



**Nagreeka**  
EXPORTS LIMITED

**TWENTY FIFTH ANNUAL REPORT 2013-2014**

BOARD OF DIRECTORS	: Shri Sushil Patwari — Chairman & Managing Director Shri Sunil Patwari — Vice Chairman & Managing Director Shri Kailash Chandra Purohit — Whole-time Director Shri Mahendra Patwari — Whole-time Director Shri Mohan Kishen Ogra — Director Shri Bibhuti Charan Talukdar — Director Shri Mahabir Prasad Periwal — Director Shri Rajendra M. Rula — Director
COMPANY SECRETARY	: Shri J. Tiwari
BANKERS	: Canara Bank, Overseas Branch, Kolkata, Mumbai Oriental Bank of Commerce, Overseas Branch, Kolkata State Bank of Patiala, Commercial Branch, Mumbai Allahabad Bank, Industrial Finance Branch, Kolkata ICICI Bank, R. N. Mukherjee Road Branch, Kolkata
AUDITORS	: M/s. Das & Prasad Chartered Accountants 4, Chowringhee Lane Kolkata - 700 016
TRANSFER AGENT	: M/s. Maheshwari Datamatics Pvt. Ltd. 6, Mangoe Lane, 2nd Floor, Kolkata - 700 001
REGISTERED OFFICE	: 18, R. N. Mukherjee Road Kolkata - 700 001
CORPORATE OFFICE	: 21-22, Kala Bhavan, 3, Mathew Road Mumbai - 400 004
WORKS	: 1. Village Yavluj, Taluka Panhala, Dist. Kolhapur (Maharashtra) 2. Plot No. T-48, MIDC, Kagal-Hatkanangale Five Star Industrial Area, Village - Talandage Taluka Hatkanangale, Dist. Kolhapur (Maharashtra)

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## NOTICE

Notice is hereby given that the 25th Annual General Meeting of the **Members of Nagreeka Exports Limited**, will be held at **Bengal National Chamber of Commerce and Industry**, 23, R.N. Mukherjee Road, Kolkata-700 001, on Wednesday, the 10th September, 2014 at 10.30 a.m. to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014, the Profit and Loss Account for the year ended on that date and reports of the Directors and the Auditors thereon.
2. To declare dividend for the financial year 2013-14
3. To appoint a Director in place of Mr. Mahendra Patwari DIN(00024002), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors of the Company and to fix their remuneration.

### SPECIAL BUSINESS

5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as **ordinary resolution**:  
"RESOLVED that pursuant to the provisions of section 149 and other applicable provisions of the Companies Act, 2013 read with the rules made thereunder, approval be and is hereby accorded to the appointment of Shri M.K.Ogra (DIN 01081215) in respect of whom a notice in writing pursuant to section 160 of the Companies Act, 2013 has been received in the prescribed manner, as an Independent Director on the Board of the Company for consecutive period of 5 (five) years, effective from 1st April, 2014 up to 31st March, 2019."
6. To consider and, if thought fit, to pass with or without modification(s), the following resolution as **ordinary resolution**:  
"RESOLVED that pursuant to the provisions of section 149 and other applicable provisions of the Companies Act, 2013 read with the rules made thereunder, approval be and is hereby accorded to the appointment of Shri B.C.Talukdar (DIN 00024015) in respect of whom a notice in writing pursuant to section 160 of the Companies Act, 2013 has been received in the prescribed manner, as an Independent Director on the Board of the Company for consecutive period of 5 (five) years, effective from 1st April, 2014 up to 31st March, 2019."
7. To consider and, if thought fit, to pass with or without modification(s), the following resolution as **ordinary resolution**:  
"RESOLVED that pursuant to the provisions of section 149 and other applicable provisions of the Companies Act, 2013 read with the rules made thereunder, approval be and is hereby accorded to the appointment of Shri R.M.Ruia (DIN 01300823) in respect of whom a notice in writing pursuant to section 160 of the Companies Act, 2013 has been received in the prescribed manner, as an Independent Director on the Board of the Company for consecutive period of 5 (five) years, effective from 1st April, 2014 up to 31st March, 2019."
8. To consider and, if thought fit, to pass with or without modification(s), the following resolution as **ordinary resolution**:  
"RESOLVED that pursuant to the provisions of section 149 and other applicable provisions of the Companies Act, 2013 read with the rules made thereunder, approval be and is hereby accorded to the appointment of Shri M.P.Periwal (DIN 00008112) in respect of whom a notice in writing pursuant to section 160 of the Companies Act, 2013 has been received in the prescribed manner, as an Independent Director on the Board of the Company for consecutive period of 5 (five) years, effective from 1st April, 2014 up to 31st March, 2019."
9. To consider and, if thought fit, to pass with or without modification(s), the following resolution as **ordinary resolution**:  
"RESOLVED THAT in terms of Section 148 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit & Auditors) Rules 2014, including any statutory modifications or re-enactment thereof for the time being in force. M/s V.J. Talati & Co., Cost Accountants in practice, Mumbai, being cost auditors appointed by Board of Directors of the Company to conduct the cost audit for the financial year ending 31st March, 2015, be paid remuneration as set out in statement annexed to the notice convening the meeting.  
"FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

