results are known/materialized.

### 4. INVENTORIES

Inventories are valued as under (As Furnished, valued and certified by the Management)

- i) Raw Material - At Identified Cost
- ii) Raw Materials obsolete - At lower of identified cost or realizable value
- iii) Process Stock - At Average Cost
- iv) Finished Goods - At Lower of Cost or Net realizable value
- v) Waste - At Net Realisable value
- vi) Stores, Consumables & Spares - At Weighted Average cost

### 5. FIXED ASSETS

Fixed Assets are stated at cost and includes all expenditure of Capital nature including the cost of borrowings and net of Cenvat Credit wherever applicable. The preoperative expenses and the loss during that production of new units are capitalised as Fixed Assets wherever applicable.

### 6. DEPRECIATION

Depreciation has been provided on Straight Line Method in accordance with the rates specified under schedule XIV of the Companies Act, 1956. Depreciation on additions during the year is provided on pro-rata basis with reference to the date of installation and period of use. In respect of assets up to Rs.5000/- each, the policy of the Company is to charge 100% depreciation in the year in which such assets are installed or put to use.

### 7. IMPAIRMENTS OF ASSETS

The Company has internal system to assess their impairment of assets. Appropriate disclosure on material impairment of losses and their treatment in profit and loss account, classes of assets and nature of impairment will be made during the period in which the impairment is recognized.

### 8. INVESTMENTS

Investments are meant to be long term investments and are stated at cost. Diminution in the value of investments, other than temporary in nature, are provided for.

### 9. EMPLOYEE RETIREMENT BENEFITS

#### i) Defined Benefit Plan

The Company has taken out a Master policy with LIC of India Under the "Cash Accumulation Scheme" to cover the gratuity liabilities of the Company. The amount charged to Profit and Loss A/c is recognized at the present value of the amount payable determined using actuarial valuation techniques.

ii) Company's Contribution paid/payable during the year towards Provident Fund Scheme and Employee State Insurance are recognized in the Profit and Loss Account.

### 10. FOREIGN CURRENCY TRANSACTIONS

i) Transactions arising in foreign currency for import of raw materials, spares and fixed assets and for exports during the year are converted at exchange rates prevailing on the date of transaction.

ii) Liabilities payable in foreign currencies as on the date of the Balance sheet are restated at year end exchange rate in such cases where the fluctuations results in losses or at the rates at which foreign currency forwarded covers have been obtained. All exchange differences arising from conversion specific borrowings and other liabilities attributable to the fixed assets, which are capitalized.

### 11. INTEREST ON BORROWINGS

Borrowing cost is charged to the Profit and Loss Account for the year in which is incurred except for capital assets which is capitalised till the date of assets is put to commercial use.

### 12. INTEREST UNDER TUF SCHEME

Certain term loans of the company have been sanctioned under the TUF scheme of the Govt., of India. Under this scheme, an interest subsidy @ 5% p.a is given by the Government on the interest paid by the company on its term loans which is refunded quarterly after TUF claim is lodged. This refund is accounted for on mercantile basis.

### 13. TAXES ON INCOME

a. Deferred tax is recognized, subject to consideration of prudence on all timing differences between taxable income and accounting income that originate in one period and are capable of being reversed in one or more subsequent periods. The accumulated deferred tax liability is adjusted by applying applicable tax rates under relevant tax laws.

b. Minimum alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. MAT credit becomes eligible to be recognized as an asset in accordance with the recommendation contained in the Guidance Note issued by the institute of Chartered Accountant of India, the said asset is created by way of credit to the Profit and Loss Account and shown as MAT credit entitlement. The Company reviews the same at each balances sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.

### 14. CONTINGENT LIABILITIES

Contingent liabilities are not provided for and are disclosed by way of notes.

