

Annual Report 2014

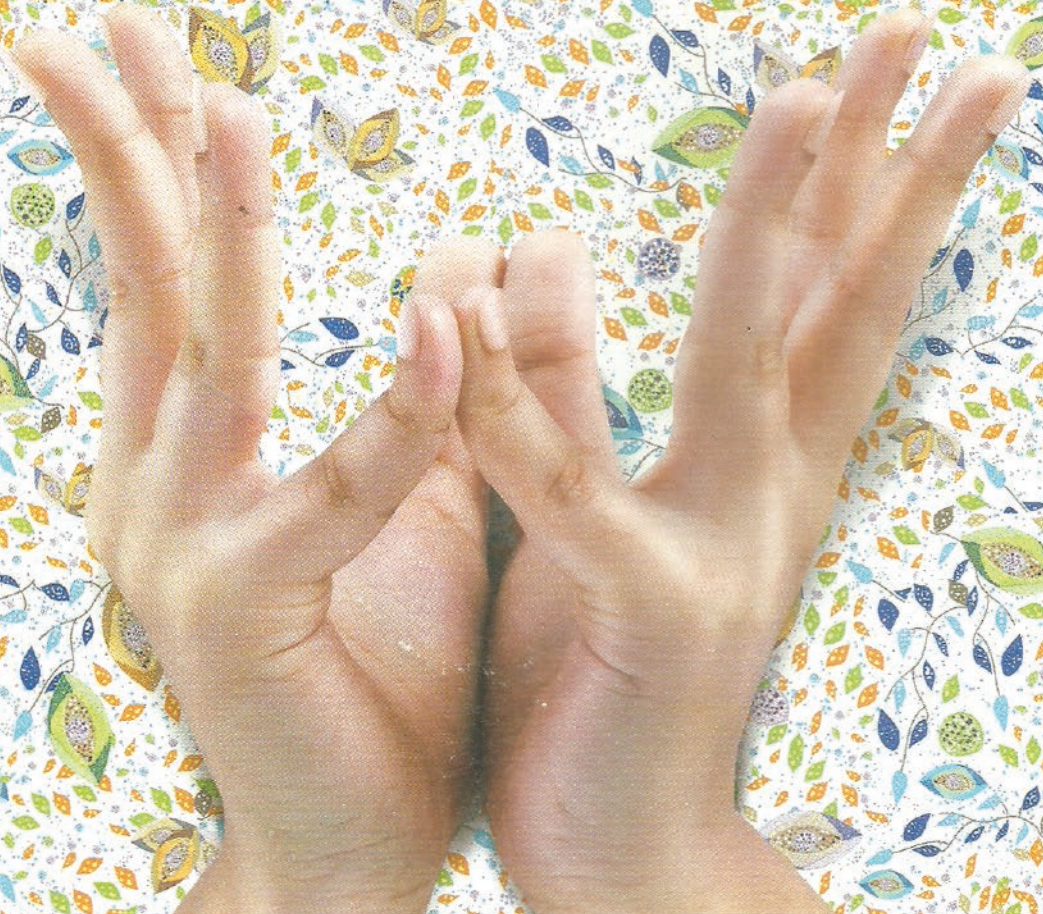


Mudras & Mantras

Mantras are sacred utterances, numinous sounds, or a syllable, word, phonemes, or group of words that are thought to have psychological and spiritual power.

A mudrā on the other hand is a symbolic or ritual gesture. While some mudrās involve the entire body, most are performed with the hands and fingers.

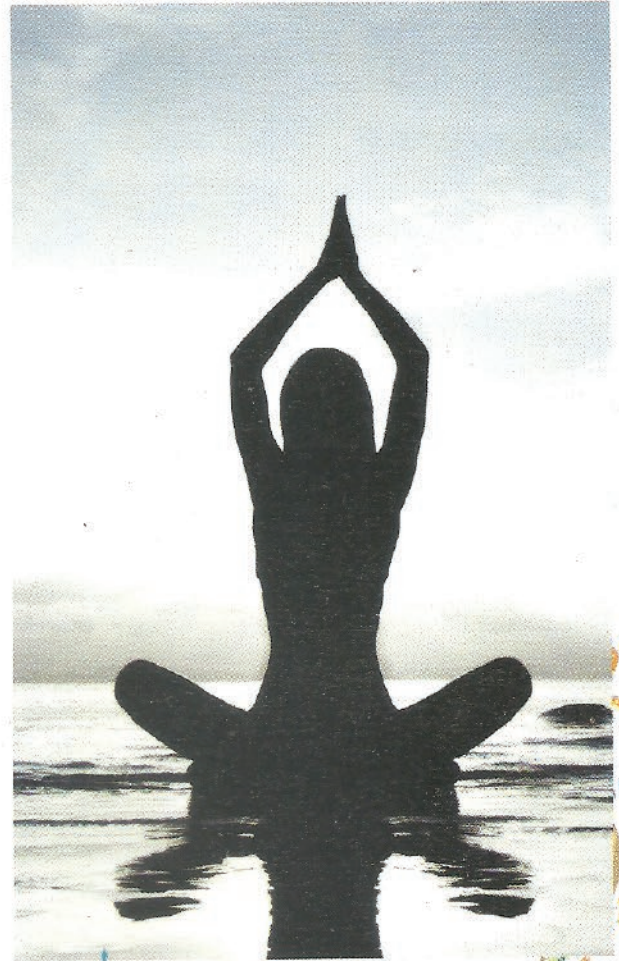
Mudras and Mantras can radically instigate change in one's life. They have deep and symbolic implications in every sphere, including business. At Dollar Industries, we often delve into these timeless gems from the past to draw inspiration for the future. Mantras and Mudras have always been a guiding beacon for our business philosophy.



For most people, change in business has been an either-or proposition; either quickly create economic value for shareholders or patiently develop an open, trusting corporate culture. At Dollar Industries we have been able to combine these “hard” and “soft” approaches. This has helped us to achieve a sustainable competitive advantage. An advantage that is geared toward building up the corporate culture: employee behaviours, attitudes, capabilities, and commitment.

Our objective is to build a company that can adapt, survive, and prosper over the years. We need to build a culture around common ideas and goals that include listening, learning, and speed of response.

In today’s highly competitive environment, Dollar must do more than survive. It must thrive. It must find the right direction into the future just as stipulated in the highly revered mantra of Vedic tradition – Gayatri Mantra.



### || The Gayatri Mantra ||

ॐ ध्योर् ध्योर् ध्योर् इवो  
तत इवोर् वरेण्यो  
ध्योर् देवोर् ध्योर्  
ध्योर् योर् प्रचोदयात् ॥

Oh Creator of the Universe!

We meditate upon thy supreme splendor.

May thy radiant power illuminate our intellects, destroy our sins,  
and guide us in the right direction!





## Dollar Industries Ltd

### Board of Directors

Sri Dindayal Gupta	Chairman
Mr. Vinod Kumar Gupta	Managing Director
Mr. Binay Kumar Gupta	Managing Director
Mr. Krishan Kumar Gupta	Wholetime Director
Mr. Bajranglal Gupta	Wholetime Director
Mr. Ashok Kumar Goel	Independent Director
Mr. Binay Kumar Agarwal	Independent Director
Mr. Pawan Kumar Agarwal	Independent Director
Mr. Adinath Banerjee	Company Secretary

### Main Bankers

State Bank of India, IndusInd Bank Ltd, ICICI Bank Ltd, Allahabad Bank

### Auditors

M/s Amit Ved Garg & Co.

Chartered Accountants, 22, B.R.B. Basu Road, Kolkata - 700001

### Registrar & Share Transfer Agents

Niche Technologies Pvt. Ltd.

71, B.R.B. Basu Road, Kolkata - 700001

### Registered Office

Om Tower, 12th Floor, 32, J.L. Nehru Road, Kolkata - 700071

### Manufacturing Facilities

Tirupur, Delhi, Ludhiana, Kolkata, Veda sandur, Perundurai

### Branches

Tirupur | Delhi | Jaipur | Patna | Bhagalpur | Ranchi | Indore | Guwahati | Cuttack | Rudrapur | Vadodara

Mumbai | Nagpur | Bangalore | Hyderabad | Agra | Varanasi | Kanpur | Ludhiana | Rohtak | Raipur

Damtal | Jammu

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### ॥ Gyan Mudra ॥

This is a powerful mudra, practiced for thousands of years by yogis, that brings peace, calm and spiritual progress. Stimulating the root chakra, it eases tension and depression. It relates to expansion and knowledge.

## The Art of Calm

From the very inception of Dollar Industries, we have tended to look at everything. We have to; from the erratic movements of raw material prices, the unexpected changes in government policies, to the aggressive moves of competition. And yet to act intelligently, I have always believed we must also see nothing. To be blind, as it were, to the distractions of hundreds of little questions so that one or two big answers become blindingly clear. In that moment of simultaneous dark and light, competitive victories are indeed won. Quite like the practice of Gyan Mudra which is extremely calming and brings the practitioner spiritual openness and ease in meditation.

The year under review has been stressful, but hugely rewarding. As Dollar Industries grows from strength to strength, we have learnt how to keep distractions at bay and remain focused on our purpose.

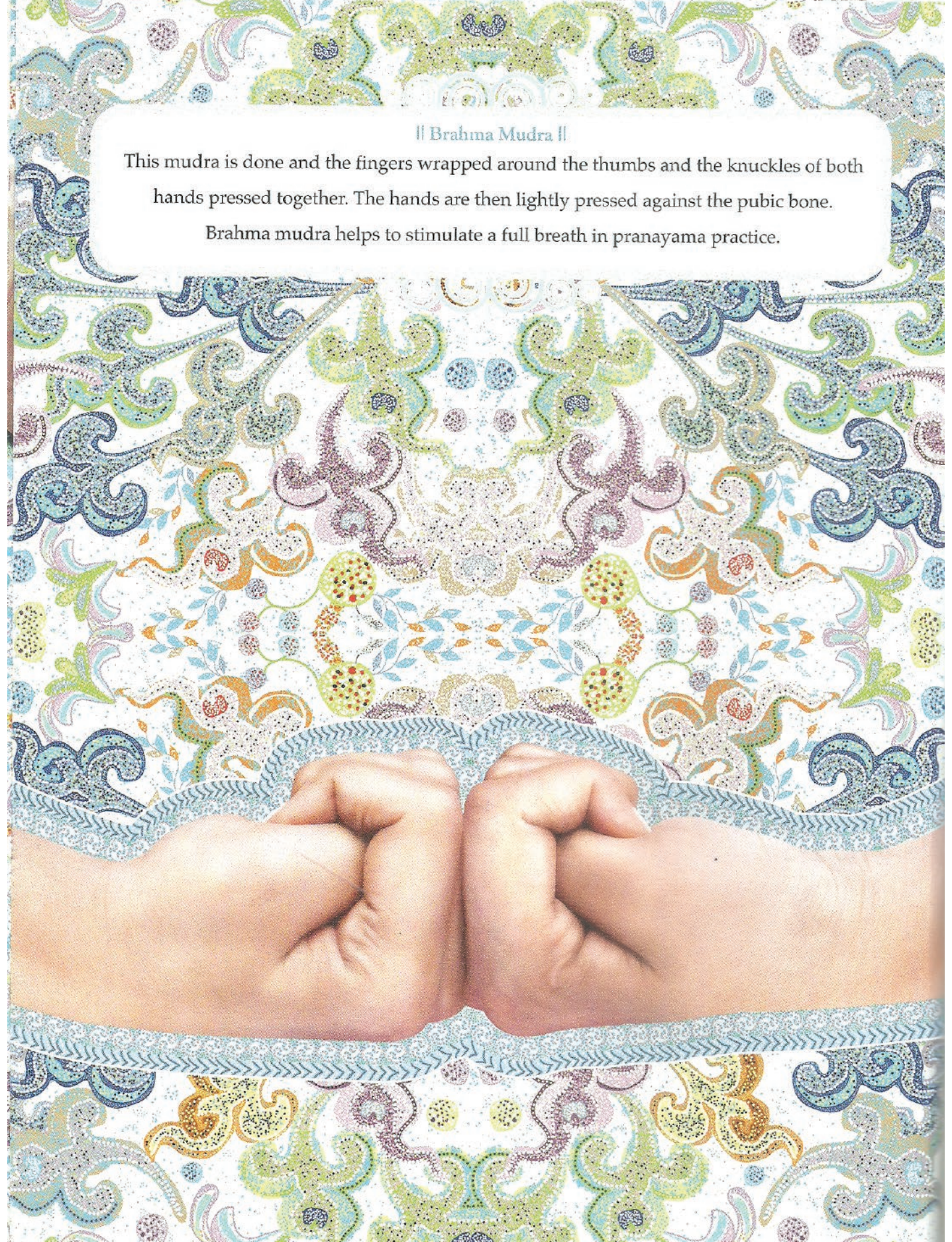
Shri Dindayal Gupta  
Chairman



### ॥ Brahma Mudra ॥

This mudra is done and the fingers wrapped around the thumbs and the knuckles of both hands pressed together. The hands are then lightly pressed against the pubic bone.

Brahma mudra helps to stimulate a full breath in pranayama practice.





## Strategic Leadership

At Dollar Industries, it is our belief that leaders need vision, energy, authority and strategic direction. However, we do not stop here. Our goal is to attain the kind of leadership that is truly inspirational. For this, we rely heavily on intuition to gauge the appropriate timing and course of our actions. Over the years, we have refined our ability to collect and interpret soft data that is today helping us decide just when and how to act. Secondly, we manage employees with something we call "tough empathy". We empathize passionately and realistically with people, and they in turn, care intensely about the work they do.

It is this combination of intuition and empathy that has led to Dollar sales during the year under review climb 19%, reaching a new height of ₹ 689 crores. To us it is a gesture of all-pervading consciousness, quite like the Brahma mudra, while we invoke the divine forces to remove all obstacles that lie ahead.



### ॥ Shree Ganesha Mantra ॥

इन्द्रे वाक्रतुन्दा महाकाया इन्द्र्याकरोऽस्यप्रबन्धा  
निर्विघ्नकारुण्ये नमो देवेभ्यो इन्द्र्याकारुण्येभ्यो इन्द्रवादे ॥

O Lord Ganesha of the curved trunk and massive body, the one whose splendour is equal to millions of Suns, please bless me to that I do not face any obstacles in my endeavours.

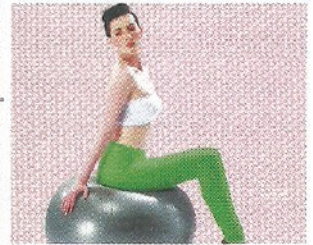
## ॥ Prana Vayu Mudra ॥

In the science of Ayurveda the qualities of the “five elements” or panchabhutas of earth, water, fire, air and ether are connected to and represented by pranavayus. These energies are symbolised by the five fingers of the hand; the thumb represents fire, the index finger is air, the middle finger is ether and the ring finger is earth while the little finger is water.



## Know thy Consumer

'Know thy consumer' is a basic principle of the brand management team at Dollar. This principle is as important today as it has ever been. But consumers aren't a fixed target. Consumers change; existing consumers of a brand develop new needs, change their preferences, alter their habits and acquire new skills for engaging in purchasing and consumption. Fresh consumers come into new and established markets, with their own needs, preferences and skills. Research by our marketing department shows contemporary consumers as better informed and connected, more marketing literate and savvy, than in the past and as being more empowered. At Dollar Industries we describe this as a new economic order—an era of consumer-centric commerce. Our diversification strategy reflects this new economic order. As we broaden our offering into the larger world of apparels through our sister brand – Force, we keep our watchful eyes on the changing consumers.



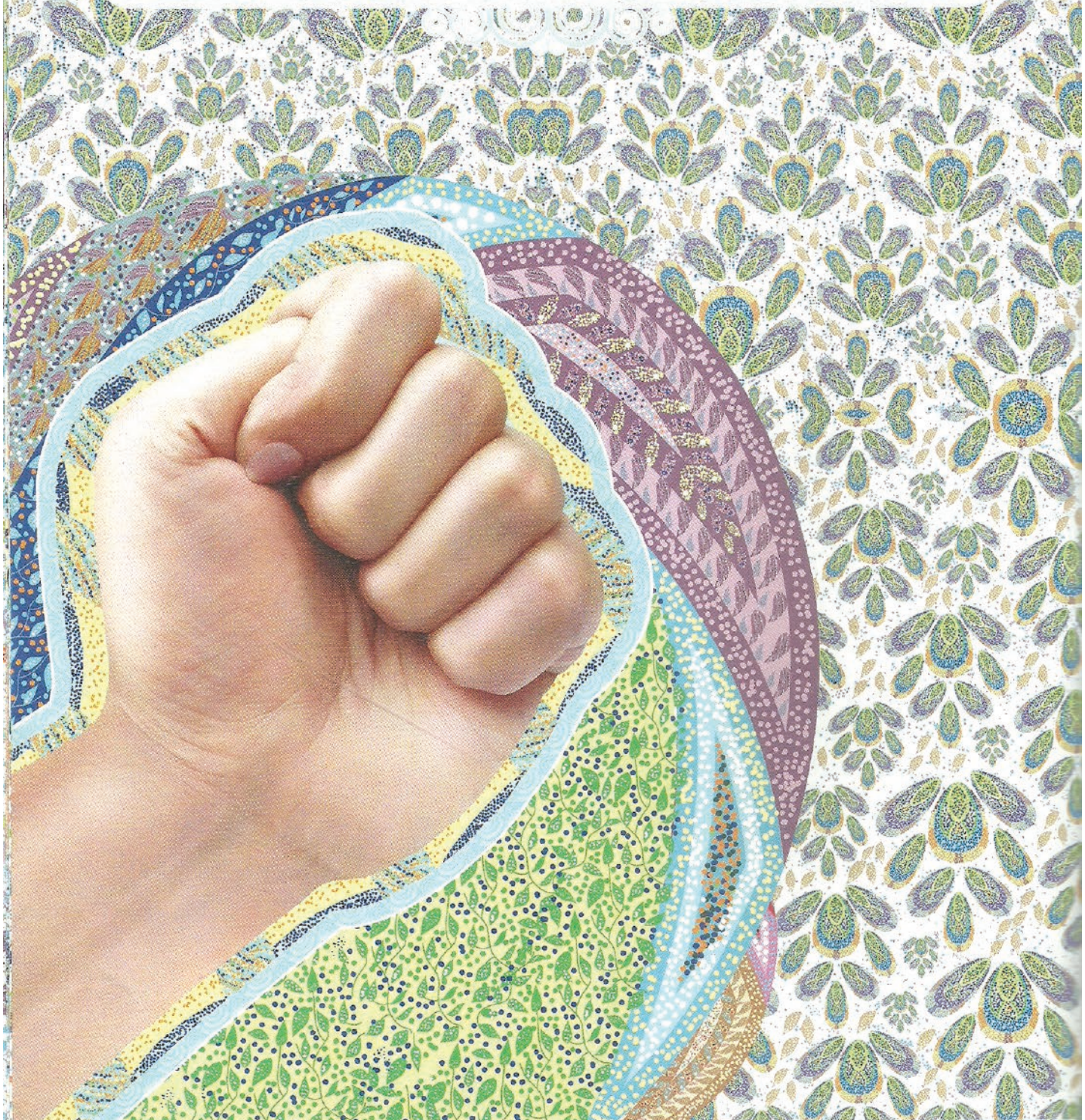
### ॥ Shree Lakshmi Beej Mantra ॥

ॐ ह्रीं लक्ष्मीं नमः ॥

In challenging times like these the Lakshmi Beej Mantra provides much needed solace

## ॥ Aadi Mudra ॥

This mudra is made by curling the fingers around the thumb making a very light fist. It has a soothing influence on the mind and is said to positively influence breathing. Aadi mudra can be very useful in savasana at the end of asana practice to quiet the nervous system.