## NOTICE (Contd.)

10. To approve revision in the remuneration of the Chairman & Managing Director for the remaining term of his office and in this regard to consider and, if thought fit, to pass with or without modification(s), the following resolution as **ordinary resolution**:

"RESOLVED THAT pursuant to 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), and pursuant to the recommendations of the Board of Directors (herein after referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board), approval of the Company be and is hereby accorded to the revision in remuneration of Mr.Sushil Patwari, Chairman & Managing Director, with effect from 1st July,2014, for the remainder of his term of office i.e. up to 30th September 2016 with liberty to the Board to alter and vary the terms and conditions of remuneration as it may deem fit and as may be acceptable to Mr. Sushil Patwari, Chairman & Managing Director, 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 where in any financial year, the Company has no profits or its profits are inadequate, during the term of office of Mr. Sushil Patwari, the remuneration as mentioned in the Relevant Statement pursuant to section 102 of the Companies Act, 2013 and the Agreement shall be the minimum remuneration"

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the to the aforesaid resolutions."

11. To consider and, if thought fit, to pass with or without modification(s), the following resolution as **Special resolution**:

"RESOLVED THAT in supersession of the Ordinary Resolution passed under Section 293(1)(d) of the Companies Act, 1956, at the 23rd Annual General Meeting of the Company held on 27th September, 2012 and pursuant to Section 180 (1)(c) and any other applicable provisions, if any of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Article 96 of the Articles of Association of the Company and all other enabling provisions, if any, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow such sum or sums of monies in any manner, from time to time, as may be required for the purpose of business of the Company with or without security and upon such terms and conditions as it may think fit, notwithstanding that the monies to be borrowed together with monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount so borrowed by the Board of Directors and outstanding at any time shall not exceed the sum of Rs. 1500 crore (Rupees One Thousand Five Hundred Crore)".

12. To consider and, if thought fit, to pass with or without modification(s), the following resolution as **Special resolution**:

"RESOLVED THAT in supersession of the Ordinary Resolution passed under Section 293(1)(a) of the Companies Act, 1956, at the Extra Ordinary General Meeting of the Company held on 30th June, 1993 and pursuant to the provisions of Section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors of the Company (herein after referred to as "the Board" which term shall be deemed to include any Committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this Special Resolution and that the power to delegate such authority to any person(s) to create such charges and/or mortgages and hypothecations in addition to the existing charges, mortgages and hypothecation created by the Company, on such terms and conditions and at such time or times and in such form and manner and with such ranking as to priority as it may think fit, on any of the Company's moveable and immoveable properties and assets, present and future, comprised in any undertaking or undertaking of the company, as the case may be, in favour of the Lenders, viz Financial/Investment Institutions, Bank or Banks and Trustees for the holders of debentures/bonds/other instruments to secure the repayment of loans/borrowings sanctioned and/or to be sanctioned by them from time to time for a sum not exceeding Rs. 1500 crore (Rupees One thousand Five Hundred Crore) at any point of time apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business and inclusive of interest at the respective agreed rates and all other costs, charges & expenses and all monies payable by the Company in respect of such loans/borrowings as may be stipulated in that behalf and agreed to between the Board of Directors and the Lenders.

## NOTICE (Contd.)

RESOLVED FURTHER that for the purpose of giving effect to this Resolution, the Board/committee of Directors of the Company be and is hereby authorized to

- (i) finalize with the Lenders, agreements and other documents, if any, necessary for creating the mortgage(s) and/or charge(s) hypothecation(s) as aforesaid, and to accept any modification(s) to, or modify, alter or vary, the terms and conditions of the aforesaid document and
- (ii) do all such acts, matters and things and to execute all such documents, deeds and instruments in writing as may be required, incidental to and/or expedient for giving effect to this resolution and to resolve any question relating thereto, or otherwise considered by the Board of Directors to be in the best interest of the company".