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2014**

(in. Rs)

Particulars		31.03.2014	31.03.2013
<b>A CASH FLOW FROM OPERATING ACTIVITY</b>			
Net Loss before tax and extraordinary items		-48,94,69,041	-51,76,83,274
Adjustment for			
Depreciation	17,53,73,826		18,03,39,897
Profit/Loss on sale of assets	-5,240		-2,33,77,607
Dividend Receipt	2,29,221		-
Interest Receipt	-9,31,446		-18,87,349
Interest on Term Loan	26,64,55,665	44,11,22,026	29,91,18,100
Operating profit before working capital changes		-4,83,47,016	-6,34,90,233
Adjustment for:			
Trade & other receipts	16,75,92,831		-7,88,01,540
Inventories	-21,55,982		6,39,00,766
Trade payable	27,82,70,775	44,37,07,624	50,05,08,502
<b>Cash generated from operation</b>		<b>3,95,36,06,08</b>	<b>42,21,17,495</b>
Direct taxes paid	8,48,729	8,48,729	54,387
			-
<b>Cash flow before extraordinary items</b>		<b>39,45,11,879</b>	<b>42,20,63,108</b>
Extraordinary items		-	-
<b>Net cash from operation Total (A)</b>		<b>39,45,11,879</b>	<b>42,20,63,108</b>
<b>B CASH FLOW FROM INVESTMENT ACTIVITIES</b>			
Purchase of fixed assets(less revaluation amount)		25,23,714	18,39,589
Sale of fixed assets		-2,75,545	-2,52,96,375
Capital subsidy		-	-
Miscellaneous Expenses written off		-	-
Dividend Receipt		-	-
Longterm Loans and advances / Non current assests		-93,12,749	-13,36,461
Dividend Paid		-	-
<b>Total (B)</b>		<b>-70,64,580</b>	<b>-2,47,93,247</b>
<b>C CASH FLOW FROM FINANCIAL ACTIVITIES</b>			
Proceeds/Repayment of borrowings		-13,71,21,514	-14,52,09,714
Increase / Decrease in Equity - Share Capital / Premium		-	-
Interest Receipt		9,31,446	18,87,350
Interest on Term Loan		-26,64,55,665	-29,91,18,100
<b>D NET CASH FROM FINANCIAL ACTIVITIES</b>		<b>-40,26,45,733</b>	<b>-44,24,40,464</b>
<b>E NET INCREASE IN CASH AND CASH EQUIVALENTS(A+C-B)</b>		<b>-10,69,273</b>	<b>44,15,891</b>
<b>F CASH AND CASH EQUIVALENTS OPENING BALALNCE</b>			
Cash and bank balances		79,62,405	35,46,514
<b>G CASH AND CASH EQUIVALENTS CLOSING BALANCE</b>			
Cash and bank balances		68,93,132	79,62,405
		<b>10,69,273</b>	<b>-44,15,891</b>

MAXIM JOSEPH  
Company Secretary

Coimbatore  
28.05.2014

Vide our Report of Even Date  
For **THAKKER & SANGHANI**  
Firm Registration No.004351S  
Chartered Accountants

**38**

**Aswin.C**  
Partner  
Membership No:22204

**MANOJ KUMAR TIBREWAL**  
Managing Director

**MOHANLAL TIBREWAL**  
Executive Director



# GANGOTRI TEXTILES LIMITED

Regd. Office : 35, Robertson Road, R.S. Puram, Coimbatore-641 002

## ADMISSION SLIP

Name of the Sole / First Shareholder :

### DATE & TIME

Thursday, 11.09.2014  
3.30 pm

### VENUE :

A.R. Patel Hall,  
Sree Coimbatore Gujarat Samaj  
662, Mettupalayam Road, P.B. No.1164  
R.S.Puram, Coimbatore -641 002

I hereby record my presence at the **25<sup>th</sup> ANNUAL GENERAL MEETING** of the Company

NAME & SIGNATURE OF THE ATTENDING MEMBER

NAME & SIGNATURE OF THE PROXY

- NOTE : (1) Members are requested to tender the attendance slip, duly signed in accordance with their specimen signatures registered with the Company, for admission to the meeting hall,  
(2) Members are requested to bring their copy of Annual Report.