# Quality Matters

Evaluating output relative to a standard and taking corrective action when output doesn't meet these predetermined standards is a continuous process at Dollar Industries. The act of making sure products, designed and manufactured, are produced to meet and exceed the needs of customers is the mantra we live by. The purpose of quality control is to make sure that certain processes are performing up to the company's set standards. The statistical process control tries to correct processes that are not in line with the predetermined limits. The acquisition of the 9001:2008 ISO certifications is a testament to this.

Control is achieved by checking a portion of the goods or services, comparing the results to a predetermined standard, evaluating departures from the standard, taking corrective actions when necessary and following up to ensure that problems have been corrected. Ensuring good quality is akin to spiritual fulfilment as embodied in the Bhagayati Stotram.



## ॥ Bhagavati Stotram ॥

jai bhagavati devi namo varade

Victory to You O Devi, Who destroy our sorrows and poverty and takes us towards spiritual fulfilment

## ॥ Bhairava and Bhairavi Mudra ॥

Bhairava and Bhairavi Mudra (fierce aspect of Shiva and Shakti) When the right hand is placed on top it is the Shiva aspect, Bhairava. When the left is on top it is Bhairavi, the Shakti aspect; consciousness and manifestation.



# Human Resource

The HR team at Dollar believes that critical to an organisation's growth and prosperity is gaining and retaining competitive advantage. Although corporations may pursue many paths to this end, one that is frequently not recognized is capitalising on superior human resource management. Currently, many companies recognize the growing importance of their human resources, but few are conceptualizing them in strategic terms—in ways to gain a competitive advantage. As a result, many companies forego the opportunity to seize competitive advantage through human resource practice initiatives. At Dollar Industries, we have always been mindful not to forego the opportunity. In our view real progress occurs when people are open to learning from mentors, regardless of their age. And an essential characteristic of good mentoring is openness, by both parties, to the complexities of the other person's experience. Almost like the combination of consciousness and manifestation as captured in Bhairava and Bhairavi mudra and elucidated in BhayaaniAshtakam.



## || BhavaniAshtakami ||

na tato na mata na bandhuma data ||

Neither father, nor mother, neither relations, nor friends, but you are my refuge, you alone are my refuge, Oh Mother Bhavani

### ॥ Vishnu Mudra ॥

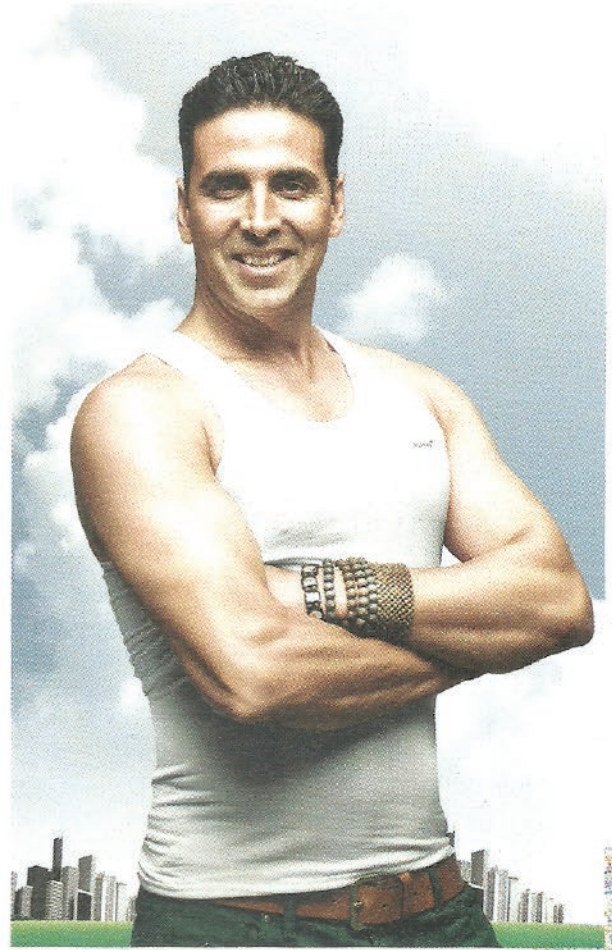
It is the hand gesture of Lord Vishnu. This is one of the hand gestures used to alternate the breath through the nostrils during Nadi Shodana. In this mudra the right hand is used as it is associated with giving while the left is associated with receiving. The thumb and fingers rest lightly just above the nostrils so very little movement is needed to close each side during practice.





As the hosiery and apparels markets continue to mature and competition grows fiercer, it is becoming clearer that the players will not succeed purely on the basis of what products or services they offer. Although these core functions of the business are unquestionably still crucial, other aspects such as company culture and corporate citizenship have increased in relative importance in determining a company's ability to compete. At Dollar Industries we are very mindful of this and we believe that the success of a 21st century business will be defined as much by who it is as what it does. Historically, the identity of a company resulted solely as the consequence of what that company did. Increasingly, the reverse will be true, and the former will impact the latter.

As Dollar breaches one ambitious target after the other, and our Brand Ambassador Akshay Kumar takes the brand up the popularity chart, we thank all our associates and stakeholders, for their unstinted support and wish them happiness and peace. What would be a better way than invoking peace through the eternal Shanti Path Mantra.



### || Shanti Path Mantra ||

ॐ द्याुर्धं शान्तिं पृथिवीशान्तिं शान्तिं  
 पृथिवी शान्तिरपारं शान्तिं वायुशान्तिं शान्तिं ।  
 वासुपतयान् शान्तिं विश्वेदेवान् शान्तिं ब्रह्मण्यं शान्तिं  
 इन्द्राय शान्तिं शान्तिरेव शान्तिं इन्द्राय शान्तिरेदीर्घे ॥  
 ॐ शान्तिः शान्तिः शान्तिः ॥

May peace radiate there in the whole sky as well as in the vast ethereal space everywhere.  
 May peace reign all over this earth, in water and in all herbs, trees and creepers.  
 May peace flow over the whole universe!  
 May peace be in the Supreme Being Brahman!  
 And, may there always exist in all peace and peace alone.  
 Om Shanti, Shanti, Shanti to us and all beings!



# Notice

**NOTICE** is hereby given that **Annual General Meeting** of **M/S. Dollar Industries Limited** will be held at the Registered office of the Company at 'Om Tower', 32, J.L. Nehru Road, 12th Floor, **Kolkata – 700 071** on Monday, the 29th day of September, 2014 at 11.30 A.M. to transact the following business :

## **ORDINARY BUSINESS :**

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2014 and the Profit & Loss Account of the Company for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To declare a dividend on Equity Shares.
3. To appoint a Director in place of Mr. Din Dayal Gupta, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint the Statutory Auditors of the Company until the conclusion of 3 (three) consecutive AGM and to fix their remuneration and in this respect, to pass, with or without modification (s) the following resolution as an Ordinary Resolution:

**“RESOLVED THAT**, pursuant to the provisions of Section 139 and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, and pursuant to the recommendations of the audit committee of the Board of Directors, M/s Amit Ved Garg & Co., Chartered Accountants (Registration No. 325121E), be and are hereby appointed as the statutory auditors of the Company, to hold office from the conclusion of this Annual General Meeting (AGM) until the conclusion of 3 (three) consecutive AGMs (subject to ratification of the appointment by the members at every AGM held after this AGM) and the Board of Directors be and are hereby authorized to fix their remuneration.”

## **SPECIAL BUSINESS :**

### **5. APPOINTMENT OF MR. BINAY KUMAR GUPTA (DIN:01982889) AS MANAGING DIRECTOR**

To consider, and if thought fit, to pass with or without modifications, the following resolution as Ordinary Resolution –

**“RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), approval of the Company be and is hereby accorded to the appointment of Mr. Binay Kumar Gupta (DIN: 01982889) as Managing Director of the Company, for a period of 3 (Three) years with effect from 14th February, 2014 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said appointment and / or remuneration as it may deem fit and as may be acceptable to Mr. Binay Kumar Gupta, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

# Notice

## 6. APPOINTMENT OF MR. BINAY KR. AGARWAL AS AN INDEPENDENT DIRECTOR

To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

“**RESOLVED THAT**, pursuant to Section 149 and 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Binay Kumar Agarwal (holding DIN 01342065), be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (Five) consecutive years upto 31st March, 2019 and shall not be liable to retire by rotation.”

## 7. APPOINTMENT OF MR. ASHOK KUMAR GOEL AS AN INDEPENDENT DIRECTOR

To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

“**RESOLVED THAT**, pursuant to Section 149 and 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Ashok Kumar Goel (holding DIN 01982750), be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (Five) consecutive years upto 31st March, 2019 and shall not be liable to retire by rotation.”

## 8. APPOINTMENT OF MR. PAWAN KUMAR AGARWAL AS AN INDEPENDENT DIRECTOR

To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

“**RESOLVED THAT**, pursuant to Section 149 and 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Pawan Kumar Agarwal (holding DIN 01978322), be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (Five) consecutive years upto 31st March, 2019 and shall not be liable to retire by rotation.”

**Registered Office:**  
32, J. L. Nehru Road  
Kolkata – 700 071

**By Order of the Board of Directors**  
For Dollar Industries Limited

**Date:** 14.08.2014

sd/-  
Vinod Kumar Gupta  
Managing Director

# Notice

## NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. The Proxies to be effective, must be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.
3. The Statement pursuant to Section 102 (1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed.
4. The Register of Members and Transfer Books of the Company will be closed from 23.9.2014 to 29.9.2014 (both days inclusive) for the AGM and for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.
5. Dividend, if declared, in the Annual General Meeting would be paid within a period of 30 days from the date of declaration as follows :
  - (a) To those Members who hold shares in physical form and whose names appear on the Register of Members of the Company after giving effect to all valid share transfers lodged with the Company on or before Monday, the 22nd September, 2014, or
  - (b) In respect of shares held in electronic form, to the beneficial owners as at the close of business hours on 22nd September, 2014\* as per the list to be furnished by National Securities Depository Ltd.(NSDL) and Central Depository Services (India) Ltd.(CDSL).

\* The date has been fixed to facilitate payment of Dividend to the beneficial owners as per Depositories Act and should not be construed as Record Date for any purpose.
6. There is no un-paid or un-claimed dividend for any of the dividend declared in the earlier years.
7. Members holding shares in physical form are requested to intimate, indicating their respective folio number, the change of their addresses, the change of Bank Accounts etc. to M/s Niche Technologies Pvt. Ltd., D511, Bagri Market, 71, B.R.B. Basu Road, Kolkata – 700 001, the Registrar and Transfer Agents of the Company, while members holding shares in electronic form may write to their respective Depository Participant for immediate updation, so as to enable the Company to dispatch dividend warrants to the correct address.
8. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
9. Members / proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
10. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

# Notice

11. **The Company is concerned about the environment and utilizes natural resources in a sustainable way. We request you to update your email address with your Depository Participant to enable us to send you the Annual Reports, Notices and other communications via email. All the physical shareholders who have not registered their e-mail addresses so far are requested to register their e-mail address (format as attached) for receiving all communication including Annual Report, Notices, etc. from the Company, electronically.**
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their respective Depository Participant(s) and Members holding shares in physical form are requested to submit their PAN details to the Company/R&TA.
13. All Documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all the working days during business hours upto the date of meeting.
14. **Voting Through Electronic Means**
  - I) As per Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the items of business set out in the attached Notice may be transacted also through electronic voting system as an alternative mode of voting. The Company is providing the facility of casting vote through the electronic voting system ("e-voting") under an arrangement with The Central Depository Services (India) Limited ("CDSL") as specified more particularly in the instruction hereunder provided that once the vote on a Resolution is casted through-voting, a Member shall not be allowed to change it subsequently.
  - II) **The instructions for shareholders voting electronically are as under:**
    - (i) The voting period begins on September 22, 2014 at 10.00 A.M. and ends on September 24, 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 of August 22, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
    - (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period
    - (iii) Click on "Shareholders" tab.
    - (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, excluding the special characters.
    - (v) Next enter the Image Verification as displayed and Click on Login.
    - (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

# Notice

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

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company / Depository Participant are requested to enter in capital letters the PAN field of 10 characters as First 2 Characters of the First Holder Name followed by 8 characters consisting of Folio Number prefix by "0" (or 8 characters from right of BO-ID). No special characters or space will be taken from the name and folio number and name shall be excluded of titles like Mr. / Mrs. / Smt. / Miss / Ms. / M/s. etc.</li> </ul> <p>Example:                      (1) Mr. V. N. Swami and Folio Number is S/0245, the PAN will be VN000S0245                      (2) M/s. 4-square Company Ltd. and Folio Number is C-0052 the PAN will be 4S000C0052</p>
DOB	<p>Enter the Date of Birth as recorded in your demat account with the depository or in the company records for your folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Bank Account Number as recorded in your demat account with the depository or in the company records for your folio.</p> <ul style="list-style-type: none"> <li>Please Enter the DOB or Bank Account Number in order to Login.</li> <li>If both the details are not recorded with the depository or company then please enter in the Dividend Bank Details field the Number of Shares Held by you as on Cut Off date of August, 22, 2014</li> </ul>

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

- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant "Dollar Industries Ltd." on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

# Notice

- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Institutional Shareholders
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
15. Institutional Members / Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at [santibrewalla@gmail.com](mailto:santibrewalla@gmail.com) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) on or before 24-09-2014 upto 6 pm without which the vote shall not be treated as valid.
16. 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 of 22nd August, 2014.
17. The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members / depositories as at closing hours of business, on 22nd August, 2014.
18. The shareholders shall have one vote per equity share held by them as on the cut-off date of 22nd August, 2014. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.
19. Shri Santosh Kumar Tibrewalla, Practising Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
20. The results shall be declared at the AGM of the Company. The results declared alongwith the Scrutinizer's Report shall be placed on the website of CDSL and website of the Company within two (2) days of passing of the resolution at the AGM of the Company and will be communicated to The Calcutta Stock Exchange Limited and Jaipur Stock Exchange Limited.

## Explanatory Statement Pursuant To Section 102 Of The Companies Act, 2013:

The following Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 ("Act"), sets out all material facts relating to the business mentioned at Item Nos. 5 to 8 of the accompanying Notice dated 14th August, 2014 :

### Item No.5 –

In view of accelerated operating results of the Company and also due to the extensive involvement of Mr. Binay Kumar Gupta in the affairs of the Company, the Board of Directors of the Company in its meeting held on 14th February, 2014 has promoted Mr. Binay Kumar Gupta, as a Managing Director for a period of 3 (Three) years with immediate effect subject to the approval of shareholders in the ensuing General Meeting to look after day to day affairs of the Company, in accordance with the provisions of Sections 198, 269, 309 read with Schedule XIII and other applicable provisions of the Companies Act, 1956 [corresponding provisions of the Companies Act, 2013 are Section 196, 197 and Schedule V read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ] and on the terms as recommended by the Remuneration Committee. His terms of appointment was further modified by the Board on 10th March, 2014 to provide him furnished accommodation on recommendation of remuneration Committee. The terms and conditions of his appointment are as follows:

- **Salary :** ₹ 2,00,000/- per month and revision / increment as may be recommended by Remuneration Committee and approved by the Board from time to time and permissible under Schedule – XIII of the Companies Act, 1956 (corresponding Schedule as per Companies Act, 2013 is Schedule V) or any amendment thereof.
- **Perquisites :** In addition to Salary, he shall be entitled to the following perquisites which, may be reviewed by the Board from time to time:
  - a. **Medical Reimbursement:** Reimbursement of Medical expenses incurred for self and family on actual basis.
  - b. **Accommodation :** Furnished accommodation for self and family.
  - c. **Leave Travel Concession:** For self and family to and from any place in India, once in a year in accordance with the rules of the Company.
  - d. **Clubs Fees:** Fees of Clubs, shall be subject to a maximum of two clubs, provided that no life membership or admission fee shall be paid by Company.
  - e. **Personal Accident Insurance:** Premium not to exceed ₹ 20,000/- per annum.
  - f. **Gratuity:** Gratuity payable shall not exceed half of a month's salary for each completed year of service.
  - g. **Car & Telephone:** He shall be provided car with driver and telephone at his residence for company's business as well as for personal use. However, long distance calls for personal use will be billed by the Company.
  - h. **Other Benefits :**
    - i. Leave on full pay and allowances as per the rules of the Company but not more than one month's leave for every eleven months' of services. However, leave accumulated but not availed of shall be dealt with as per the Income Tax Rules, 1962, casual and sick leave on full pay and allowance as per rules of the Company.



## Explanatory Statement Pursuant To Section 102 Of The Companies Act, 2013:

- ii. He shall be entitled to reimbursement of traveling, entertainment and all other expenses actually and properly incurred for legitimate business need of the Company but subject to rules of the Company framed from time to time.
- iii. He shall be reimbursed out of pocket expenses as may be incurred by him in the course of discharging his duties in his respective capacities.

### • Other Terms

- (i) Mr. Binay Kumar Gupta, as long as he functions as such, shall not be paid any sitting fee for attending meeting of the Board of Directors of any Committee thereof.
- (ii) Either party may terminate the agreement by giving 3 (Three) months notice in writing or remuneration in lieu thereof without showing any reason.
- (iii) Minimum Remuneration: In the absence of inadequacy of profit of the Company in any financial, Mr. Binay Kumar Gupta will be entitled to receive such remuneration as is permissible under Section 197 read with Schedule V and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Existing terms of Appointment of Mr. Binay Kumar Gupta prior to this appointment as Mg. Director stand terminated.