By order of the Board  
For NAGREEKA EXPORTS LTD

Place : Kolkata  
Date : 29th May, 2014

J.TIWARI  
(Company Secretary)

### NOTE:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL, INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS UPTO AND NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY. FURTHER, A MEMBER HOLDING MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR MEMBER. THE INSTRUMENT APPOINTING PROXY MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF HOLDING THE MEETING.**
2. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, members would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than three (3) days written notice is given to the Company.
3. Statement pursuant to section 102(1) of the Companies Act, 2013 forms part of this Notice.
4. Pursuant to Section 205C of the erstwhile Companies Act, 1956 all unclaimed or unpaid dividends (if any) upto the financial year ended 31st March, 2006 have been transferred to the Investors Education and Protection Fund established by the Central Government
5. Brief details of the directors, who are seeking appointment/ re-appointment, are annexed hereto as per requirements of Clause 49 of the listing agreement.
6. Pursuant to the provisions of section 91 of the Companies Act, 2013, the register of members and share transfer books of the Company will remain closed from **Thursday, 4th September 2014 to Wednesday, 10th September 2014**, both days inclusive.
7. Dividend will be preferably paid through NECS, wherever the facility is available. Where dividend payments are made through NECS, intimations regarding such remittances would be sent separately to the members. In cases where the dividends cannot be paid through NECS, the same will be paid by account payee/ not negotiable instruments.
8. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address as soon as possible. The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the Shareholders/ Depositories for depositing of dividends.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or M/s. Maheshwari Datamatics Pvt. Ltd.

## NOTICE (Contd.)

10. In terms of sections 101 and 136 of the Companies Act, 2013, read together with the rules made thereunder, the listed companies may send the notice of Annual General Meeting and the annual report, including Financial Statements, Board Report, etc. by electronic mode. The Company is accordingly forwarding soft copies of the above referred documents to all those members who have registered their email ids with their respective depository participants or with the share transfer agent of the Company.
11. **To receive shareholders' communications through electronic means, including annual reports and notices, members are requested to kindly register/ update their email address with their respective depository participant, where shares are held in electronic form. If, however shares are held in physical form, members are advised to register their email address with M/s. Maheshwari Datamatics Pvt. Ltd.**
12. Pursuant to clause 35B of the listing agreement, members may vote through ballot form which is enclosed herewith. Duly filled in ballot form should be submitted in sealed envelope to the scrutinizer CA Hari Ram Agarwal, Practicing Chartered Accountants (Certificate of Practice Number 057625), Unit: Nagreeka Exports Limited, C/O Maheshwari Datamatics Pvt. Ltd., so as to reach by **Wednesday, the 3rd September, 2014 (5.30.P.M.)**. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the scrutinizer on the validity of the forms will be final.
13. Voting through electronics means
  1. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 the Company is pleased to offer e-voting facility as an alternative mode of voting which will enable the members to cast their votes electronically on the resolutions mentioned in the notice of 25th Annual General Meeting of the Company.

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

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Now, select "NAGREEKA EXPORTS LIMITED" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID : For CDSL - 16 digits beneficiary ID, For NSDL - 8 Characters DP ID followed by 8 digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on login.
- (v) 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. If you are a first time user follow the steps given below.
- (vi) Now, fill up the following details in the appropriate boxes:

	For Members holding Shares in Demat Form	For Members holding Shares in Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. - Sequence number is communicated in the Attendance Slip/ Covering Letter.</li> </ul>	
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.	
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.</li> </ul>	

## NOTICE (Contd.)

- (vii) After entering these details appropriately, click on 'SUBMIT' tab.
- (viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that these password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this notice.
- (x) Click on the EVSN for the relevant "NAGREEKA EXPORTS LIMITED" on which you choose to vote.
- (xi) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "Resolution File Link" If you wish to view the entire Resolution.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK" else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
  - **In case of members receiving the physical copy:**  
Please follow all steps from sl. no. (i) to sl. no. (xvi) above to cast vote.
- (xvii) The voting period begins on **1st September, 2014 (9.30 AM)** and ends on **3rd September, 2014 (5.30 PM)**. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date on **Friday, 1st August, 2014**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (xviii) In case you have any queries or issues regarding e-voting you may refer the frequently Asked Question ("FAQs") on e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- 2 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 on **Friday, 1st August, 2014**.
- 3 A copy of this notice has been placed on the website of the company and the website of CDSL.
- 4 **CA Hari Ram Agarwal**, Practicing Chartered Accountants (Certificate of Practice Number 057625) has been appointed as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.
- 5 The Scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman.