# GANGOTRI TEXTILES LIMITED

Regd. Office : 35, Robertson Road, R.S. Puram, Coimbatore-641 002

## PROXY FORM

REG : FOLIO / CLIENT ID :

I / WE .....of .....being

Member / Members of GANGOTRI TEXTILES LIMITED, hereby appoint .....

of .....Or .....failing him .....

of .....as my / our Proxy to attend and vote for me / on our behalf at the  
25<sup>th</sup> ANNUAL GENERAL MEETING of the Company to be held at A.R. Patel Hall , Coimbatore Sri. Gujarat Samaj,  
662, Mettupalayam Road, R.S. Puarm, Coimbatore - 641 002 on 11.9.2014 or at any adjournment thereof.

Signed this .....days of .....2014

**NOTE :** The Proxy to be effective, should be deposited at the Registered Office of the Company, 35, Robertson Road, R.S. Puram, Coimbatore-641 002 **before 4.00 pm on 09.09.2014**. A Proxy need not be a member of the Company.

Affix  
Re. 1/-  
Revenue  
Stamp

### **Voting through electronic means :**

1. Pursuant to Clause 35B of the Listing Agreement with the Stock Exchange and Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 25<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL) :

2. In terms of Clause 35B of the Listing Agreement, in order to enable its members, who do not have access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set out in this notice, a postal ballot Form is annexed. A member desiring to exercise vote by postal ballot shall complete the enclosed Ballot Form with assent (for) or dissent (against) and send it to Mr. B.Krishnamoorthi Scrutinizer, Chartered Accountant, office, "Kanapathy Towers", 3<sup>rd</sup> Floor, No 1391/A-1, Sathy Road, Ganapathy, Coimbatore -641 006 so as to reach him on or before 6th September, 2014 by 5:00 P.M. Any Ballot Form received after the said date shall be treated as if the reply from the members has not been received. Kindly note that members, can opt for only one mode of voting i.e., either by postal ballot or through e-voting. If members are opting for e-voting then do not vote by postal ballot or vice versa.

However, in case of members casting their vote by postal ballot and e-voting, then voting done through e-voting shall prevail and voting done by Physical Ballot will be treated as invalid.

The instructions for members for voting electronically are as under:-

(A) In case of members receiving e-mail:

(i) Log on to the e-voting website <http://www.evotingindia.co.in>

(ii) Click on "Shareholders" tab.

(iii) Now, select "Gangotri Textiles Limited" from the drop down menu and click on "SUBMIT".

(iv) 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.

Next enter the Image Verification as displayed and Click on Login.

(v) If you are holding shares in demat form and had logged on to <http://www.evotingindia.co.in> and casted your vote earlier for any company, then your existing password is to be used.

(vi) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN :	Enter your 10 digit alpha-numeric PAN issued by the Income TaxDepartment (Applicable for both demat shareholders as well as Physical shareholders).  ❖ 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 last 8 digits of the demat account/ folio number in the PAN field.  ❖ In case the folio 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 Ramesh Kumar with folio number 100 then enter RA00000100 the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account in dd/mm/yyyy format.
Dividend Bank details field. #	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. If the details are not recorded with the depository or company, please enter the member ID / folio number in the Dividend Bank details field.

# Please enter the DOB or Dividend Bank Details in order to login.

(vii) After entering these details appropriately, click on "SUBMIT" tab.

(viii) Members holding shares in physical form will then reach directly the "Gangotri Textiles Limited" 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.

(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(x) Click on the relevant EVSN – Gangotri Textiles Limited on which you choose to vote.

(xi) 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.

(xii) Click on the "RESOLUTIONSFILE LINK" if you wish to view the entire Resolution details.

(xiii) 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.

(xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(XVI) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

- Institutional shareholders (i.e., other than Individuals, HUF, NRI, etc.) are required to log on to [https:// www.evotingindia.co.in](https://www.evotingindia.co.in) and register themselves as Corporates.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details they have to create a user who would be able to link the account(s) 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.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

**(B) In case of members receiving the physical copy:**

i) Please follow all steps from Sl. No. (i) to Sl. No. (xvi) above to cast vote.

ii) The voting period begins on Saturday, 6th September 2014 at 9.00 A.M and ends on Saturday, 6th September 2014 at 6.00 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 Friday, 8th August 2014 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

iii) 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 <http://www.evotingindia.co.in> under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**I.(C) In case of members desiring to exercise vote by Postal Ballot:**

A Member desiring to exercise vote by Postal Ballot should complete the Postal Ballot Form and send it to the Scrutinizer in the enclosed self-addressed business reply envelope properly sealed. Members are requested to read the instructions contained on the bottom of the Postal Ballot Form and follow the same.