None of the Directors, Key Managerial Personnel(s) and their relatives except Mr. Binay Kumar Gupta, Mr. Vinod Kumar Gupta, Mr. Din-Dayal Gupta, Mr. Bajrang Lal Gupta and Mr. Krishan Kumar Gupta are in any way financially or otherwise deemed to be concerned or interested in the above resolution.

The Board recommends the Ordinary resolution set forth in Item no. 5 of the Notice, for the approval by the shareholders of the Company.

Pursuant to Section 190 of the Companies Act, 2013, the copy of the letter of appointment issued to Mr. Binay Kumar Gupta, Mg. Director is open for inspection at the Registered office of the Company during business hours till the date of ensuing Annual General Meeting.

### Item No.6 –

Mr. Binay Kumar Agarwal is a Non-Executive Independent Director of the Company.

Mr. Binay Kumar Agarwal was appointed as an Independent Director to fill up Casual Vacancy w.e.f. 27th December, 2013 by the Board, who shall hold the office only upto the date up to which the Director in whose place he was appointed would have held the office. Hence in lieu of the various provisions of Section 149, 152 & 160 of the Companies Act, 2013 which came into effect from 1.04.2014 and the rules made there under and Clause 49 of the Listing agreement, the Company is required to appoint Independent Directors for a fixed term and their office shall not be liable to determination by retirement of Directors by rotation. Accordingly, in compliance of Section 149, 152, Schedule IV and other applicable provisions of the Companies Act, 2013, Mr. Binay Kumar Agarwal being eligible and offered himself for appointment, is proposed to be appointed as an Independent Director who shall hold office upto 31st March, 2019. The Company has received requisite consent and declarations from Mr. Binay Kumar Agarwal as required under various provisions of the Companies Act, 2013 and Rules made thereunder. The Company has also received a notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Act proposing his candidature for the office of Director of the Company.

## Explanatory Statement Pursuant To Section 102 Of The Companies Act, 2013:

In the opinion of the Board, Mr. Binay Kumar Agarwal fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director and he is independent of the management.

The Board considers that his continued association would be immense benefit to the Company and it is desirable to continue to avail services of Mr. Binay Kumar Agarwal as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Binay Kumar Agarwal as an Independent Director, for the approval by the shareholders of the Company up to March 31, 2019 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. Further, he shall not be liable to retire by rotation.

Copy of the draft letter of appointment of Mr. Binay Kumar Agarwal as an Independent Director setting out the terms and conditions is available for inspection by members during working hours at the Registered Office of the Company.

Except Mr. Binay Kumar Agarwal, no Director, key managerial personnel or their relatives, is in any way, financially or otherwise interested or concerned in the resolution.

The Board recommends the Ordinary resolution set forth in Item no. 6 of the Notice, for the approval by the shareholders of the Company.

### Item Nos. 7

Mr. Ashok Kumar Goel is a Non-Executive Independent Director of the Company.

His period of office is liable to determination by retirement of Directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. Under the Companies Act, 2013, the Company is required to appoint Independent Directors for a fixed term and their office shall not be liable to determination by retirement of Directors by rotation. Accordingly, in compliance of Section 149, 152, Schedule IV and other applicable provisions of the Companies Act, 2013, Mr. Ashok Kumar Goel being eligible and offered himself for appointment, is proposed to be appointed as an Independent Director of the Company for term of 5 (Five) Consecutive years upto 31.03.2019. The Company has received requisite consent and declarations from the aforesaid Director as required under various provisions of the Companies Act, 2013 and Rules made thereunder.

In the opinion of the Board, the aforesaid Director fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as Independent Director and he is independent of the management.

The Board considers that his continued association would be immense benefit to the Company and it is desirable to continue to avail services of the Director as Independent Director.

The resolution seek the approval of the members for the appointment of Mr. Ashok Kumar Goel as an Independent Director of the Company up to the 31.03.2019, pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. Further, he shall not be liable to retire by rotation.

Copy of the draft letter of appointment of the aforesaid Director as an Independent Director setting out the terms and conditions is available for inspection by members during working hours at the Registered Office of the Company till the date of ensuing Annual General Meeting.

## Explanatory Statement Pursuant To Section 102 Of The Companies Act, 2013:

Except Mr. Ashok Kumar Goel, no Director, key managerial personnel or his relatives, are in any way, financially or otherwise interested or concerned in the resolution.

The Board recommends the Ordinary resolution set forth in Item no. 7 of the Notice, for the approval by the shareholders of the Company.

### Item Nos. 8

Mr. Pawan Kumar Agarwal is a Non-Executive Independent Director of the Company.

His period of office is liable to determination by retirement of Directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. Under the Companies Act, 2013, the Company is required to appoint Independent Directors for a fixed term and their office shall not be liable to determination by retirement of Directors by rotation. Accordingly, in compliance of Section 149, 152, Schedule IV and other applicable provisions of the Companies Act, 2013, Mr. Pawan Kumar Agarwal being eligible and offered himself for appointment, is proposed to be appointed as an Independent Director of the Company for term of 5 (Five) Consecutive years upto 31.03.2019. The Company has received requisite consent and declarations from the aforesaid Director as required under various provisions of the Companies Act, 2013 and Rules made thereunder.

In the opinion of the Board, the aforesaid Director fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as Independent Director and he is independent of the management.

The Board considers that his continued association would be immense benefit to the Company and it is desirable to continue to avail services of the Director as Independent Director.

The resolution seek the approval of the members for the appointment of Mr. Pawan Kumar Agarwal as an Independent Director of the Company up to the 31.03.2019, pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. Further, he shall not be liable to retire by rotation.

Copy of the draft letter of appointment of the aforesaid Director as an Independent Director setting out the terms and conditions is available for inspection by members during working hours at the Registered Office of the Company till the date of ensuing Annual General Meeting.

Except Mr. Pawan Kumar Agarwal, no Director, key managerial personnel or his relatives, are in any way, financially or otherwise interested or concerned in the resolution.

The Board recommends the Ordinary resolution set forth in Item no. 8 of the Notice, for the approval by the shareholders of the Company.

# Annexure to Notice of AGM

Details of the Directors seeking appointment/ re-appointment in forthcoming Annual General Meeting  
(In pursuance to Clause 49 of the Listing Agreement)

Name of Director	Date of Birth	Date of Appointment	Expertise in specific Functional areas	Qualification	List of other Companies in which Directorships held as on 31 <sup>st</sup> March, 2014*	Chairman/ Member of the Committee of the Board of other Companies in which he is a Director as on 31 <sup>st</sup> March, 2014
Mr. Binay Kumar Gupta	02/03/1968	10/01/2005	Looking after production sales of the products of the Company.	Commerce Graduate	NIL	NIL
Mr. Binay Kumar Agarwal	30/09/1966	27/12/2013	Finance, Accounts, Audit & Taxation.	FCA	1. Fast Capital Markets Ltd. 2. Fast Commodity Markets Ltd. 3. Shivam Industrial Parks & Estates Ltd.	Member in Audit Committee & Nomination & Remuneration Committee of Dollar Industries Ltd.
Mr. Ashok Kumar Goel	22/01/1962	25/10/2005	Business Management	Commerce Graduate	NIL	Member in Share Trif Committee & Chairman in Nomination & Remuneration Committee of Dollar Industries Ltd.
Mr. Pawan Kumar Agarwal	09/09/1966	25/10/2005	Business Management	Commerce Graduate	NIL	Member in Shareholders Grievance Committee & Nomination & Remuneration Committee & Chairman in Audit Committee of Dollar Industries Ltd.

\* Excluding Private Limited Companies and Companies registered under Section 8 of the Companies Act, 2013.

# Directors' Report To The Members

Your Directors hereby present the Annual Report and the Audited Accounts for the year ended 31st March, 2014.

<b>FINANCIAL RESULTS :</b>	<b>2013-14</b>	<b>( ₹ in lac ) 2012-13</b>
Sales	68892.61	57947.21
Other Income	335.22	310.99
<b>Profit before interest, depreciation &amp; taxation</b>	<b>4354.73</b>	<b>4228.33</b>
Less : Interest	1410.78	1565.95
Depreciation	884.51	1004.12
<b>Profit Before Tax</b>	<b>2059.44</b>	<b>1658.26</b>
Less : Provision for Tax	687.49	540.79
<b>Profit After Tax</b>	<b>1371.95</b>	<b>1117.47</b>
<b>Add : Balance brought forward from previous year</b>	<b>4434.03</b>	<b>3424.58</b>
Less : Proposed Dividend (Including Dividend Distribution Tax)	<u>135.02</u>	<u>108.02</u>
<b>Balance carried to Balance Sheet</b>	<b>5670.96</b>	<b>4434.03</b>
	=====	=====

## CURRENT OPERATIONS

During the financial year, your Company has reported an increase of 18.89% in turnover and an increase of 22.77% in the net profit compared to the previous financial year despite tough economic conditions. The export too has increased to ₹ 6141.11 lac against ₹ 4652.13 lac during the previous financial year. The Company designs the products keeping in view the needs and preferences of its customers with regard to design, quality and comfort and the results of the same is visible in increased sales and profits of the Company. Accordingly, the management of the Company expects to continue with good volume of growth in coming years.

## DIVIDEND

Your Board has recommend a dividend of ₹ 1.50 ( previous year: ₹ 1.20) per equity share of ₹ 10/- fully paid-up ( i.e. 15% on the paid-up value of equity shares).

## ISSUE OF SHARES

The Company has not issued any shares during the financial year.

# Directors' Report To The Members

## EXPANSION OF ACTIVITIES

The setting up of a processing unit in Tamilnadu was started in the fiscal 2012-13. The Unit is commissioned successfully and commercial production has started during August, 2014.

The Company's plan to increase in the capacity of its existing spinning mill by adding 6000 spindles to increase its yarn production from 9.23 ton to 11.73 ton per day is in advance stage. Orders for machinery has been placed and will be operational during last quarter of current year.

The company is planning to establish stitching unit for manufacture of high quality garments in Kolkata. The cost of project is around 7.00 crores.

## DIRECTORS

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Din Dayal Gupta, Director of the Company who retire by rotation, being eligible, offer himself for re-appointment.

Pursuant to the provisions of Clause 49 of the Listing Agreements entered into with Stock Exchanges & the provisions of Sections 149, 152 of the Companies Act, 2013 and the Rules framed thereunder and read with Schedule IV to the said Act, the Board has proposed to appoint Mr. Binay Kumar Agarwal, Mr. Ashok Kumar Goel and Mr. Pawan Kumar Agarwal as the Independent Directors in the Company for a period of five years till 31st March, 2019. The Company has received declarations from the said Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under the said Clause 49.

Mr. Rakesh Agarwal has resigned from the office of the Directors of the Company w.e.f. 14th December, 2013. The Board place on record his valuable services rendered in the growth of the Company during his tenure as a Director of the Company. Mr. Binay Kumar Agarwal was appointed as an independent Director to fill up casual vacancy caused by his resignation.

## COMPANY SECRETARY

Ms. Srishtee Sinha, Company Secretary of the Company has resigned from the office w.e.f. 1st November, 2013 and Mr. Adinath Banerjee, was appointed as a Company Secretary of the Company w.e.f. 1.11.2013 in her place.

Unfortunately, Mr. Adinath Banerjee has expired on 1st August, 2014. The Board noted his sad demise and place on record the valuable services rendered by him during his tenure as a Company Secretary of the Company.

## AUDITORS

M/s. Amit Ved Garg & Co., Chartered Accountants, Statutory Auditors of the Company holds office upto the conclusion of the ensuing Annual General Meeting (AGM). The Company has received a letter pursuant to Section 139 and 141 of the Companies Act, 2013 from the Auditors about their consent and eligibility for appointment as the statutory auditors of the Company, to hold office for consecutive 3 (Three) AGM from the conclusion of this AGM, subject to ratification of such appointment by the members at every AGM held hereafter.

# Directors' Report To The Members

## AUDITORS' REPORT

The notes to the Accounts referred to the Auditors Report are self explanatory and therefore, do not call for any further comments.

## DIRECTORS' RESPONSIBILITY STATEMENT

We, the Directors of the Company, hereby confirm, pursuant to provisions of section 217 (2AA) of the Companies Act, 1956, in respect of financial year under review, that :

- i) In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) 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 as at 31st March, 2014 and of the profit of the Company for the year ended on 31st March, 2014;
- iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing, and detecting fraud and other irregularities.
- iv) The Directors have prepared the annual accounts on a going concern basis.

## LISTING OF SECURITIES IN STOCK EXCHANGES

The shares of the Company are listed at The Calcutta Stock Exchange Ltd. and Jaipur Stock Exchange Ltd. The Company is registered with both NSDL & CDSL for holding the shares in dematerialized form and open for trading. The Company has paid Listing Fees to both the Stock Exchanges and depositories.

## CORPORATE GOVERNANCE

The Company has been pro-active in following the principles and practices of good corporate governance. As required under Clause 49 of the Listing Agreement with the Stock Exchanges, a report on Corporate Governance along with a certificate from Mr. Santosh Kumar Tibrewalla, Practising Company Secretary regarding Compliance of conditions of Corporate Governance, Management Discussion & Analysis Report and certification by CEO & CFO are given as Annexure – B, C, D and E which form part of this Report.

## VIGIL MECHANISM

The Company has established Vigil Mechanism for Directors and employees to report their genuine concerns and provide adequate safeguard against their victimization as provided in Section 177 of the Companies Act, 2013 and rules made thereunder.

## CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

In terms of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 your Company has adopted the Code of Conduct for Prevention of Insider Trading.

# Directors' Report To The Members

## PARTICULARS OF EMPLOYEES

In view of no employee of the Company having drawn remuneration as prescribed in Section 217 (2A) of the Companies Act, 1956 or in the rules made pursuant to the same, during the Financial Year under review, particulars of the employees pursuant to said provisions are not required to be given.

## INDUSTRIAL RELATIONS

The industrial relation during the year 2013-14 had been cordial. The Directors take on record the dedicated services and significant efforts made by the Officers, Staff and Workers towards the progress of the Company.

## ENERGY, TECHNOLOGY & FOREIGN EXCHANGE

Information in accordance with the provisions of Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption, foreign exchange earnings and outgo are given in the Annexure –A, which forms part of this report.

## ACKNOWLEDGEMENT

Your Directors would like to express their grateful appreciation for the assistance and co-operation received from the Financial Institutions, Banks, Government Authorities and Shareholders during the year under review. Your Directors wish to place on record their deep sense of appreciation to all the employees for their commendable teamwork, exemplary professionalism and enthusiastic contribution during the year.

### Registered Office :

32, J. L. Nehru Road.  
Kolkata - 700 071

Date: 14.08.2014

By Order of the Board of Directors  
For Dollar Industries Limited

sd/-  
**Din Dayal Gupta**  
Chairman  
(DIN: 00885582)



# Annexure 'A' To The Directors' Report

Particulars pursuant to the provisions of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 :

## A. CONSERVATION OF ENERGY:

### a. Energy conservation measures taken by the Company

The Company has received approvals from various authorities for utilizing the power units generated in its own windmills. However, the manufacturing process of the products of the Company is not power intensive except its spinning and elastic divisions. The Company always put its endeavors to save energy, wherever possible.

### b. Additional investment / proposal by the Company for reduction in consumption of energy:

The Company's 4th wind mill set up with a cost of 5.37 crores last year is fully operational during this year.

### c. Impact of the measures in (a) & (b) above taken by the Company

The above measures will result in reduced cost incurred on consumption of energy by way of in house consumption.

### d. Energy consumption by the Company in totality and consumption per unit as per Form A of the annexure is as follows:

FORM A (Form for Disclosure of particulars with respect to conservation of energy)

Particulars	2013-14	2012-13
Power and fuel Consumption		
Electricity		
Total units Purchased/Consumed	11273098	10016130
Total Cost (₹)	72687322	78765497
Average rate per unit (₹)	6.45	7.86
Coal and Coke		
Quantity (MT)	N.A	N.A
Total Cost (₹)	N.A	N.A
Average rate per MT (₹)	N.A	N.A
Consumption per unit of Production		
Electricity (Unit/kg)	3.65	3.85
Coal and Coke (Kg/MT)	N.A	N.A

## B. RESEARCH AND DEVELOPMENT (R&D), TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION

### a. Research & Development (R & D)

The Company itself is not carrying out any R & D. However, the Hosiery Research Association has undertaken such activities.

# Annexure 'A' To The Directors' Report

## b. Technology Development, adaptation and innovation

The Company has been using indigenous technology and as such does not require to import technology.

## C. FOREIGN EXCHANGE EARNING AND OUTGO

	2013-14	(₹ in lac) 2012-13
Total Foreign Exchange Earned (F.O.B.)	5888.74	4356.21
Total Foreign Exchange Used	2214.10	429.25

**Registered Office :**  
32, J. L. Nehru Road  
Kolkata - 700 071

**By Order of the Board of Directors  
For Dollar Industries Limited**

**Date:** 14th August, 2014

**Din Dayal Gupta**  
Chairman  
(DIN: 00885582)

# Annexure 'B' To The Directors' Report

## CORPORATE GOVERNANCE

The Company in terms of Clause 49 of the Listing Agreement with the Stock Exchanges the Company has adopted practice of Corporate Governance for ensuring and protecting the rights of its shareholders by means of transparency, integrity, accountability and checks at the different levels of the management of the Company.

## BOARD OF DIRECTORS

a) The composition and category of Directors :

Category	Name of the Directors
Non – Executive Director - Promoter - Chairman	Mr. Din Dayal Gupta
Executive – Managing Director - Promoter	Mr. Vinod Kumar Gupta
Executive – Whole Time Director - Promoter	Mr. Bajrang Lal Gupta
Executive – Managing Director - Promoter \$	Mr. Binay Kumar Gupta
Executive – Whole Time Director - Promoter	Mr. Krishan Kumar Gupta
Non – Executive Director – Independent	Mr. Pawan Kumar Agarwal
Non – Executive Director – Independent	Mr. Rakesh Agarwal*
Non – Executive Director – Independent	Mr. Ashok Kumar Goel
Non – Executive Director – Independent	Mr. Binay Kumar Agarwal**

\* Mr. Rakesh Agarwal has resigned from the office of the Board of Directors of the Company w.e.f. 14.12.2013.

\*\*Mr. Binay Kumar Agarwal was appointed at the office of the Board of Directors of the Company w.e.f. 27.12.2013.