## NOTICE (Contd.)

- 6 The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.nagreeka.com and on the website of CDSL within two(2) days of passing of the resolutions at the AGM of the company and communicated to the Bombay Stock Exchange Limited and National Stock Exchange of India Limited.
14. Brief details of Directors seeking appointment/Re-appointment at the Annual General Meeting pursuant to clause 49 of the Listing Agreement.

### Details of the Director

Name of Director	Mr. Mahendra Patwari	Mr.M.K. Ogra	Mr. B. C Talukdar	Mr. R.M.Ruia	Mr. K.C. Purohit
Date of Birth	15.03.1963	15.09.1930	01.03.1936	09.01.1957	18.06.1932
Date of appointment	01.07.2004	30.06.2001	30.06.2005	31.07.2008	30.06.2001
Qualification	B.E. From IIT Powai, Mumbai	Graduate in Maths & Statistics and Diploma in Statistics & Quality Control	B.Com., PGDBM.	B.Sc., MBA	D.T.M.
Expertise in specific Functional area	Industrialist having rich business experience	Industrialist having rich business experience	Having rich experience in Industrial and Corporate Laws	Industrialist having rich business experience	Having rich experience in Textile manufacturing.
List of other Directorship held excluding foreign companies, companies under section 25 of the Companies Act, 1956 and Private Companies.	1. Nagreeka Foils Ltd.	1. Nicco Financial Services Ltd 2. Nicco Biotech Ltd. 3. Nagreeka Capital & Infrastructure Ltd. 4. Nicco Engineering Services Ltd. 5. Ne Cables Ltd.	1.Nagreeka Capital & Infrastructure Ltd. 2. H.P. Cotton Textile Mills Ltd.	1. Arco Leasing Ltd.	Nil
Chairman / Member of the committees of the Board of other Companies in which he/she is a Director	NIL	<b>AUDIT COMMITTEE</b> Nagreeka Capital & Infrastructure Ltd. (CHAIRMAN)  <b>SHAREHOLDERS'/ INVESTORS' GRIEVANCE COMMITTEE</b> Nagreeka Capital & Infrastructure Ltd. (CHAIRMAN)	<b>AUDIT COMMITTEE</b> Nagreeka Capital & Infrastructure Ltd. (MEMBER)  H.P. Cotton Textile Mills Ltd. (CHAIRMAN)  <b>REMUNERATION COMMITTEE</b> H.P. Cotton Textile Mills Ltd. (CHAIRMAN)  <b>SHAREHOLDERS' /INVESTORS' GRIEVANCE COMMITTEE</b> H.P. Cotton Textile Mills Ltd. (CHAIRMAN) Nagreeka Capital & Infrastructure Ltd. (MEMBER)	Nil	Nil
Shareholding in the Company	312000	NIL	NIL	19934	NIL



## NOTICE (Contd.)

### STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

#### ITEM NUMBER 5 :

It is proposed to nominate Mr. M.K.Ogra, as Independent Director of the Company for a period of 5 years with effect from 1st April 2014 to 31st March 2019. The Company has received notice in writing under section 160 of the Companies Act, 2013, from a member of the Company proposing that he would propose the name of Mr.M.K.Ogra as Independent Director in the forthcoming Annual General Meeting.

The Company has received a declaration from Mr. M.K.Ogra that he meets the criteria of Independence as provided under section 149 (6) of the Companies Act, 2013 and clause 49 of the Listing Agreement.

The Board of Directors recommends the resolution for the approval of the members.

Save and except Mr.M.K.Ogra, no Director or Key Managerial Personnel of the Company and their relatives are concerned or interested directly or indirectly in the resolution set out under Item no.5

#### ITEM NUMBER 6 :

It is proposed to nominate Mr. B.C.Talukdar, as Independent Director of the Company for a period of 5 years with effect from 1st April 2014 to 31st March 2019. The Company has received notice in writing under section 160 of the Companies Act, 2013, from a member of the Company proposing that he would propose the name of Mr.B.C.Talukdar as Independent Director in the forthcoming Annual General Meeting.

The Company has received a declaration from Mr. B.C.Talukdar that he meets the criteria of Independence as provided under section 149 (6) of the Companies Act, 2013 and clause 49 of the Listing Agreement.

The Board of Directors recommends the resolution for the approval of the members.