AS THE COMPANY HAS PROVIDED E-VOTING /POSTAL BALLOT VOTING IN TERMS OF CLAUSE 35B OF THE LISTING AGREEMENT, MEMBERS MAY PLEASE NOTE THAT THERE WILL BE ONLY ONE MODE OF VOTING EITHER THROUGH E-VOTING OR BY POSTAL BALLOT THE SCRUTINIZER WILL COLLATE THE VOTES DOWNLOADED FROM THE E-VOTING SYSTEM AND VOTES RECEIVED THROUGH POSTAL BALLOT TO DECLARE THE FINAL RESULT FOR EACH OF THE RESOLUTIONS FORMING PART OF THE NOTICE OF ANNUAL GENERAL MEETING.

- II. The voting rights of shareholders shall be in proportion to their shares of the paid up Equity share capital of the Company as on the cut-off date Friday, 8th August 2014.
- III. Mr. Mr. B,Krishnamoorthi Scrutinizer, Chartered Accountant, Coimbatore has been appointed as the Scrutinizer to scrutinize the e-voting process / Postal Ballot in a fair and transparent manner.
- IV. The Scrutinizer shall within a period not exceeding three (3) working days from the Conclusion of the e-voting period unblock the votes in the presence of at least two (2) Witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor or against, if any, forthwith to the Chairman.
- V. The Results shall be declared on or after the Annual General Meeting of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.gangotritextiles.com](http://www.gangotritextiles.com) within two (2) days of passing of the resolutions at the Annual General Meeting of the Company and communicated to the Stock Exchanges where the Company's shares are listed.

By Order of the Board,

Place: Coimbatore  
Date : 28.05.2014

**Manoj Kumar Tibrewal**  
Managing Director

# GANGOTRI TEXTILES LIMITED

CIN L17115TZ1989PLC002491

Registered Office: 35, Robertson Road, R.S.Puram, Coimbatore - 641002 Phone : 0422 -4332100 Fax No : 0422- 2474499

Email : [tibre@gangotritextiles.com](mailto:tibre@gangotritextiles.com) Website : [www.gangotritextiles.com](http://www.gangotritextiles.com)

## POSTAL BALLOT FORM ( In lieu of E-Voting at the AGM )

1	Name of Sole / First Member	
2	Name(s) of Joint Member(s), if any	
3	Registered Folio No / DP ID No	
4	Number of shares held	

I / We hereby exercise my / our vote in respect of the Resolution(s) to be passed through E-voting / Postal Ballot for the business stated in the AGM Notice dated 28<sup>th</sup> May, 2014 of the company by conveying my / our assent or dissent to the said Resolution(s) by placing the tick mark ( v ) at the appropriate box given below.

Item No	Description	No of shares held by me	I assent to the Resolution	I dissent from the Resolution
1	Adoption of Annual Financial Statements as on 31 <sup>st</sup> March, 2014 ( Ordinary Resolution )			
2	Appointment of Statutory Auditors and fixing their Remuneration ( Ordinary Resolution)			
3	Remuneration to Sri. Manoj Kumar Tibrewal, Managing Director ( Ordinary Resolution )			

Place :

Date :