\$Appointed as Mg. Director w.e.f. 14.2.2014.

b) Attendance of each Director at the Annual General Meeting and Number of other Directorship and Chairmanship/ Membership of Committee of each Director in various Companies :

Name of the Director	Attendance Particulars		Number of other Directorship and Committee membership/Chairmanship		
	Board Meetings	Last AGM	Other Directorship*	Committee Membership	Committee Chairmanship
Mr. Din Dayal Gupta	11	Present	-	1	-
Mr. Vinod Kumar Gupta	11	Present	1	2	1
Mr. Bajrang Lal Gupta	11	Present	-	1	1
Mr. Binay Kumar Gupta	11	Present	-	-	-
Mr. Krishan Kumar Gupta	11	Present	-	1	-
Mr. Pawan Kumar Agarwal	9	Present	-	3	1
Mr. Rakesh Agarwal**	8	Present	-	2	1
Mr. Ashok Kumar Goel	8	Present	-	2	1
Mr. Binay Kumar Agarwal\$	3	----	3	2	-

## Annexure 'B' To The Directors' Report

(\*) Excludes Directorships in Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 ( corresponding to Section 25 of the Companies Act, 1956).

(\*\*) Director till 14.12.2013

(\$) Appointed w.e.f. 27.12.2013

During the year 2013-14, 11 (Eleven) Board meetings were held on 14.5.2013, 30.5.2013, 11.6.2013, 17.6.2013, 14.7.2013, 14.8.2013, 15.9.2013, 13.11.2013, 27.12.2013, 14.2.2014 and 10.3.2014.

### CODE OF CONDUCT :

The Company has framed Code of Conduct for the Directors and Senior Management of the Company. The Directors and Senior Management have affirmed compliance of the said Code of Conduct as on 31st March, 2014. A declaration signed by the CEO is annexed as Annexure 'E'.

In pursuance of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (as amended), the Board has approved the 'Code of Conduct for prevention of Insider Trading' and entrusted the Audit Committee to monitor the compliance of the code.

### AUDIT COMMITTEE :

The Audit Committee was entrusted with review of quarterly and annual financial statements before submission to the Board, review of observations of auditors and to ensure compliance of internal control systems authority for investigation and access for full information and external professional advice for discharge of the functions delegated to the Committee by the Board. Mr. Pawan Kumar Agarwal is the Chairman of the Committee. All the members of the Committee are financially literate. The Audit Committee was re-constituted by the Board on 27th December, 2013 and inducted Mr. Binay Kumar Agarwal to fill up the vacancy caused by the resignation of Mr. Rakesh Agarwal.

The scope of the audit committee, inter alia, includes:

- Review of the Company's financial reporting process, the financial statements and financial/risk management policies ;
- Review of the adequacy of the internal control systems and finance of the internal audit team ;
- Discussions with the management and the external auditors, the audit plan for the financial year and joint post-audit and review of the same.

During the period under review 4 (Four) Audit Committee meetings were held on 30.05.2013, 14.08.2013, 13.11.2013 and 14.02.2014. The composition of the Audit Committee and attendance of its meetings are given below:

Constitution	No. of Meetings	Attended
Mr. Pawan Kumar Agarwal – Non-Executive – Independent – Chairman	4	4
Mr. Rakesh Agarwal – Non-Executive – Independent*	3	3
Mr. Vinod Kumar Gupta - Executive – Promoter	4	4
Mr. Binay Kumar Agarwal – Non-Executive – Independent**	1	1

\* Till 14.12.2013 \*\* w.e.f. 27.12.2013.

## Annexure 'B' To The Directors' Report

The Audit Committee meetings are usually held at Company's Registered Office and attended by members of the Committee, other Accounts Heads and Unit Heads. Representative of the Statutory Auditors are also invited to the same as required.

The Terms of reference of Audit Committee has been revised in the meeting of the Board of Directors of the Company held on 30th May, 2014 to incorporate various additional terms of reference introduced by Section 177 of the Companies Act, 2013 and the revised Clause 49 of the Listing Agreement from the financial year 2014-15.

### MANAGERIAL REMUNERATION :

#### a. Nomination & Remuneration Committee:

The name of the Remuneration Committee was changed to Nomination & Remuneration Committee w.e.f. 30th May, 2014 pursuant to Section 178 of the Companies Act, 2013. The Remuneration Committee of the Company is authorised to decide the remuneration of Managing / Whole-time Directors. Mr. Rakesh Agarwal was the Chairman of the Committee. The Committee was re-constituted by the Board on 27th December, 2013 and inducted Mr. Binay Kumar Agarwal to fill up the vacancy caused by the resignation of Mr. Rakesh Agarwal. Mr. Ashok Kumar Goel was appointed as Chairman of the Committee w.e.f. 27th December, 2013.

During the year under review 1(One) meeting of the Remuneration Committee was held on 14.2.2014.

Construction	No. of Meetings held	Attended
Mr. Ashok Kumar Goel – Non-Executive – Independent – Chairman	1	1
Mr. Rakesh Agarwal – Non-Executive – Independent*	NA	NA
Mr. Binay Kumar Agarwal – Non-Executive – Independent**	1	1
Mr. Pawan Kumar Agarwal – Non-Executive – Independent	1	1

\* Till 14.12.2013 \*\* w.e.f. 27.12.2013.

#### b. Remuneration Policy:

The Company follows the policy to fix remuneration of Managing & Whole Time Directors by taking into account the financial position of the Company, trend in the industry, qualification, experience, past performance and past remuneration of the respective director in the manner to strike a balance between the interest of the Company and its shareholders.

# Annexure 'B' To The Directors' Report

## c. Remuneration to Directors:

The statement of the remuneration paid /payable to the Managing /Whole-time /Executive Directors and Sitting Fees paid/ payable to Non-Executive Directors is given below:-

Name of Directors	Remuneration paid/payable for 2013-14				Service Contract	
	Salary (Rs)	Benefits (Rs)	Sitting Fees (Rs)	Pay per Month(Rs)	Period	Effective from
Mr. Din Dayal Gupta	-	-	-	-	---	---
Mr. Vinod Kumar Gupta	2400000/-	-	-	200000/-	5 Years	01-12-2012
Mr. Bajrang Lal Gupta	1800000/-	-	-	150000/-	5 Years	01-12-2012
Mr. Binay Kumar Gupta	1876786/-	-	-	200000/-	3 Years	14-02-2014
Mr. Krishan Kumar Gupta	1800000/-	-	-	150000/-	5 Years	01-12-2012
Mr. Pawan Kumar Agarwal	-	-	-	---	---	---
Mr. Rakesh Agarwal	-	-	-	---	---	---
Mr. Ashok Kumar Goel	-	-	-	---	---	---
Mr. Binay Kumar Agarwal	-	-	-	---	---	---

- Notes:**
1. The appointment/ agreement of all Managing /Executive /Whole-time Directors can be terminated by giving three months notice by either party.
  2. The non-executive Directors have waived all their sitting fees till 31st March, 2014.

The Board of Directors revised its terms of reference in the meeting of the Board of Directors of the Company held on 30th May, 2014 to incorporate various additional terms of reference introduced by Section 178 of the Companies Act, 2013 from the financial year 2014-15.

## TRANSFER COMMITTEE

The Share Transfer Committee comprised of Mr. Bajrang Lal Gupta, Mr. Krishan Kumar Gupta and Mr. Ashok Kumar Goel. Mr. Bajrang Lal Gupta is the Chairman of the Committee. Ms. Srishtee Sinha was the Secretary & Compliance Officer of the Committee till 31st October, 2013 and Mr. Adinath Banerjee was appointed as the Secretary & Compliance Officer of the Committee w.e.f 1st November, 2013.

The Share Transfer Committee meet as and when required and is entrusted with Transfer / transmission of shares, issue of duplicate share certificates, change of name / status, transposition of names, sub-division / consolidation of share certificates, dematerialisation / rematerialisation of shares, etc.

## STAKEHOLDERS RELATIONSHIP COMMITTEE

"Shareholders' / Investors' Grievance Committee" was renamed as "Stakeholders Relationship Committee" by the Board in its meeting held on May 30, 2014 in terms of Section 178 of the Companies Act, 2013. The Committee comprised of Mr. Vinod Kumar Gupta, Mr. Din Dayal Gupta and Mr. Pawan Kumar Agarwal. Mr. Vinod Kumar Gupta is the Chairman of the Committee.

## Annexure 'B' To The Directors' Report

Stakeholders Relationship Committee look into redressing of shareholder's and investors grievances like transfer of Shares, non receipt of Balance Sheet, etc.

Ms. Srishtee Sinha is the Secretary & Compliance Officer of the Committee till 31st October, 2013 and Mr. Adinath Banerjee was appointed as the Secretary & Compliance Officer of the Committee w.e.f. 1st November, 2013.

The Board of Directors at its meeting held on 30th May, 2014 has renamed the Shareholders/Investors Grievance Committee as 'Stakeholders Relationship Committee'.

### SHARES HELD BY NON-EXECUTIVE DIRECTORS

Sl. No	Name	No. of Shares
1	Mr. Din Dayal Gupta	23170
2	Mr. Pawan Kumar Agarwal	NIL
3	Mr. Rakesh Agarwal	NIL
4	Mr. Ashok Kumar Goel	NIL
5	Mr. Binay Kumar Agarwal	NIL

### GENERAL BODY MEETINGS :

Location and time of General Meetings held in last three years :

Year	Type	Date	Venue	Time
2012-13	A.G.M	20.09.2013	15E, Shib Krishna Daw Lane Phool Bagan Kolkata – 700 054	11.30 A.M.
2011-12	A.G.M	29.09.2012	15E, Shib Krishna Daw Lane Phool Bagan Kolkata – 700 054	11.30 A.M.
2010-11	A.G.M	26.09.2011	15E, Shib Krishna Daw Lane Phool Bagan, Kolkata – 700 054	11.00 A.M.

### Notes :

- All resolutions were moved at the last Annual General Meeting were passed by show of hands unanimously by all the members present at the meeting. One Special Resolution was passed in the last 3 Annual General Meetings held for the f.y. for 2012-13.
- No business proposed to be transacted at the last Annual General Meeting was required to be passed by postal Ballot in terms of Company's (Passing of the resolution by Postal Ballot) Rules, 2011.
- No business proposed to be transacted at the ensuing Annual General Meeting is required to be passed by Postal Ballot in terms of Section 110 of the Companies Act, 2013 and Rules made thereunder.

# Annexure 'B' To The Directors' Report

## DISCLOSURES

- a. **Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large.**

None of the transactions with any of the related parties were in conflict with the interest of the Company.

- b. **Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or Securities and Exchange Board of India or any Statutory Authority, on any matter related to the capital markets, during the last three years.**

No penalty or strictures have been imposed on the Company by any of the aforesaid authorities during the last 3 years.

- c. **Accounting Treatment in preparation of financial statement :**

The Company has followed the guidelines of accounting standards as prescribed by the Institute of Chartered Accountants of India in preparation of financial statement.

- d. **Subsidiary Company :**

The Company does not have any material non-listed Indian Subsidiary as defined in Clause 49 of the Listing Agreement.

- e. **Risk Management :**

The Company has identified risk involved in respect to its products, quality, cost, location and finance. It has also adopted the procedures / policies to minimize the risk and the same are reviewed and revised as per the needs to minimize and control the risk.

- f. **CEO/CFO certification :**

The CEO/CFO certification as required under Clause 49 is annexed hereto which forms part of this report.

- g. **Management Discussion and Analysis Report :**

The Management Discussion and Analysis Report as required under Clause 49 is annexed hereto which forms part of this report.

## DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT :

The Details of Directors seeking appointment / re-appointment as required under the clause 49(VIII)(E)(1) of the Listing Agreement with the Stock Exchanges is given in annexure to the notice which forms part of this Report.

## MEANS OF COMMUNICATION

Un-audited financial results on quarterly basis and limited review by the auditors in the prescribed format are taken on



## Annexure 'B' To The Directors' Report

record by the Board of Director at its meeting within the prescribed time of the close of every quarter and the same are furnished to all the stock Exchange where the Company's shares are listed. The results are also published within 48 hours in the Newspapers. The quarterly un-audited financial results are published in the Eco of India in English and in Arthik Lipi in Bengali language. The financial results are also displayed on the Website of the Company, [www.dollarinternational.com](http://www.dollarinternational.com).

### LISTING

Shares of your Company are listed on The Calcutta Stock Exchange Ltd. and the Jaipur Stock Exchange Ltd. The name and address of both the Stock Exchanges and the Company's Stock Code are given below :

- The Calcutta Stock Exchange Ltd  
7, Lyons Range, Kolkata-700 001  
(Scrip Code No. - 017172)
- Jaipur Stock Exchange Ltd  
Stock Exchange Building  
J. L. N. Marg, Malviya Nagar, Jaipur - 302017  
(Scrip Code No. – 1009)

### GENERAL INFORMATIONS FOR MEMBERS:

- a. Annual General Meeting (Date, Time & Venue) : Monday, 29th September, 2014 at 11.30 A.M. 'Om Towers', 32, J.L.Nehru Road, 12th floor, Kolkata – 700 071.
- b. Dividend payment : Within 30 days from the date of AGM for the Financial Year ended on 31.03.2014.
- c. Date of Book Closure : 23rd September, 2014 to 29th September, 2014 (both days inclusive).
- d. Financial Calendar : April – March.
- e. Market price Data : Monthly High/ Low price during the last Financial Year at the National Stock Exchange depicting liquidity of the Equity Shares is given hereunder :

Months	Share Price		Months	Share Price	
	High	Low		High	Low
April, 2013	N.T.		October, 2013	N.T.	
May, 2013	N.T.		November, 2013	N.T.	
June, 2013	N.T.		December, 2013	N.T.	
July, 2013	N.T.		January, 2014	N.T.	
August, 2013	N.T.		February, 2014	N.T.	
September, 2013	N.T.		March, 2014	N.T.	

\* N. T. denotes No Trading

## Annexure 'B' To The Directors' Report

- f. Performance in comparison broad based indices : No comparison to broad based indices such as BSE Sensex / CRISIL Index, etc. could be drawn since there is no trading in the Calcutta Stock Exchange / Jaipur Stock Exchange during the financial year.
- g. Registrar and Transfer Agent : **Niche Technologies Pvt. Ltd.**  
 (SEBI Registration No. INR 000003290)  
 D-511, Bagree Market,  
 71, B. R. B. Basu Road, Kolkata – 700 001  
 Phone Nos. 033-2235 3070/7270/7271.  
 Fax – 033-2215 6823  
 e.mail: sabbas@nicotechpl.com  
 website : www.nicotechpl.com  
 Contact Person : Mr. Shoab Abbas
- h. Shares Transfer System : Share Transfer System is entrusted to the Registrar and Share Transfer Agents. Transfer Committee is empowered to approved the Share Transfers. Transfer Committee Meeting is held as and when required. The Share Transfer issue of duplicate certificate etc. are endorsed by Directors/Executives/Officers as may be authorised by the Transfer Committee. Grievances received from members and miscellaneous correspondence are processed by the Registrars within 30 days.

- i. Distribution of Share Holding As on 31.03.2014 :

Share Limit From To	No. of Live A/c's	% To Live A/cs.	Total No. of Share	% to Total Share
1 - 500	1004	79.68	285850	3.69
501 - 1000	95	7.54	70050	0.90
1001- 5000	84	6.67	261460	3.38
5001- 10000	34	2.70	271550	3.51
10001- 50000	27	2.14	581620	7.51
50001- 100000	6	0.48	418450	5.40
100001-and above	10	0.79	5856180	75.61
<b>Total :</b>	<b>1260</b>	<b>100.00</b>	<b>7745160</b>	<b>100.00</b>

## Annexure 'B' To The Directors' Report

### j. Share Holding Pattern as on 31.03.2014:

Sl. No.	Category	No. of Shares held	% of holding
1.	Promoters & Associates	4697210	60.65
2.	Mutual Funds & UTI	---	---
3.	Banks, Financial Institutions, Insurance Companies ( Central/ State Govt, Institutio	---	---
4.	FIs	---	---
5.	Private Corporate Bodies	1667800	21.53
6.	Indian Public	1380150	17.82
7.	NRI's/OCBs	---	---
Total:		7745160	100.00

### k. Dematerialisation of Shares : ISIN : INE 325C01027

2.78% of the total equity share capital are held in dematerialised form with National Securities Depository Ltd. as on 31.03.2014

### l. Outstanding Instruments : The Company has not issued any GDRs / ADRs / Warrants or any or any convertible Instrument. As such, there is no impact on Equity of the Company.

### m. Plant Location : | Units | Addresses | |-------|---| | 1. | West Bengal | | | i. 28, B. T. Road, Kolkata – 700002 | | | ii. F-190, Salpata Bagan, Agarpara<br>24 Paraganas(N)<br>Kolkata-700109 | | | iii. 103/24/1, Foreshore Road,<br>Binani Metal Compound,<br>Howrah - 711 102. | | 2. | Delhi | | | Gali Towerwali,<br>Khasra No. – 642/2,<br>Near Metro Pillar No. – 504,<br>Delhi - 110 041 |

Units	Addresses
1.	West Bengal
	i. 28, B. T. Road, Kolkata – 700002
	ii. F-190, Salpata Bagan, Agarpara 24 Paraganas(N) Kolkata-700109
	iii. 103/24/1, Foreshore Road, Binani Metal Compound, Howrah - 711 102.
2.	Delhi
	Gali Towerwali, Khasra No. – 642/2, Near Metro Pillar No. – 504, Delhi - 110 041

## Annexure 'B' To The Directors' Report

3. Punjab 2154/1, Industrial Area,- A  
Ludhiana- 141 003, Punjab
4. Tamil Nadu
- i. No. 11, Murugananthapuram East  
Road, M.S. Nagar,  
Kongu Main Road,  
Tirupur-641607 (Tamil Nadu).
  - ii. S.F.No. -440, N.H.7,  
V. Pudukkottai- Village,  
Minukkampatti -P.O.,  
Vedasandur -624711 (T. N.).
  - iii 8/624, Angeripalayam Road,  
Tirupur - 641 603.
  - iv S.F.No.H-17,18,24,25,26  
SIPCOT Industrial Growth Centre  
Perundurai, Erode Dist. Pin-638052

Address for Correspondence

: **Dollar Industries Ltd.**  
'Om Tower', 12th Floor,  
32, J. L. Nehru Road, Kolkata - 700 071  
Phone Nos. 033-2288 4064/4065/4066.  
Fax - 033-2288 4063  
e.mail: bhawani@dollarinternational.com

# Management Discussion And Analysis Report

## ANNEXURE "C" TO THE DIRECTORS' REPORT

### OVERVIEW

The following operating and financial review is intended to convey the management's perspective on the financial condition and on the operating performance of the Company as at the end of the Financial Year 2013-14. The following discussion of the Company's financial condition and result of operations should be read in conjunction with the Company's financial statements, schedules and notes thereto and the other information included elsewhere in the Annual Report. The Company's financial statements have been prepared in compliance with the requirements of the Companies Act, 1956 and Companies Act, 2013, wherever applicable.

### REVIEW OF THE ECONOMY 2013-14

The year witnessed divergent growth globally, led by strengthening of the US economy, uneven and subdued growth in the Euro area and Japan coupled with a slowdown in Developing & Emerging markets.

In the domestic market, growth continued to be muted with the second successive year of sub 5% GDP growth. The year saw steep currency depreciation in an environment where industrial activity remained in contraction mode, consumption demand continued to weaken, while lacklustre capital goods production pointed to stalled investment demand.

With sluggish growth across the larger economy, further compounded by high consumer inflation and weak sentiment, market growth across FMCG categories moderated throughout the year in both volume and value terms. The discretionary categories and premium segments were particularly under pressure. The operating context for the year was challenging, given the backdrop of a market slowdown, a volatile input cost environment and heightened competitive intensity.

Your Company's performance for the year 2013-14 has to be viewed in the context of below mentioned economic and market environment.

Post 2008-09, the industrial sector, consisting of manufacturing, mining, electricity, and construction, showed remarkable recovery and steady growth for three years but lost momentum thereafter owing to a combination of supply-side and demand-side constraints. Industrial performance in 2013-14 remained lackluster for the second successive year. The latest gross domestic product (GDP) estimates show that industry grew by just 1.0 per cent in 2012-13 and slowed further in 2013-14, posting a modest increase of 0.4 per cent. While these figures may see upward revision once Annual Survey of Industries (ASI) data is available, there is no denying that industrial revival may take longer and needs stronger initiatives to emulate the peak growth achieved in the recent past. Further, it will be a daunting task to meet the projected Twelfth Plan targets of 10 per cent for the manufacturing sector and 5.7 per cent for the mining sector in the remaining three years.

Sector-wise analysis of industrial performance shows that the key reasons for poor performance have been contraction in mining activities and deceleration in manufacturing output. Manufacturing and mining sector GDP declined by 0.7 per cent and 1.4 per cent respectively in 2013-14. The underlying cause of the poor performance of these two sectors has been considerable deceleration in investment particularly by the private corporate sector during 2011-12 and 2012-13, a trend that appears to be continuing as the overall gross fixed capital formation (GFCF) has further declined during 2013-14. Further it has been observed that slowdown in construction activities has resulted in capacity underutilization in the steel and cement sectors. Steel and cement consumption rose by just 0.6 per cent and 3.0 per cent respectively in

# Management Discussion And Analysis Report

2013-14. The two key manufacturing sub-sectors that had hitherto shown steady growth, namely the automotive and export oriented gems and jewellery sectors, have posted negative growth rates during 2013-14. The positive highlights of 2013-14 were robust growth in textiles and electrical equipment as well as electricity generation notwithstanding capacity underutilization owing to fuel supply bottlenecks.

Nevertheless, despite this slowdown, India's economic growth rate in the current financial year has been estimated at 4.9 per cent, a faster pace than in the previous year, mainly on an improved performance in the agriculture and allied sectors. "The growth in GDP during 2013-14 is estimated at 4.9 per cent as compared to the growth rate of 4.5 per cent in 2012-13," according to advanced estimates released today by the Central Statistics Office (CSO). As per CSO the growth rate in per capita income is estimated at 2.8 per cent as against the previous year's estimate of 2.1 per cent, Per capita income at current prices during 2013-14 is estimated to be ₹ 74,920/= compared with ₹ 67,839/= during 2012-13, a rise of 10.4 per cent.

## INDUSTRY STRUCTURE & DEVELOPMENT IN INDIA

The fundamental strength of the textile industry in India is its strong production base of wide range of fiber / yarns from natural fibers like cotton, jute, silk and wool to synthetic /man-made fibers like polyester, viscose, nylon and acrylic India is the world's second largest producer of textiles and garments Indian textile industry accounts for about 24 per cent of the world's spindle capacity and eight per cent of global rotor capacity India has the highest loom capacity (including hand looms) with 63 per cent of the world's market share India accounts for about 14 per cent of the world's production of textile fibers and yarns (largest producer of jute, second largest producer of silk and cotton; and third largest in cellulosic fiber).

The Indian textile industry has made a major contribution to the national economy in terms of direct and indirect employment generation and net foreign exchange earnings. It accounts for 27 per cent of foreign exchange inflows It contributes 14 per cent to industrial production and 4 per cent to GDP With over 45 million people, the industry is one of the largest source of employment generation in the country. The industry accounts for nearly 11 per cent of total exports. The size of India's textile market in 2011 was USD89.0 billion; the market is expected to expand at a CAGR of 10.1 per cent over 2009-21 Source: Technopak, Ministry of Textiles, Aranca Research Note: CAGR - Compound Annual Growth Rate, E - Estimated 70 78 89 143 223 2009 2010 2011 2016E 2021E CAGR: 10.1%.

The textile and garment makers of India are set the target of 15-20 percent growth in exports during 2013-14 and Indian government gave full support to the industry and planning to implement some new measures to boost exports. All the segments of the textiles value chain are doing well at present both in the domestic and global markets. According to Apparel Export Promotion Council (AEPC), Indian apparel exports touched Euro 0.9 billion in June 2013-14 with an increase of 12.13 per cent against the corresponding month of last financial year. The flow of expansion of orders in India is expected to fetch additional Euro 2.19 billion business in the country because world-renowned chain stores and international brands have preferred expanding their sourcing of the merchandise from India. As a result, factory compliant manufacturing in India has surged with new and unprecedented export orders in the current season.

In 2013-14 a High Level Committee on Manufacturing (HLCM) led by Prime Minister Manmohan Singh decided to facilitate the rapid scaling of competitiveness of the garment sector in the country through a comprehensive package of measures. In 2012-13, India's garment exports dipped by around 5 percent year-on-year to Euro 9.41 billion, mainly owing to reduced demand in the US and the EU, which together account for more than 60 percent of India's total garment exports.

Our Company has managed to retain its growth rate as it was in the last fiscal and we will see that the speed of growth is gaining more momentum again this financial year. With additions in our capacities of production both in ready made garments and yarns, the FY 2014-15 will see fast pace growth of our Company. Yes, we proudly call ourselves as a ready

# Management Discussion And Analysis Report

made garments company rather than just hosiery since we moved into the apparel segment in the last fiscal with men's casual.

## SWOT ANALYSIS OF INDUSTRY

The textiles sector in India comprises both organised and unorganised segments. More than 70 textile and clothing clusters account for about 80% of total production in the country. There are 39 power loom clusters in the country. Major states with a number of clusters are Maharashtra, Tamil Nadu, Andhra Pradesh, Karnataka, Kerala and Uttar Pradesh. The textiles industry is extremely diversified with hand-spun and hand-woven sectors at one end and the capital-intensive, sophisticated mill sector at the other. The de-centralised power loom/hosiery and knitting sectors form the largest section of the textiles industry.

### STRENGTH

The Indian Textile Industry has much positive aspect to grow in the current scenario. Abundant raw material availability with low cost skilled labour all across India make possible to increase production. Presences of across country the value chain system make it more productive and growing domestic market for the users. India is the third largest cotton producer as well as it has largest area under cultivation. The availability of cheap and skilled manpower reduces the cost of production which provide industry competitive platform over the world market. Sharp reduction in borrowing costs and recent government efforts to promote the industry make the good situation to grow more. India steadily diversified its raw material base to include man-made fibers such as Polyester, viscose, acrylic, polypropylene etc. as well as other natural fibers.

### WEAKNESS

Though our industries on growing at rapid speed it face some problem during their course of business they are low cotton yield per hectare, high financing cost and lack of adequate technology. In export of the product, India has to highly dependence on EU and US. It has to face highly fragmented situation with large number of small size and technologically-outdated plants, lacking benefits of economies of scale. Infrastructure bottlenecks for handling huge volumes.

### OPPORTUNITY

India has favorable demographics in the domestic market and increasing young population coupled with rising income levels make the perfect position for this industry to grow. Emergence of retail Industry as a whole and development of various malls provide huge opportunities for the apparel segments all across India. Opportunities in product diversification (for e.g, Technical Textiles) make more effective tools for growth of this industry in coming years. Increasing of working female population with higher propensity to spend compared with home keepers. Change in consumption pattern, including rising demand for high quality premium fabrics and development of various products cater to global needs. Replacement of the Multi Fiber Agreement (MFA) and integration of the textile industry resulting in huge opportunities for exports. Moreover, gradual development in the technical side of the industry provides an opportunity to grow more and more.

### THREATS

The major threat of textile is increase of cost-based competition from other countries (Bangladesh, Vietnam, and Sri

# Management Discussion And Analysis Report

Lanka). Pricing pressures due to removal of US and EU quotas on imports from China. The fluctuations in the demand in exports due to the elimination of quota regime. Higher borrowing cost which affects the profitability of the small and medium firms. In the quota free regime, capacity expansion is the name of the game in the textile sector. Resultantly, smaller players who cannot venture into the global markets are flooding the domestic markets with excess supply, thus weakening the pricing scenario.

India's logistic disadvantage due to its geographical location can give it a major thumbs-down in global trade. The country is distant from major markets as compared to its global competitors like Mexico, Turkey and China, which are located in relatively close vicinity to major global markets of US, Europe and Japan. As a result, high cost of shipments and longer lead-time coupled with lack of infrastructure facility may prove to be major hindrances.

The fragmented structure of the industry has also stood in the way of achieving true integration between the various links in the supply chain. The sector has one of the longest and most complex supply chains in the world, which the larger players are trying to correct by integrating their operations and improving efficiency levels.

## SEGMENT-WISE PERFORMANCE

The Management reviewed the disclosure requirement of Segment wise reporting and is of the view that since the Company's products are covered under Hosiery industry which is single business segment in terms of AS-17 and therefore separate disclosure on reporting by business segment is not required.

## FUTURE OUTLOOK

The Indian textile industry roots thousands of years back. After, the European industry insurrection, Indian textile sector also witnessed considerable development in industrial aspects. Textile industry plays an important role in the terms of revenue generation in Indian economy. The significance of the textile industry is also due to its contribution in the industrial production, employment. Currently, it is the second largest employment provider after agriculture and provides employment to more than 30mn people.

Our Company has achieved grand success in its foray in to retail segment, precisely because of its long expertise in manufacturing and wholesale trade and core experience gained from the retail activity. Our Company manufactures premium innerwear for men, women and children. The Company remains the preferred choice when it comes to leading brands in Indian hosiery and apparel segment. The Company has an excellent track record when it comes to 'intensity of innovation', with around fifty per cent of our business being based on products developed in the past 10 years. The products are reasonably priced yet trendy and appealing to the youth of today. The manufacturing and other core processes are digital.

India has a complete manufacturing chain, and is among the few countries, which fits the need of the post-quota global buyers. The Indian textile and clothing industry is being rediscovered as a potent force, not just as an alternative to China, but as a source of bulk production. Its high ability on services, information technology and communication, are being recognized as important strength by global buyers of garments and textiles

If the industry creates a niche in the fashion market and fully utilizes the untapped potential of its vast, diverse fabric base for apparel conversion to expand its product base, the share could increase to at least 8 to 10 per cent every year. India also has the advantage of having a highly flexible textile, apparel and knitting industry.



# Management Discussion And Analysis Report

## RISKS AND CONCERNS

The textile business, like other businesses, is susceptible to various risks. The primary risk factor is the raw material prices, which is the largest component of cost, as the commodity prices are cyclical in nature. As a result, they exert significant impact on profitability. Fortunately the availability of cotton in the country has improved considerably during the last few years. The Company has significant exports and large project imports. The recent volatility in foreign exchange markets has a bearing on the profitability and the cost of production. The rapid strengthening of the rupee against the dollar is likely to adversely affect the profitability of the company.

We are taking all possible measures to mitigate the adverse impact of the movements in the foreign exchange markets. The rate of inflation in the country has gone up in the recent quarters. This has consequences for the cost of inputs used by the Company. Coupled with price increase resistance, the increased input cost tends to reduce profitability. Finally the Company has chalked out major expansion in capacities. The successful installation and stabilization of operations is subject to project execution risk. However, the Company is fully prepared to meet this challenge and execute the projects keeping the down side risk to a minimum.

### Internal Control System and Adequacy

The internal control and risk management system is structured and applied in accordance with the principles and criteria established in the Corporate Governance Code of Organization. It is an integral part of the general organizational structure of the Company and Group and contemplates a range of actors who act in a coordinated manner as a function of their respective responsibilities in the areas of guidance and strategic supervision for the Board of Directors, oversight and management for the Executive Directors and management, monitoring and support of the Board of Directors for the Control and Risk Committee and Head of the Audit Department, and supervision for the Board of Statutory Auditors. The internal control and the risk management system are a set of rules, procedures and organizational structures that, through a process of identifying, measuring, managing and monitoring the main risks, allows the sound and fair operation of the company in line with the pre-established objectives. As such this process is aimed at pursuing the values of both procedural and substantial fairness, transparency and accountability, which are considered key factors for managing the company's business, in compliance with the Code of Ethics and Conduct of the Group and the Company's Self-Regulatory Code. This process, constantly monitored with a view to progressive improvement, is intended to ensure, in particular, the efficiency of company operations and entrepreneurial conduct, its transparency and verifiability, the reliability of information and management and accounting data, and compliance with applicable laws and regulations as well as the safeguarding of company integrity and its assets, in order to prevent fraud against the Company and the financial markets.

In order to ensure a global approach to risk management, our company has implemented an integrated process inspired by Enterprise Risk Management (ERM), aimed at identifying, assessing and managing risks. Compliance risks etc

The ERM process is based on self-assessment of the risk profile by the management and is aimed at defining:

- the mapping of risks, assessed by level of impact and probability of occurrence, focusing attention on the so called top risks;
- the degree of maturity of the management of Top Risks through an analysis based on an evaluation of the components Governance, Assessment, Quantification & Aggregation, Monitoring and Risk & Control Optimization. A Risk Maturity Index (RMI) is identified for each Top Risk;
- the handling of the risk by the risk-owner company departments through the definition and implementation of

# Management Discussion And Analysis Report

specific action plans aimed at reducing the residual risk level and increasing the RMI.

The Group Risk Management Committee receives periodic information concerning the results of oversight of compliance risks by the Group Compliance Officer and Head of the Management Compliance function.

## FINANCIAL PERFORMANCE ANALYSIS

### REVENUES

In the financial year 2013-14, your Company's revenues grew 18.83 per cent to ₹ 688.93 Crores due to improved sales and higher volume growth.

### EBIDTA

EBIDTA during the year stood at ₹ 4354.73 Lakhs as compare to ₹ 4228.33 Lakhs in the previous year.

### INTEREST COST

Interest cost has decreased to ₹ 1410.78 Lakhs as against ₹ 1565.95 Lakhs.

### PROFIT AFTER TAX

The Company has achieved post tax profit of ₹ 1371.95 Lakhs as against a post tax profit of ₹ 1117.47 Lakhs last year.

### INVENTORY

The inventory as at the end of current year is ₹ 10672.03 Lakhs as against ₹ 12388.16 Lakhs as at the end of the last year. The inventory has been valued at lower of cost or net realisable value.

### DIVIDEND

The Company has proposed a dividend of ₹ 1.50/= per equity share of ₹ 10/= fully paid-up (i.e. 15% on the paid-up face value of equity shares).

### LIQUIDITY

The cash generated from operations was ₹ 5428.12 Lakhs.

## HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company has always considered the human resources as the driving force for progress and success and they are the main assets of the Company. Management is of firm belief that the growth of the Company is due to the continuous contribution from its manpower. The Company has the required number of skilled and semiskilled persons and it constantly tries to improve their quality and productivity and provides a congenial working environment for them. The Company is committed for continual improvement in all aspects of social standard, business and employee's welfare to grow as an ethical business. We believe that harmony amongst employees, employer and business leads to socio-

# Management Discussion And Analysis Report

economic improvement. The industrial relations continued to be extremely cordial during the year. The employees of the Company have extended a very productive co-operation in the efforts of the management to carry the Company to greater heights. Continuous training down the line is a normal feature in the Company to upgrade the skills and knowledge of the employees and workmen of the Company.

## CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility has always being an integral part of the Dollar Group's vision and the corner stone of our Core Value of Good Corporate Citizenship. Company believes that a substantial business success cannot be achieved solely through maximizing short term profits. It requires market oriented yet responsible behavior. Dollar has a long tradition of community service and a strong sense of Corporate Social Responsibility towards various stakeholders viz. EMPLOYEES: By providing a competitive and challenging work environment to the employees. By having ethical recruitment, remuneration, promotion and other policies. By providing opportunities to the employees to voice their opinion and complaints and have an effective policy for the solution of these complaints. Ensuring a safe working environment for the employees. Having fair policies for the solution of employee disputes. SHAREHOLDERS: By representing a fair picture of the company's financial position and profit/loss to the shareholders. By paying them a fair rate of dividend. GOVERNMENT: By providing the necessary information to the government as and when required. By making payment of the due taxes and duties at the proper time. By abiding by the laws and regulations of the area in which the firm operates. Contributing to the economy through exports. CUSTOMERS: By providing quality products to the customers at reasonable prices. By undertaking constant research and development and coming up with innovative and more useful products from time to time. INVESTORS: By giving the investors a true and fair picture of the financial condition of the business. By giving them due returns on the investment made by them. SUPPLIERS: Making competitive payment to the suppliers for the products purchased from them. Maintaining a good relationship with the suppliers. COMPETITORS: Indulging in ethical and healthy competition. SOCIETY: Undertaking community development and area development programmes. Undertaking charity work for the underprivileged sections of the society. By creating job opportunities. ENVIRONMENT: Ensuring the purchase of environment-friendly supplies. Ensuring a pollution-free process of production. Having an efficient system for the disposal of waste. Making the product and the process of production as environment-friendly as possible.

## CAUTIONARY STATEMENT

This statement made in this section describes the Company's objectives, projections, expectation and estimations which may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized by the Company. Actual result could differ materially from those expressed in the statement or implied due to the influence of external factors which are beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent development, information or events.