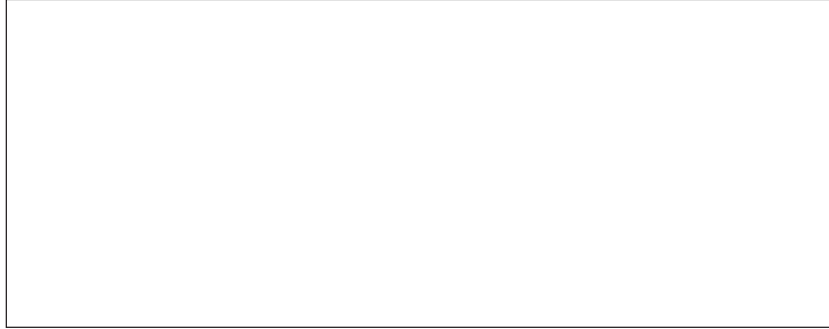
**Signature of Member**

NOTE : Kindly read the instructions printed overleaf before filling the Form. Last date for receipt of Postal Ballot by the Scrutinizer is 6-9-2014

### INSTRUCTIONS

- 1) In terms of Clause 35 B of the Listing Agreement, those Members, who do not have access to E-voting facility provided by the Company for the Annual General Meeting may send their assent or dissent in writing on the Postal Ballot Form. Accordingly, this Postal Ballot Form is being provided as per Clause 35 B of the Listing Agreement.
- 2) A Member desiring to exercise his / her vote by Postal Ballot Form, should complete this Postal Ballot Form, sign and send it in the enclosed self addressed postage prepaid envelope so as to reach the Scrutinizer as per instruction (6) below at the address of Sri. B. Krishnamoorthi , Chartered Accountant , " Kanapathy Towers" 3<sup>rd</sup> Floor, 1391 / A-1, Sathy Road, Ganapathy, Coimbatore - 641 006 . Postage will be borne and paid by the company. Envelopes containing Postal ballots, if deposited in person or sent by courier at the expense of the member will also be accepted.
- 3) The self addressed envelope bears the name of the Scrutinizer appointed by the Board of Directors of the company and the address at which the Postal Ballot Form is to be sent.
- 4) The Postal ballot form should be completed and signed by the members. In the case of joint shareholding , this form should be completed and signed by the first named member and in his absence, by the next named member(s). Unsigned postal ballot form will be rejected. The signature on the postal ballot form must tally with the specimen signature registered with the company.
- 5) Where the postal ballot form has been signed by the Authorized Representative of a body corporate, a certified copy of the relevant authorizations to vote on the postal ballot should accompany the postal ballot form. A member may sign the form through an Attorney appointed specifically for this purpose, in which case an attested true copy of the power of Attorney should be attached to the postal ballot form.
- 6) Duly completed postal ballot forms should reach the Scrutinizer not later than 5.00 p.m on 6<sup>th</sup> September, 2014. Any postal ballot form received after this time and date will be treated as if the reply from the member has not been received.
- 7) A member may request for a duplicate postal ballot form, if so required. However, the duly filled in duplicate postal ballot form should reach the Scrutinizer no later than the time and date specified at item No.6 above.
- 8) Voting rights will be reckoned on the paid up value of shares registered in the name of the member on 8th August, 2014 which is the cut off date fixed for this purpose.
- 9) Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed self addressed postage prepaid envelope in as much as all such envelopes will be sent to the Scrutinizer and any extra paper found in such envelope would be destroyed by the Scrutinizer.
- 10) There will be only one postal ballot form for every folio irrespective of the number of joint member(s).
- 11) A member need not use all the votes nor does he need to cast all the votes in the same way.
- 12) The Scrutinizer's decision on the validity of a postal ballot will be final and binding.
- 13) Incomplete, unsigned or incorrect postal ballot forms will be rejected.
- 14) The date of AGM will be the deemed date of passing resolution(s) through e-voting/postal ballot. It may also be noted that, in terms of Section 114 of the Act, the Resolutions contained in the AGM Notice will be deemed to have been passed through the e-voting and postal ballot form. Accordingly, the results shall be declared in terms of Rules 20 or 21 of the companies (Management and Administration) Rules 2014.
- 15) The right of vote under e-voting and postal ballot shall not be exercised by a proxy.

Book Post



  
**GANGOTRI**  
Textiles Ltd.

If undelivered, please return to :

**M/S. S.K.D.C Consultants Ltd**

Kanapathy Towers, 3<sup>rd</sup> Floor, 1391/A-1, Sathy Road,  
Ganapathy, Coimbatore – 641 006