# Annexure 'D' To The Directors' Report

## Certification by Whole Time Director – Chief Executive Officer (CEO) and Chief Financial Officer of the Company (CFO)

**The Board of Directors,**  
M/S. Dollar Industries Ltd.  
'Om Tower', 32, J. L. Nehru Road,  
Kolkata - 700 071.

Dear Sirs,

In terms of Clause 49 of the Standard Listing Agreement, we, Vinod Kumar Gupta, Managing Director - CEO and R. N. Purohit, CFO, Certify that:

1. We have reviewed financial statements and the cash flow statements for the financial year 2013-14 and to our best of knowledge, belief and information –
  - i) these statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading ;
  - ii) these statement together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. To our best of knowledge, belief and information, no transaction entered into by the Company during the financial year 2013-14 are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls which we are aware and we have taken and propose to take requisite steps to rectify the deficiencies, if any.
4. We have indicated to the Auditors and the Audit Committee:
  - i) significant changes in internal control during the financial year ;
  - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements ; and
5. We have not come across any instances of significant fraud committed by the management or an employee having significant role in the Company's internal control system.

We further declare that all the Board members and Senior management personnel have affirmed compliance of Code of Conduct for the year 2013-14.

Place : Kolkata  
Date : 14.08.2014

**For Dollar Industries Ltd.**  
sd/-  
**Vinod Kumar Gupta**  
Managing Director & CEO

sd/-  
**R. N. Purohit**  
Chief Financial Officer

## Annexure 'E'

### **Declaration for Compliance with the Code of Conduct of the Company as per Clause 49(I)(D)(ii) of Listing Agreement**

I, Vinod Kumar Gupta, Managing Director of M/s. Dollar Industries Ltd. declare that as of 31st March, 2014 all the Board members and senior management personnel have affirmed compliance with the Code of Conduct of the Company.

**Place :** Kolkata  
**Date :** 14.08.2014

**For Dollar Industries Ltd.**  
sd/-  
**Vinod Kumar Gupta**  
Managing Director & CEO



# Annexure 'E'

## **CERTIFICATE OF COMPLIANCE OF CORPORATE GOVERNANCE AS REQUIRED UNDER THE LISTING AGREEMENT WITH STOCK EXCHANGES**

**To The Members of M/S. DOLLAR INDUSTRIES LTD.**

I have examined the Compliance of Corporate Governance by M/S. Dollar Industries Limited for the financial year 2013-14, as stipulated in clause 49 of the Listing Agreement entered into by the said Company with Stock Exchanges.

The Compliance of conditions of Corporate Governance is responsibility of the Management. My examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with conditions of the Corporate Governances. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanation given to me, I certify that the Company has generally complied with the condition of Corporate Governance as stipulated in Clause 49 of the abovementioned Listing Agreement.

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

**Place: Kolkata**

**Date: 14.08.2014**

**Sd/-**  
**(SANTOSH KUMAR TIBREWALLA)**  
Practising Company Secretary  
Membership No. : 3811  
Certificate of Practice No. : 3982.

# Independent Auditors' Report

## TO THE MEMBERS OF DOLLAR INDUSTRIES LIMITED

### Report on the Financial Statements

We have audited the accompanying financial statements of Dollar Industries 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 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.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with 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.

### 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, and
- b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date.
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of 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:
  - 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;
  - 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.
  - 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.
  - 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.
  - 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.

**For AMIT VED GARG & CO.**  
**Chartered Accountants**  
**Firm Regn. No.325121E**

**(CA. A. Garg)**  
**Proprietor**  
**Membership No.061677**

**Kolkata**  
**May 30, 2014**



# Annexure To The Auditors' Report

( Referred to in our report of even date to the members of **Dollar Industries Limited** on the Accounts for the year ended **31st March, 2014** )

- (1)
  - a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) The fixed assets of significant value have been physically verified by the management during the year, which in our opinion is reasonable having regard to the size of the Company and the nature of its fixed assets.
  - c) There was no substantial disposal of fixed assets during the year, which would affect the going concern assumption of the Company.
- (2)
  - a) As explained to us, inventories have been physically verified by the management during the year at reasonable intervals.
  - b) The procedure of physical verification of inventories followed by the company are, in our opinion, reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c) On the basis of our examination of the inventory records of the Company, we are of the opinion that the Company is maintaining proper records of its inventory and no material discrepancies were noticed on physical verification of inventories, as compared to book records.
- (3)
  - a) The company has granted unsecured loan to four parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹10,97,55,529/- and the year-end balance of the loan given was ₹ 1,10,93,482/-.
  - b) The company has taken unsecured loan from one party covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was 13,16,78,756/- and the year-end balance of the loan taken was ₹ 11,91,59,412/-.
  - c) In our opinion, the terms and conditions on which the loans have been obtained from such parties covered in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the company.
  - d) According to the information and explanations given to us, the Company has repaid the principal amounts as stipulated and have been regular in the payment of interest.
  - e) There is no overdue amount of loan taken by the company from the parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (4) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. We have neither come across nor have we been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
- (5)
  - a) To the best of our knowledge and belief and according to the information and explanations given to us, we are

## Annexure To The Auditors' Report

of the opinion that the particulars of the contracts or arrangements that need to be entered in the register maintained under section 301 of the Companies Act, 1956 have been so entered.

- b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered into the register maintained under Section 301 of the Companies Act, 1956 exceeding the value of five lac rupees in respect of any party during the year have been made at prices which are reasonable having regard to comparable prices at that time.
- (6) The Company has not accepted any deposit during the year from the public within the meaning of section 58A and 58AA of the Companies Act, 1956 and the rules framed there under.
- (7) In our opinion, the Company has an internal audit system which is commensurate with its size and the nature of its business.
- (8) We have broadly reviewed the books of accounts maintained by the Company in respect of products where, pursuant to the Rules made by the Central Government of India maintenance of cost records has been prescribed under clause (d) of sub-section (1) of Section 209 of the Act and 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 to determine whether they are accurate or complete.
- (9) a) According to the books and records produced to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth-tax, Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues as applicable to the Company. According to the information and explanations given to us there are no undisputed outstanding statutory dues as at the end of the year exceeding six months from the date they became payable.
- b) According to the records of the company and the information and explanations given to us and upon our enquiries in this regard, there are no dues as at the end of the year in respect of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Service Tax, Excise Duty and Cess as applicable to the Company which have not been deposited on account of any dispute.
- (10) The Company has neither accumulated losses at the end of the financial year nor has it incurred cash losses in the financial year under report or in the immediately preceding financial year.
- (11) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions or banks.
- (12) According to the information and explanations given to us and based on the documents and records produced before us, the Company has not granted any loans & advances on the basis of security by way of pledge of shares, debentures and other securities.
- (13) The provision of any special statute applicable to chit fund/ Nidhi/ Mutual Benefit Fund/ Societies are not applicable to the Company.
- (14) The company is dealing in shares, debentures and other investments and proper records of such transactions

# Annexure To The Auditors' Report

have been maintained. Such investments have been held by the company in its own name according to the information and explanations given to us.

- (15) According to the information and explanations given us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (16) On the basis of review or utilization of funds pertaining to term loans on overall basis and related information as made available to us, we are of the opinion that the Company has applied the term loans for the purpose for which they were obtained during the year.
- (17) Based on the information and explanations given to us and on an overall examination of the financial statements of the Company, prima facie, short term funds have not been used for long term purposes.
- (18) The company has not made any preferential allotment of shares to the companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (19) During the year, the Company has neither issued any debentures nor it has any outstanding debentures.
- (20) The Company has not raised any money by way of public issue during the year.
- (21) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

**For AMIT VED GARG & CO.**  
Chartered Accountants  
Firm Regn. No.325121E

**( CA. A. Garg )**  
Proprietor  
Membership No.061677

**Kolkata**  
**May 30, 2014**

# Balance Sheet

As at 31st March, 2014

(Amount in ₹)

**I) EQUITY & LIABILITIES**
**1. Shareholders' Funds**

- a. Share Capital
- b. Reserves & Surplus

**2. Non-Current Liabilities**

- a. Long Term Borrowings
- b. Deferred Tax Liabilities
- c. Other Long Term Liabilities

**3. Current Liabilities**

- a. Short Term Borrowings
- b. Trade Payables
- c. Other Current Liabilities
- d. Short Term Provisions

**II) ASSETS**
**1. Non-Current Assets**

- a. Fixed Assets
  - (i) Tangible Assets
  - (ii) Intangible Assets
  - (iii) Capital Work In Progress
- b. Non-Current Investments
- c. Long Term Loans and Advances
- d. Other Non Current Assets

Note	As At 31st March, 2014	As At 31st March, 2013
2	77451600	77451600
3	934123816	808315449
	1011575416	885767049
4	390199853	385733013
5	28985462	48067524
6	77745230	81473295
	496930545	515273832
7	1026020442	1126276915
8	623866622	497622787
9	291965422	227505585
10	20042508	124801942
	1961894993	1976207229
<b>Total</b>	<b>3470400955</b>	<b>3377248110</b>
11	503727078	531696194
	201542	337104
	252504839	25963756
12	10000	10000
13	41535483	38584576
14	2033993	31249408
	800012935	627841037

# Balance Sheet

## 2. Current Assets

- a. Inventories
- b. Trade Receivables
- c. Cash and Cash Equivalents
- d. Short Term Loans and Advances
- e. Other Current Assets

15	1067203105	1238816001
16	1413966953	1103296563
17	100350539	202010568
18	86038066	169338797
19	2829357	35945144
	2670388019	2749407073
<b>Total</b>	<b>3470400955</b>	<b>3377248110</b>

Significant Accounting Policies and  
Notes on Financial Statements

1 to 37

As per our report of even date attached

For and on behalf of the Board

For **AMIT VED GARG & CO.**

Chartered Accountants

Firm Regn. No.325121E

( **CA. A. Garg** )

Proprietor

Membership No.061677

Kolkata

Date: May 30, 2014.

( V. K. Gupta )  
( Managing Director )

( K. K. Gupta )  
( Director )

( A. Banerjee )  
( Secretary )

# Statement of Profit And Loss

For the year ended 31st March, 2014

(Amount in ₹)

	Note	Current Year 2013-2014	Previous Year 2012-2013
<b>I) INCOME</b>			
Revenue from Operations (Gross)	20	6889261397	6040236502
Less: Excise Duty		0	245515112
Revenue from Operations (Net)		6889261397	5794721390
Other Income	21	33522284	31098738
<b>Total Revenue</b>	<b>Total</b>	<b>6922783681</b>	<b>5825820128</b>
<b>II) EXPENDITURE</b>			
Cost of Materials Consumed	22	3534698440	2779530431
Change in Inventories of Finished Goods, Stock in-Process and Stock-in-Trade	23	121790242	-36994932
Employee Benefits Expense	24	49399566	37347350
Finance Costs	25	156253518	187068496
Depreciation and Amortisation Expense		88451495	100412262
Other Expenses	26	2766246407	2592630099
<b>Total Expenses</b>		<b>6716839668</b>	<b>5659993706</b>
<b>Profit Before Tax</b>		<b>205944013</b>	<b>165826423</b>
<b>Tax Expenses</b>			
Current Tax		-87000000	-70000000
Deferred tax		19082062	15920889
Short Provision for Tax Adjustments in respect of Earlier Years ( Net )		-831511	0
<b>Total Tax Expenses</b>		<b>-68749449</b>	<b>-54079111</b>
<b>Profit for the year</b>		<b>137194564</b>	<b>111747312</b>
Earnings per equity share of face value of ₹ 10 each Basic and Diluted (in ₹)		17.71	14.43

# Statement of Profit And Loss

Significant Accounting Policies and  
Notes on Financial Statements

1 to 37

As per our report of even date attached

For and on behalf of the Board

For **AMIT VED GARG & CO.**

Chartered Accountants

Firm Regn. No.325121E

( V. K. Gupta )  
( Managing Director )

( CA. A. Garg )

Proprietor

Membership No.061677

( K. K. Gupta )  
( Director )

Kolkata

Date: May 30, 2014.

( A. Banerjee )  
( Secretary )

# Cash Flow Statement

For the year ended 31st March, 2014

(Amount in ₹)

	Current Year 2013 - 2014		Previous Year 2012 - 2013
<b>A. Cash flow from operating activities</b>			
Profit / ( Loss ) before tax		205944013	165826423
Adjustments for :			
Depreciation	88451495		100412262
Interest Income	-3898539		-3321298
Profit on Sale of Fixed Assets	-66400		-7118019
Financial Charges	156253518		187068496
Deferred Revenue Expenditure Written Off	33445109	274185183	33445109
<b>Operating profit before working capital changes</b>		<b>480129196</b>	<b>476312972</b>
Adjustments for changes in working capital :			
(Increase)/Decrease in Trade Receivables	-310670390		-192189396
(Increase)/Decrease in Inventories	171612896		-75688929
(Increase)/Decrease in Long Term Loans & Advances	-2950907		2198757
(Increase)/Decrease in Short Term Loans & Advances	-11170461		-26661917
(Increase)/Decrease in Non Current Assets	29215414		-31249408
(Increase)/Decrease in Other Current Assets	-329322		-1002206
Increase/(Decrease) in Trade Payables	126243835		68238935
Increase/(Decrease) in Other Long Term Liabilities	-3728065		0
Increase/(Decrease) in Other Current Liabilities	64459837		119401038
<b>Net changes in working capital</b>		<b>62682838</b>	<b>-136953125</b>
<b>Cash generated from operations</b>		<b>542812034</b>	<b>339359847</b>
Taxes (Payment)/Refund	-100820239	-100820239	-70276338
<b>Net cash used (in)/from operating activities</b>		<b>441991795</b>	<b>269083509</b>
<b>B. Cash flow from Investing activities :</b>			
Additions to fixed assets ( Nett )	-60280417		-69828732
Increase in Capital WIP	-226541083		-21815911
Interest Received	3898539		3321298
<b>Net cash used in/from investing activities</b>		<b>-282922961</b>	<b>-88323345</b>
<b>C. Cash flow from Financing activities</b>			
Interest & Financial Charges	-156253518		-187068496
Proceeds from Long Term Borrowings	6583071		11773188
Proceeds from Short Term Borrowings	-100256473		132814011
Dividend Paid	-9294192		-7745160
Corporate Dividend Tax Paid	-1507750		-2542834
<b>Net cash used in/from financing activities</b>		<b>-260728862</b>	<b>-52769290</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>		<b>-101660029</b>	<b>127990874</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>		<b>202010568</b>	<b>74019694</b>
<b>Cash and Cash Equivalents at the end of the year</b>		<b>100350539</b>	<b>202010568</b>



# Cash Flow Statement

Note: i) The above Cash Flow has been prepared under " Indirect Method " as set out in Accounting Standard -3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.

ii) This is the Cash Flow Statement referred to, in our report of even date.

As per our report of even date attached

For and on behalf of the Board

For **AMIT VED GARG & CO.**  
Chartered Accountants  
Firm Regn. No.325121E

( V. K. Gupta )  
( Managing Director )

( **CA. A. Garg** )  
Proprietor  
Membership No.061677

( K. K. Gupta )  
( Director )

Kolkata  
Date: May 30, 2014.

( A. Banerjee )  
( Secretary )

# Note

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

### Note: 1 - Significant Accounting Policies

#### (A) Basis of Accounting

- (i) The financial statements are prepared in accordance with Generally Accepted Accounting Principles (Indian GAAP) under the historical cost convention on accrual basis and on principles of going concern. The accounting policies are consistently applied by the Company.
- (ii) The Financial Statements are prepared to comply in all material aspects with the accounting standards notified by the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956.
- (iii) All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule VI (Revised) to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.
- (iv) The preparation of the Financial Statements requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognised in the period in which the results are known/materialise.

#### (B) Fixed Assets & Depreciation

- (i) Fixed Assets are stated at cost less accumulated depreciation.
- (ii) Depreciation on all fixed assets except Land is provided on written down value method on pro-rata basis as per the rates prescribed under Schedule XIV of the Companies Act, 1956.
- (iii) The amount shown under the head "Capital Work in progress" has been appropriated towards respective fixed assets on their completion.
- (iv) Cost of the fixed assets not ready for their intended use at the Balance Sheet date together with all related expenses is shown as Capital Work in Progress/Intangible Assets under development.

#### (C) Revenue Recognition

- (i) Revenue is recognized based on the nature of activity when consideration can be reasonably measured and there exists reasonable certainty of its recovery.
- (ii) Revenue from sale of goods is recognized when the substantial risks and rewards of ownership are transferred to the buyer under the terms of the contract. Sales are inclusive of excise duty and delivery charges, if any and net of Trade Discounts. But incentive schemes, cash discounts and rebates are separately booked as expenditure. However, excise duty relating to sales is reduced from gross turnover for disclosing net turnover.

## Note

- (iii) Sale of power to Tamil Nadu Electricity Board (TNEB) is accounted for based on the meter reading as per the metering equipments of TNEB installed at the Power Grid.
- (iv) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
- (v) Other income is accounted for on accrual basis as and when the right to receive arises.

### (D) Inventories

- (i) Raw Materials and finished goods are valued at Cost or Net Realisable value, whichever is lower.
- (ii) Cost of inventories comprises material cost on FIFO basis, labour and manufacturing overheads incurred in bringing the inventories to their present location and condition.
- (iii) Inter-divisional transfers are valued, either at works/factory costs of the transferor unit/division, plus other charges.

### (E) Investments

Non-Current Investments are stated at cost. The diminution, if any, in the value of investment, is recognised when such diminution is considered other than temporary.

### (F) Earning Per Share

- (i) Basic earning per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.
- (ii) For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### (G) Provisions, Contingent Liabilities and Contingent Assets

- (i) Provision involving substantial degree of estimation in measurements is recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.
- (ii) Contingent Liabilities are shown by way of notes to the Accounts in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered not probable.
- (iii) A Contingent Asset is not recognized in the Accounts.

### (H) Taxation

- (i) **Current Tax:** Provision for current tax is made on the assessable income at the tax rate applicable to the relevant assessment year. Minimum Alternative Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal tax during the specified period.
- (ii) **Deferred Tax:** The deferred tax asset and deferred tax liability is calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognised only if

## Note

there is a virtual certainty of their realisation, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognised, only to the extent there is a reasonable certainty of its realisation. At each Balance Sheet date, the carrying amount of deferred tax assets is reviewed to obtain reassurance as to realisation.

### (I) Foreign Currency Transactions

- (i) **Initial Recognition:** Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency as at the date of the transaction.
- (ii) **Conversion :** Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction.
- (iii) **Exchange Differences :** Exchange differences arising on the settlement of monetary items are recognised as income or as expense in the year in which they arise.
- (iv) **Forward Exchange Contracts :** The Company enters into Forward Exchange Contracts which are not intended for trading or speculation purposes. The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the Statement of Profit & Loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of foreign exchange contract is recognised as income or expense for the year.
- (v) **Derivative Financial Instruments and Hedging :** The Company enters into derivative financial instruments to hedge foreign currency risk of firm commitments and highly probable forecast transactions and interest rate risk. The method of recognizing the resultant gain or loss depends on whether the derivative is designated as Hedging instrument, and if so, the nature of the item being hedged. The carrying amount of a derivative designated as a hedge is presented as a current asset or a liability.
- (vi) **Cash Flow Hedge :** Forward exchange contracts entered into to hedge foreign currency risks of firm commitments forecast transactions, forward rate options, currency and interest rate or highly probable swap that qualifies as cash flow hedges are recorded in accordance with the principles of hedge accounting enunciated in Accounting Standard (AS) 30 - "Financial Instruments: Recognition and Measurement" issued by the Institute of Chartered Accountants of India. The gains or losses on designated hedging instruments that qualify as effective hedges are recorded in the Hedging Reserve account and are recognized in the statement of Profit and Loss in the same period or periods during which the hedge transactions affect Profit and Loss Account.

### (J) Export Incentives

Export Incentives are accounted for on the basis of export sales effected during the period on accrual basis.

### (K) Impairment of Assets

The carrying amounts of assets are reviewed at each Balance Sheet date. If there is any indication of impairment based on internal/external factors, i.e. when the carrying amount of the asset exceeds the recoverable amount, an impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. An impairment loss recognised in prior accounting periods is reversed or reduced if there has been a favourable change in the estimate of the recoverable amount.

# Note

## **(L) Employee Benefits**

Contributions are made to Provident Fund and Employees State Insurance as per the provisions of Provident Fund Act and ESI Act respectively and are charged to the Profit and Loss account. The Company has no further obligations beyond its monthly contributions to the respective funds. Provision for gratuity and leave encashment are not made and are recognised as and when incurred. Termination benefits are recognised as expenditure as and when incurred.

## **(M) Borrowing Costs**

- (i) Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised for the period until the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use.
- (ii) Other Borrowing costs are recognised as expense in the period in which they are incurred.

## **(N) Research & Development Expenses**

Revenue expenditure on Research and Development is charged as an expense through the normal heads of account in the year in which the same is incurred. Capital expenditure incurred on equipment and facilities that are acquired for research and development activities is capitalized and is depreciated according to the policy followed by the Company.

## **(O) Leases**

Assets taken on lease, under which all the risks and rewards of ownership are effectively retained by the lessor, are classified as operating lease. Operating Lease payments are recognised as an expense in the Profit & Loss Account on a straight line basis over the lease term.

## **(P) Material Events occurring after Balance Sheet date are taken into consideration.**

# Note

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

### Note: 2 - Share Capital

(Amount in ₹)

- 2.1 **Authorised Share Capital**  
80,00,000 Equity Shares of ₹ 10/= each

**Issued, Subscribed & Paid Up Share Capital**  
77,45,160 Equity Shares of ₹ 10/= each

As At 31st March, 2014	As At 31st March, 2013
80000000	80000000
77451600	77451600

- 2.2 **Reconciliation of number of shares outstanding at the beginning and at the end of the year**

Particulars	As At 31st March, 2014		As At 31st March, 2013	
	No of Shares	Amount	No of Shares	Amount
Equity Shares at the beginning of the Year	7745160	77451600	7745160	77451600
Movement during the year	0	0	0	0
Equity Shares at the end of the Year	7745160	77451600	7745160	77451600

- 2.3 **Terms/Rights, Preferences and Restrictions attached to the Equity Shares**

The company has only one class of equity shares having a par value of ₹ 10 per share which does not enjoy any preferential right or bear any restriction with regard to distribution of dividend or repayment of capital. Each holder of equity shares is entitled to one vote per share.

- 2.4 **Details of shareholders holding more than 5% shares of the Company**

Name of the Shareholder	As At 31st March, 2014		As At 31st March, 2013	
	No. of Shares	% Held	No. of Shares	% Held
Simplex Impex Pvt Ltd	2673520	34.52	2673520	34.52
Shakuntala Exim Pvt Ltd	1000000	12.91	1000000	12.91
Dynamic Tie-up Pvt Ltd	599700	7.74	599700	7.74
Arntek Marketing Pvt Ltd	542400	7.00	542400	7.00

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

# Note

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

### Note: 3 - Reserves & Surplus

(Amount in ₹)

	As At 31st March, 2014	As At 31st March, 2013
<b>3.1 General Reserve</b>		
Balance as at the beginning of the year	100500496	100500496
Add Transferred from Statement of Profit & Loss	0	0
<b>Balance at the end of the year</b>	<b>100500496</b>	<b>100500496</b>
<b>3.2 Amalgamation Reserve</b>		
Balance as at the beginning of the year	125362713	125362713
<b>3.3 Hedging Reserve</b>		
Balance as at the beginning of the year	-951106	0
Add Movement during the year	2116231	-951106
<b>Balance at the end of the year</b>	<b>1165125</b>	<b>-951106</b>
<b>3.4 Securities Premium Account</b>		
Balance as at the beginning of the year	140000000	140000000
Add Shares issued during the year	0	0
<b>Balance at the end of the year</b>	<b>140000000</b>	<b>140000000</b>
<b>3.5 Surplus/(deficit) in the Statement of Profit and Loss</b>		
Balance as per last Balance Sheet	443403346	342457976
Add Profit during the year	137194564	111747312
Less Appropriations		
Proposed Equity Dividend	-11617740	-9294192
Tax on Proposed Equity Dividend	-1884688	-1507750
<b>Net surplus in the Statement of Profit and Loss</b>	<b>567095482</b>	<b>443403346</b>
<b>Total Reserves &amp; Surplus</b>	<b>934123816</b>	<b>808315449</b>
<b>Total</b>	<b>934123816</b>	<b>808315449</b>

# Note

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

### Note: 4 - Long Term Borrowings

(Amount in ₹)

#### 4.1 Secured

Term Loan from Banks  
Term Loan from Financial Institutions

#### Unsecured

Loan from Related Parties  
Loan from Body Corporates

	As At 31st March, 2014	As At 31st March, 2013
	268337323	214600000
	319443	0
	111178756	171133013
	10364331	0
<b>Total</b>	<b>390199853</b>	<b>385733013</b>

#### 4.2 Security

Loan from Bank and Financial Institutions for purchase of Fixed Assets are secured against the fixed assets purchased out of those loans.

#### 4.3 Repayment Terms

- Term Loan from Allahabad Bank is repayable in 24 equated quarterly installments of ₹ 1,02,00,000/- starting from 30.06.2011 and the last instalment will be falling due on 30.06.2017.
- Term Loan from Allahabad Bank was repayable in 11 equated quarterly installments of ₹ 17,00,000/- starting from 30.12.2010 and the last instalment was due on 30.06.2013.
- Term Loan from ICICI Bank is repayable in 20 equated quarterly installments of ₹ 50,00,000/- starting from 19.08.2012 and the last instalment will be falling due on 19.08.2017.
- Term Loan from ICICI Bank is availed only to the tune of ₹16,11,50,074/- out of the total loan sanctioned of ₹ 25,00,00,000/- and out of the same ₹ 86,25,883/- was repaid during the year. The same shall be repayable as per the final repayment schedule to be fixed by the bank.
- Term Loan from ICICI Bank is repayable in 16 equated quarterly installments of ₹ 15,01,382/- starting from 30.04.2014 and the last instalment will be falling due on 30.04.2018.
- Term Loan from Kotak Mahindra Prime Ltd ( NBFC ) was repayable in 36 equated monthly installments of ₹ 59,535/- starting from 31.03.2011 and the last instalment was due on 31.03.2014.
- Term Loan from Daimler Financial Services (I) Pvt Ltd ( NBFC ) was repayable in 36 equated monthly installments of ₹ 13,889/- starting from 28.02.2014 and the last instalment was due on 28.02.2017.
- Unsecured Loans are repayable at the will of the management or lenders after three years from the date of receipt of such loan.

#### 4.4 The applicable rate of interest on the above term loans during the year are

- Term Loan from Allahabad Bank carries interest rate of 13.20% p.a. on reducing balance basis.
- Term Loan from Allahabad Bank carries interest rate of 12.20% p.a. on reducing balance basis.
- Term Loan from ICICI Bank Ltd carries interest rate of 13.50% p.a. on reducing balance basis.
- Term Loan from ICICI Bank Ltd carries interest rate of 13.25% p.a. on reducing balance basis.
- Term Loan from ICICI Bank Ltd carries interest rate of 13.25% p.a. on reducing balance basis.
- Term Loan from Kotak Mahindra Prime Ltd ( NBFC ) carries interest rate of 4.12% p. a. on reducing balance basis.
- Term Loan from Daimler Financial Services (I) Pvt Ltd ( NBFC ) is interest free.
- Unsecured Loans from Related Parties carries interest rate of 9% p.a.



# Note

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

### Note: 5 - Deferred Tax Liabilities

(Amount in ₹)

#### Deferred Tax Liability

Fixed Assets : Impact of difference between depreciation as per Income Tax and depreciation charged for the financial reporting

Advertisement Expenses : Impact of carried forward deferred revenue expenditure

	As At 31st March,2014	As At 31st March,2013
	28985462	37217931
	0	10849593
<b>Total</b>	<b>28985462</b>	<b>48067524</b>

### Note: 6 - Other Long Term Liabilities

Long Term Security Deposit  
Other Long Term Payables

	As At 31st March,2014	As At 31st March,2013
	30245230	81473295
	47500000	0
<b>Total</b>	<b>77745230</b>	<b>81473295</b>

### Note: 7 - Short Term Borrowings

#### 7.1 Secured

Working Capital Loan from Banks

	As At 31st March,2014	As At 31st March,2013
	1026020442	1126276915
<b>Total</b>	<b>1026020442</b>	<b>1126276915</b>

#### 7.2 Security

Secured Loan From Banks are secured against first charge by way of hypothecation of raw materials, stocks, book debts, stores & spares and all other current assets created out of the bank's finance along with the future additions and also by the personal guarantee of the directors of the Company.

# Note

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

### Note: 8 - Trade Payables

(Amount in ₹)

Trade Payables ( Including Acceptances )

	As At 31st March,2014	As At 31st March,2013
	623866622	497622787
<b>Total</b>	<b>623866622</b>	<b>497622787</b>

### Note: 9 - Other Current Liabilities

 Current Maturities of Long Term Debt  
 ( Above amount is repayable within a year )  
 Interest accrued and due on borrowings  
 Statutory Dues Payables  
 Other Payables

	As At 31st March,2014	As At 31st March,2013
	95975657	65141864
	10277903	11358903
	38630193	30869668
	147081669	120135150
<b>Total</b>	<b>291965422</b>	<b>227505585</b>

### Note: 10 - Short Term Provisions

 Provision for Income Tax  
 Provision for Proposed Dividend  
 Provision for Corporate Dividend Tax

	As At 31st March,2014	As At 31st March,2013
	6540080	114000000
	11617740	9294192
	1884688	1507750
<b>Total</b>	<b>20042508</b>	<b>124801942</b>

# Note

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

### Note : 11 Fixed Assets

Sl No.	Description	Deprn. Rate	Gross Block				Depreciation				Net Block		
			As at 01/04/2013	Addition	Deductions/ Adjustments	As at 31/03/2014	As at 01/04/2013	For the Year	Deductions/ Adjustments	Up to 31/03/2014	As at 31/03/2014	As at 31/03/2013	
			(Amount in ₹)										
<b>Tangible Assets</b>													
1.	Land	-	13401889	0	0	13401889	0	0	0	0	0	13401889	13401889
2.	Land - Mill	-	33790000	0	0	33790000	0	0	0	0	0	33790000	33790000
3.	Building	10.00%	52897422	6882555	0	59579977	17252686	13148173	0	30400759	0	29179218	35644836
4.	Building - Mill	10.00%	124006172	0	0	124006172	28187586	0	0	28187586	0	95818586	95818586
5.	Building - Process Unit	-	5788715	0	0	5788715	0	0	0	0	0	5788715	5788715
6.	Computers & Accessories	40.00%	6288799	443108	0	6731907	4933671	615284	0	5548955	0	1182952	1355128
7.	Plant & Machinery	13.91%	40656536	20679842	0	61336377	12778150	6398430	0	19177580	0	42158788	27878386
8.	Furniture & Fixtures	18.10%	5724923	5154473	0	10879396	2887877	924779	0	3812656	0	7068740	2837046
9.	Motor Cars	25.89%	17579136	6127331	-533509	23172958	8795823	2934765	-395701	11324887	0	11848071	8793313
10.	Motor Cycles	25.89%	1234701	32520	-75955	1191266	841516	102696	-61663	882549	0	308717	393185
11.	Wind Mill	15.33%	270332537	0	0	270332537	90213318	27612276	0	117825594	0	152506943	180119219
12.	Plant & Machinery	27.82%	28189377	16324560	0	44513937	10580726	5165286	0	15746012	0	28767925	17608651
13.	Plant & Machinery - Mill	27.82%	208764561	0	0	208764561	103248426	30528635	0	133777061	0	74987500	105516135
14.	Electrical Installations	27.82%	3894112	2115882	0	6009994	1814934	763718	0	2578652	0	3431342	2079178
15.	Tools & Accessories	13.91%	858358	254461	0	1112819	186431	120891	0	307322	0	805497	671927
16.	Air Conditioning Plant	13.91%	0	2684186	0	2684186	0	0	0	0	0	2684186	0
<b>Intangible Assets</b>			813407237	60489917	-609464	873296590	281711043	86315933	-457364	369669612	503727078	531696194	
17.	Computer Software	40.00%	885220	0	0	885220	548116	135562	0	683678	0	201542	337104
			885220	0	0	885220	548116	135562	0	683678	0	201542	337104
<b>Total</b>			814292457	60489917	-609464	874181910	282259159	88451495	-457364	370253290	503928620	532033298	
<b>Previous Year</b>			738454580	87883636	-12045759	814292457	182194893	100412262	-347996	282259159	532033298	556259686	
<b>Capital Work In Progress</b>			0	0	0	0	0	0	0	0	0	252504839	25963756

# Note

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

### Note: 12 - Non-Current Investments

(Amount in ₹)

Trade Investments ( Valued at Cost unless stated Otherwise )  
Investment in Equity Instruments ( Unquoted )

West Bengal Hosiery Park Infrastructure Ltd

Aggregate of Unquoted Investments

Face Value	As At 31st March,2014 ( No. )	As At 31st March,2013 ( No. )	As At 31st March,2014 Amount	As At 31st March,2013 Amount
10	1000	1000	10000	10000
			<b>10000</b>	<b>10000</b>

### Note: 13 - Long Term Loans and Advances

Unsecured

Capital Advances

Security Deposits

Total

As At 31st March,2014	As At 31st March,2013
27000000	27000000
14535483	11584576
<b>41535483</b>	<b>38584576</b>

### Note: 14 - Other Non Current Assets

Fixed Deposit with Banks

- Deposits with original maturity for more than 12 months

Total

As At 31st March,2014	As At 31st March,2013
2033993	31249408
<b>2033993</b>	<b>31249408</b>

### Note: 15 - Inventories

As taken, valued and certified by the Management

Raw Materials

Stock-in-Trade ( Finished Goods )

Total

As At 31st March,2014	As At 31st March,2013
630554053	680376707
436649052	558439294
<b>1067203105</b>	<b>1238816001</b>

# Note

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

(Amount in ₹)

### Note: 16 - Trade Receivables

( Unsecured, considered good )  
 Debts outstanding for a period exceeding six months from  
 the date they became due for payment  
 Other debts

As At 31st March,2014	As At 31st March,2013
9358730	14517290
1404608223	1088779273
<b>Total</b>	<b>1103296563</b>

Total

### Note: 17 - Cash and Cash Equivalents

Cash on hand  
 Balances with Banks  
 - Current Accounts

As At 31st March,2014	As At 31st March,2013
894319	1197718
99456220	200812850
<b>Total</b>	<b>202010568</b>

Total

### Note: 18 - Short Term Loans and advances

( Unsecured, considered good )  
 Loans & Advances to related parties  
 Other Loans & Advances  
 Advances ( Recoverable in cash or in kind or for  
 value to be received ) :  
 Income Tax  
 Other Receivables  
 Pre-Paid Expenses  
 Trade & Misc. Advances

As At 31st March,2014	As At 31st March,2013
10062560	9550000
6911210	8222815
1744515	96215707
54983130	27631373
6374238	14128174
5962414	13590728
<b>Total</b>	<b>169338797</b>

Total

### Note: 19 - Other Current Assets

Interest Accrued But not Due  
 - On Bank's Fixed Deposits  
 - On Other Loans & Advance  
 Unamortised Expenses

As At 31st March,2014	As At 31st March,2013
869837	390238
1959520	2109797
0	33445109
<b>Total</b>	<b>35945144</b>

Total

# Note

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

### Note: 20 - Revenue From Operations

(Amount in ₹)

	Current Year 2013 - 2014	Previous Year 2012 - 2013
Sale of Products :		
Exports	614111494	465212864
Domestic	6145222295	5472373791
	6759333788	5937586654
Other Operating Revenue :		
Sale of By-products/Cotton Waste	60796293	41608169
Duty Drawback	44863293	31947067
Sale of Wind Energy	24268023	29094612
Revenue from Operations (Gross)	6889261397	6040236502
Less: Excise Duty	0	245515112
<b>Total</b>	<b>6889261397</b>	<b>5794721390</b>

### Note: 21 - Other Income

	Current Year 2013 - 2014	Previous Year 2012 - 2013
Interest Income	3898539	3321298
Industrial Promotion Assistance	5525131	3235992
Interest Incentives (TUFS)	4933541	3139365
Export Incentives	0	224412
Claims & Discounts Received	19013839	14059652
Profit On Sale of Fixed Assets	66400	7118019
Sundry Balances Written Back	84834	0
<b>Total</b>	<b>33522284</b>	<b>31098738</b>

### Note: 22 - Cost of Materials Consumed

	Current Year 2013 - 2014	Previous Year 2012 - 2013
22.1 Inventory at the beginning of the year	680376707	641682710
Add: Purchases	3484875786	2818224428
Less: Inventory at the end of the year	630554053	680376707
<b>Cost of Materials Consumed</b>	<b>3534698440</b>	<b>2779530431</b>

# Note

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

### 22.2 Details of Raw Material & Component Consumed

	(Amount in ₹)	
Cotton	499583606	356831658
Yarn	1078221515	815937525
Fabric	1615674215	1420978119
Other Raw Materials	341219104	185783129
<b>Total</b>	<b>3534698440</b>	<b>2779530431</b>

### 22.3 Details of Inventory at the end of the year

	Current Year 2013 - 2014	Previous Year 2012 - 2013
Cotton	110368012	63176575
Yarn	73053372	79203292
Fabric	402012361	473582886
Other Raw Materials	45120308	64413954
<b>Total</b>	<b>630554053</b>	<b>680376707</b>

### Note: 23 - Changes in Inventory of Finished Goods, Stock-in-Process and Stock-in-Trade

	Current Year 2013 - 2014	Previous Year 2012 - 2013
Inventories at the end of the year		
Finished Goods	436649052	558439294
<b>Total (A)</b>	<b>436649052</b>	<b>558439294</b>
Inventories at the beginning of the year		
Finished Goods	558439294	521444362
<b>Total (B)</b>	<b>558439294</b>	<b>521444362</b>
<b>Change in Inventory</b>	<b>Total (A-B)</b>	<b>36994932</b>
	-121790242	36994932

# Note

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

### Note: 24 - Employee Benefits Expense

(Amount in ₹)

	Current Year 2013 - 2014	Previous Year 2012 - 2013
Salary & Bonus	33602185	17209358
Machine Operator Wages	5655326	12852952
Canteen Expenses ( Nett )	2070790	1805580
Staff Recruitment Expenses	194479	279460
Managerial Remuneration	7876786	5200000
<b>Total</b>	<b>49399566</b>	<b>37347350</b>

### Note: 25 - Finance Costs

	Current Year 2013 - 2014	Previous Year 2012 - 2013
Interest Expense		
- On Working Capital Loans	92141241	116880833
- On Term Loans	39148724	26668752
- On Others	9787105	13045059
Applicable Net Gain/Loss on Foreign Currency Transactions and Translations	15176448	30473851
<b>Total</b>	<b>156253518</b>	<b>187068496</b>



# Note

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

(Amount in ₹)

### Note: 26 - Other Expenses

#### 26.1 Manufacturing Expenses

	Current Year 2013 - 2014	Previous Year 2012 - 2013
Bleaching & Dyeing Charges	459065612	400648431
Knitting Charges	82496479	67439135
Cutting Charges	54493636	53131317
Stitching Charges	669146910	599681864
Elastic Making Charges	2552927	7224047
Gas Expenses	1883891	1292058
Carriage Inward	23217109	26212104
Electrical Maintenance Expenses	1537998	1276373
Electricity Expenses	61026612	38433373
Generator Maintenance Expenses	12866200	43088740
Machinery Maintenance Expenses	2897775	5847748

#### Selling & Distribution Expenses

Advertisement & Publicity	451221690	380233110
Freight Charges	91203591	75064086
Ocean Freight Charges	9889491	7271021
Packing & Forwarding Charges	7623123	5517628
Octroi Charges	9864649	8076458
Selling Expenses	28650872	23911478
Schemes, Discounts & Rebates	360544378	505191102
Selling Commission	88019968	70326901

#### Establishment Expenses

Brokerage	559409	1093736
Rent	15222451	11707380
Telephone Expenses	1473443	1462402
Sales Incentives	174456516	151109969
Sales Promotion Expenses	80135773	36703376
Generator Expenses	1227534	1271008
Computer Consumables	1537860	908710
Membership & Subscription	104833	142062
Electricity Charges	5806636	4534908

# Note

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

### Note: 26 - Other Expenses (Contd....)

(Amount in ₹)

Brand Royalty	2978515	2541295
Professional Fees	6103737	3424501
Insurance Charges	3896794	2369190
Sales Tax ( Assessment Dues )	338608	3230216
Sample Testing Charges	164772	212377
Travelling & Conveyance Expenses	3737984	4095146
Bad Debts/Balances Written Off ( Nett )	0	7634284
Printing & Stationery	1803695	1653701
General Expenses	5627928	4781102
Postage & Stamps	1826685	2047980
Filing Fees	14435	13085
Lease Rent	180000	180000
Legal Charges	2617045	1231067
Vehicle Expenses	4285370	3170735
Motor Cycle Expenses	1070496	867513
Delivery Charges	7508414	5850184
Donation	500000	0
Excise Duty Paid	19075	157645
Repairs & Maintenance	11294866	10403736
Security Service Charges	3393674	2461594
Stock Exchange Listing Fee	31461	30163
Registrar's Fee	22472	19382
Rates & Taxes	446090	428997
Bank Charges	9266925	6745681
Payment to Auditors	390000	280000
<b>Total</b>	<b>2766246407</b>	<b>2592630099</b>

### 26.2 Payment to Auditors includes:

#### a) Audit Fees

- Statutory Fees
- Tax Audit Fees
- VAT Audit Fees

#### b) Other Services

**Total**

	Current Year 2013 - 2014	Previous Year 2012 - 2013
	300000	225000
	50000	25000
	10000	5000
	30000	25000
<b>Total</b>	<b>390000</b>	<b>280000</b>

# Note

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

27 Details of Transactions entered into with related parties during the year as required by Accounting Standard (AS) - 18 on "Related Party Disclosures" issued by The Institute of Chartered Accountants of India are as under:

### a) Key Management Personnel

- 1) Mr Din Dayal Gupta, Chairman
- 2) Mr Vinod Kumar Gupta, Managing Director
- 3) Mr Binay Kumar Gupta, Managing Director
- 4) Mr Krishan Kumar Gupta, Whole Time Director
- 5) Mr Bajrang Lal Gupta, Whole Time Director

### b) Relatives of Key Management Personnel

- 1) Mr Ramesh Kumar Gupta
- 2) Mr Pramod Kumar Gupta
- 3) Mrs Anita Gupta
- 4) Mrs Seema Gupta
- 5) Mrs Nitu Gupta
- 6) Mrs Ruchie Gupta
- 7) Mr Ankit Gupta

### c) Enterprises owned or significantly influenced by the Key Management Personnel or their relatives

- 1) Goldman Trading Pvt Ltd
- 2) Simplex Impex Pvt Ltd
- 3) Amicable Properties Pvt Ltd
- 4) KPS Distributors Pvt Ltd
- 5) Sri Venkateshwara Knitting
- 6) L. M. Garments
- 7) Bhawani Textiles
- 8) Sree Krishna Enterprise
- 9) Dhaksh Knitfab

# Note

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

### d) Details of transactions with related parties during the year/previous year

(Amount in ₹)

Nature of Transaction	1*	2*	3*	Total
<b>A) Transactions during the year :</b>				
<b>Director Remuneration</b>				
1. Vinod Kumar Gupta	2400000	-	-	2400000
	( 1600000 )			( 1600000 )
2. Binay Kumar Gupta	1876786	-	-	1876786
	( 1200000 )			( 1200000 )
3. Krishan Kumar Gupta	1800000	-	-	1800000
	( 1200000 )			( 1200000 )
4. Bajrang Lal Gupta	1800000	-	-	1800000
	( 1200000 )			( 1200000 )
<b>Rent Paid</b>				
1. Vinod Kumar Gupta	311448	-	-	311448
	(309924)			(309924)
2. Krishan Kumar Gupta	72368	-	-	72368
	(69468)			(69468)
3. Bajrang Lal Gupta	278980	-	-	278980
	(277308)			(277308)
4. Goldman Trading Pvt Ltd	-	-	840000	840000
			(840000)	(840000)
5. KPS Distributors Pvt Ltd	-	-	450000	450000
			( 0 )	( 0 )
<b>Rent Received</b>				
1. Sri Venkateshwara Knitting	-	-	700000	700000
			(500000)	(500000)
<b>Brand Royalty</b>				
1. Bhawani Textiles	-	-	2978515	2978515
			(2541295)	(2541295)
<b>Knitting Charges</b>				
1. Sri Venkateshwara Knitting	-	-	3097065	3097065
			(1930404)	(1930404)
2. Dhaksh Knitfab	-	-	1058770	1058770
			( 0 )	( 0 )

# Note

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

(Amount in ₹)

<b>Cutting &amp; Sticking Charges</b>				
1. L. M. Garments	-	-	30747468	30747468
			(31054704)	(31054704)
2. Ramesh Kumar Gupta	-	899677	-	899677
		(1183949)		(1183949)
<b>Bleaching &amp; Dyeing Charges</b>				
1. Sree Krishna Enterprise	-	-	26472099	26472099
			(20994340)	(20994340)
2. Dhaksh Knitfab	-	-	128597	128597
			(0)	(0)
<b>Commission Paid</b>				
1. Ramesh Kumar Gupta	-	2163009	-	2163009
		(1926619)		(1926619)
<b>Interest Paid</b>				
1. Simplex Impex Pvt Ltd	-	-	8867396	8867396
			(9384159)	(9384159)
2. Amicable Properties Pvt Ltd	-	-	0	0
			(2805954)	(2805954)
<b>Interest Received</b>				
1. Sri Venkateshwara Knitting	-	-	1145469	1145469
			(1006521)	(1006521)
<b>B) Closing balances as at the year end :</b>				
<b>Loan Taken</b>				
1. Simplex Impex Pvt Ltd	-	-	119159412	119159412
			(103178756)	(103178756)
<b>Loan Given</b>				
1. Sri Venkateshwara Knitting	-	-	10293482	10293482
			(10455869)	(10455869)
2. Amicable Properties Pvt Ltd	-	-	300000	300000
			(-31925359)	(-31925359)
3. Zest Merchants Pvt Ltd	-	-	500000	500000
			(0)	(0)

# Note

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

(Amount in ₹)

<b>Security Deposit Given</b>				
1. KPS Distributors Pvt Ltd	-	-	3000000 (0)	3000000 (0)
<b>Payables</b>				
1. Ramesh Kumar Gupta	-	2152207 (1893559)	-	2152207 (1893559)
2. Bhawani Textiles	-	-	6971572 (4540909)	6971572 (4540909)
3. L. M. Garments	-	-	1528736 (1086858)	1528736 (1086858)
4. Bajrang Lal Gupta	929087 (749087)	-	-	929087 (749087)
5. Sree Krishna Enterprise	-	-	3888574 (3808761)	3888574 (3808761)
6. Dhaksh Knitfab	-	-	434042 (0)	434042 (0)
<b>Receivables</b>				
1. Sri Venkateshwara Knitting	-	-	238176 (1272442)	238176 (1272442)

\*1. Key Management Personnel.

\*2. Relatives of Key Management Personnel.

\*3. Enterprises over which key management personnel and their relatives exercise significant influence.

### Notes :

- The related party relationship is as identified by the Company and relied upon by the Auditors.
- Transactions with related parties have been disclosed for the period of existence of relationship.  
Previous year transactions with parties that have ceased to be related parties in the current year have been excluded in above details as the relationship did not exist.
- Figures in bracket are those as at and for the year ended 31st March, 2013.

# Note

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

### 28 Earnings Per Share (EPS) :

Profit after tax as per Statement of Profit and Loss attributable to equity shareholders  
 Weighted average number of Equity Shares of ₹10/= each outstanding during the year:

Earnings Per Share ( Basic & Diluted )  
 Face Value per equity shares

Amount ( in ₹ )	
Year ended 31-Mar-2014	Year ended 31-Mar-2013
137194564	111747312
7745160	7745160
17.71	14.43
10.00	10.00

- 29 No employee of the company is in receipt of remuneration in excess of the amount specified U/s 217 (2A) of the Companies Act, 1956.
- 30 Provision is made for Income tax liability estimated to arise on the financial results for the year at the current rate of tax in accordance with the provisions of Income Tax Act, 1961.
- 31 A search was conducted on 7th November, 2013 by the Income Tax Department at various business premises of the company. Since some documents and vouchers were seized, the audit has been conducted on the basis of certified photocopies of such vouchers/documents. The final tax liability arising out of the search operation shall be determined only after completion of the assessments.
- 32 Balances and transactions of parties appearing under the head Debtors, Creditors and Advances are subject to confirmations. In opinion of the Directors, Current Assets, Loans and Advances have the value at which they are stated in the Balance Sheet if realised in the ordinary course of business. The provision for depreciation and other known liabilities are adequate and not in excess of the amount reasonably necessary.
- 33 The Company has not received any intimation from the 'suppliers' under the Micro, Small and Medium Enterprises Development Act, 2006 and therefore disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been given.

# Note

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

34 Coningent Liability not provided for in respect of :

- (i) Bank Guarantee ₹ 43.87 Lacs ( Previous Year: ₹ 18.73 Lacs )
- (ii) Central Excise Matters ( Under Appeal ) ₹ 3.06 Lacs ( Previous Year: ₹ 3.06 Lacs )

35 The company has only one main business segment "Hosiery Goods". Further, since virtually all sales are effected in the domestic market, there is only one geographical segment. Therefore the disclosure requirements for "Segment Reporting" are not applicable to the company.

36 (i) Foreign Exchange Earnings and Outgo :

Earnings in Foreign Currency  
Expenditure in Foreign Currency

Amount ( in Lacs )	
Year ended 31-Mar-2014	Year ended 31-Mar-2013
5889	4356
2214	429

(ii) Value of imported and indogenous raw materials and components, stores and spare parts consumed and percentage of each to the total consumption :-

	Amount ( in ₹ )		Percentage	
	2013-14	2012-13	2013-14	2012-13
<b>Raw Materials</b>				
Indigenous	3409353628	2769385084	96.45	99.63
Imported	125344812	10145347	3.55	0.37
	<b>3534698440</b>	<b>2779530431</b>	<b>100.00</b>	<b>100.00</b>

37 Comparative Financial information (i.e. the amounts and other disclosure for the preceding year) presented above, is included as an integral part of the current year's financial statements, and is to be read in relation to the amounts and other disclosures relating to the current year. Figures of the previous year are regrouped and reclassified wherever necessary to correspond to figures of the current year.

As per our report of even date attached

For **AMIT VED GARG & CO.**

Chartered Accountants

Firm Regn. No.325121E

( **CA. A. Garg** )

Proprietor

Membership No.061677

Kolkata

Date: May 30, 2014.

For and on behalf of the Board

( V. K. Gupta )

( Managing Director )

( K. K. Gupta )

( Director )

( A. Banerjee )

( Secretary )





# E-mail ID Registration Form

To  
**Dollar Industries Ltd**  
 'Om Towers', 32, J.L. Nehru Road  
 Kolkata – 700 071

Dear Sir,

I hereby give my consent to receive all future communications from Dollar Industries Ltd. at my below email id and/or at my e-mail registered with my/our depository:-

DP ID  CLIENT ID  FOLIONO.

E-mail id \_\_\_\_\_ Alternative email id \_\_\_\_\_

Thanking you,

Yours faithfully,

.....  
 Signature of Sole / 1st Holder

.....  
 Name

.....  
 Date

**Note :** You are requested to register your email address with your depositories or by signing and returning this slip to the Company or to the Registrar & Transfer Agent M/s. Niche Technologies Pvt. Ltd. or by way of an email to [investors@dollarinternational.com](mailto:investors@dollarinternational.com) at the earliest.

# Form No: MGT - 11

## PROXY FORM

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

CIN : L17299WB1993PLC058969  
 Name of the company : Dollar Industries Limited  
 Registered office : 'Om Tower', 32, J.L. Nehru Road, 12th Floor, Kolkata – 700 071.

Name of the member (s):

Registered Address :  
 E-mail Id :  
 Folio No/ Client Id :  
 DP ID :

I/We, being the member (s) of \_\_\_\_\_ shares of Dollar Industries Ltd, hereby appoint:

1. Name :  
 Address :  
 E-mail Id :  
 Signature: \_\_\_\_\_, or failing him
2. Name :  
 Address :  
 E-mail Id :  
 Signature: \_\_\_\_\_, or failing him
3. Name :  
 Address :  
 E-mail Id :  
 Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **Annual General Meeting** of the Company, to be held on the 29th day of September, 2014 at 11.30 A.M. at 'Om Tower', 32, J.L. Nehru Road, 12th Floor, Kolkata – 700 071, and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution Proposed
1	Adoption of Audited Balance Sheet as at 31st March, 2014 and Profit & Loss Account for the year ended on that date, together with the Report of Board of Directors' and Auditors' thereon.
2	Declaration of Dividend.
3	Approval for the re-appointment of Mr. Din Dayal Gupta, Director retiring by rotation
4	Approval for the appointment of M/s Amit Ved Garg & Co., Chartered Accountants as the Statutory Auditors of the Company and authorize the Board to fix their remuneration.
5	Approval for the appointment of Mr. Binay Kumar Gupta as a Managing Director of the Company.
6	Approval for the appointment of Mr. Binay Kumar Agarwal as an Independent Director of the Company
7	Approval for the appointment of Mr. Ashok Kumar Goel as an Independent Director of the Company
8	Approval for the appointment of Mr. Pawan Kumar Agarwal as an Independent Director of the Company

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2014

Signature of shareholder :

Signature of Proxy holder(s) :

Affix a  
 Revenue Stamp  
 of Re. 1/-

### Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



# Form No: MGT - 11

2. For the full text of the aforesaid resolutions, statements and notes, please refer to the Notice including the explanatory statement, convening this Annual General Meeting of the Company.

(Tear here)

### ATTENDANCE SLIP

Name of Shareholder (In block letters)	Folio No. / DP id & Client id	No. of shares held

I/We hereby record my/our presence at the ANNUAL GENERAL MEETING of the Company to be held on Monday, September, 29, 2014 at 11.30 A.M. at 'Om Tower', 32, J.L. Nehru Road, 12th Floor, Kolkata – 700 071.

Signature of Member(s)/Proxy

**Note :** Shareholders attending the meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the ENTRANCE of the meeting venue.

(Tear here)

### ELECTRONIC VOTING PARTICULARS

EVSN ( E-voting Sequence Number)	User ID	Password
140822062	Please refer to Note No. 14-Point No. II* in the Notice of the AGM	



**DOLLAR INDUSTRIES LTD.**

(AN ISO 9001: 2008 CERTIFIED ORGANISATION)

Om Tower | 12th Floor | 32 J. L. Nehru Road | Kolkata - 700 071 | India  
Phone: 2288 4064-66 | Fax: (033)2288 4063 | Email: bhawani@dollarinternational.com | www.dollarinternational.com

**BRANCH**

8/624 Avinashi Gounder Palayam | Angeripalayam Road | Tirupur - 641 603 | India  
Phone: (0421)248 5716, 247 4101, 247 4104 | Fax: (0421) 247 4102 | Email: tirupur@dollarinternational.com