Save and except Mr. B.C.Talukdar, no Director or Key Managerial Personnel of the Company and their relatives are concerned or interested directly or indirectly in the resolution set out under Item no.6

#### ITEM NUMBER 7:

It is proposed to nominate Mr. R.M.Ruia, as Independent Director of the Company for a period of 5 years with effect from 1st April 2014 to 31st March 2019. The Company has received notice in writing under section 160 of the Companies Act, 2013, from a member of the Company proposing that he would propose the name of Mr. R.M.Ruia as Independent Director in the forthcoming Annual General Meeting.

The Company has received a declaration from Mr. R.M.Ruia that he meets the criteria of Independence as provided under section 149 (6) of the Companies Act, 2013 and clause 49 of the Listing Agreement.

The Board of Directors recommends the resolution for the approval of the members.

Save and except Mr.R.M.Ruia, no Director or Key Managerial Personnel of the Company and their relatives are concerned or interested directly or indirectly in the resolution set out under Item no.7

#### ITEM NUMBER 8:

It is proposed to nominate Mr. M.P.Periwal, as Independent Director of the Company for a period of 5 years with effect from 1st April 2014 to 31st March 2019. The Company has received notice in writing under section 160 of the Companies Act, 2013, from a member of the Company proposing that he would propose the name of Mr.M.P.Periwal as Independent Director in the forthcoming Annual General Meeting.

The Company has received a declaration from Mr. M.P.Periwal that he meets the criteria of Independence as provided under section 149 (6) of the Companies Act, 2013 and clause 49 of the Listing Agreement.

The Board of Directors recommends the resolution for the approval of the members.

Save and except Mr. M.P.Periwal, no Director or Key Managerial Personnel of the Company and their relatives are concerned or interested directly or indirectly in the resolution set out under Item no.8

#### ITEM NUMBER 9:

In pursuance of section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules,2014, the Board shall appoint an individual Cost Accountant in practice or a firm of Cost Accountants in practice, as Cost Auditor on the recommendation of the Audit Committee. The remuneration recommended by Audit Committee and approved by the Board of Directors are required to be ratified by the members.

## NOTICE (Contd.)

On recommendation of the Audit Committee at its meeting held on 29th May, 2014 at 12.00 Noon, the Board approved the appointment and also the remuneration of Rs. 75000/- payable to M/s V.J. Talati & Co., Cost Accountants in practice, Mumbai, to conduct the Cost Audit for the financial year ending 2015.

The Ordinary Resolution being item no.9 in the notice, is intended for the purpose.

No Director or Key Managerial Personnel, of the Company and their relatives are concerned or interested directly or indirectly in the Ordinary resolution set out under item no.9

### ITEM NUMBER 10:

Mr. Sushil Patwari was re-appointed as Managing Director of the Company with effect from 1st October, 2011 for a period of 5 years to hold office up to September 30, 2016 as per the terms and conditions of re-appointment and remuneration approved by the shareholders at the AGM held on September 27, 2012. The Board of Directors at its meeting held on 29th May, 2014 approved increase in the remuneration payable to Mr.Sushil Patwari from Rs. 2 lacs per month to Rs.3 lacs per month as recommended by Nomination and Remuneration Committee, subject to the approval of the members of the Company.

The revised terms and conditions including remuneration of Mr.Sushil Patwari are as under :

#### (a) Salary:

Rs. 3,00,000/- per month with effect from 01.07.2014.

With such increments as may be decided by the Board of Directors/ Remuneration Committee of the Board of Directors, from time to time, subject to maximum salary of Rs 5,00,000/- per month.

#### (b) Perquisites:

##### i) Housing

- 1) Residential accommodation or house rent allowance at the rate of 60% of salary.
- 2) Expenses pertaining to electricity will be borne / reimbursed by the Company.
- 3) Company shall provide such furniture, fixture and furnishings as approved by the Board of Directors (which includes Remuneration Committee of the Board of Directors) from time to time.

##### ii) Medical Expenses

Reimbursement of actual medical expenses incurred in India and/ or abroad and including hospitalization, nursing home and surgical charges for himself and family.

##### iii) Leave/ Holiday Travel Expenses

Reimbursement of Leave/ Holiday Travel expenses (like travel fare, lodging, boarding, conveyance and other expenses) incurred on or more occasions in a year whether in India or abroad in respect of himself and family subject to the condition that total reimbursement shall not exceed one- month's basic salary per annum. The entitlement for any year to the extent not availed shall be allowed to be accumulated upto next two years.

##### iv) Club Fees

Reimbursement of membership fee upto maximum of two clubs in India including admission and life membership fee.

##### v) Personal Accident Insurance

Personal Accident insurance Policy of such amount as may be decided by the Managing Director/ Board, the premium of which shall not exceed Rs. 10,000/- per annum.

##### vi) Contribution to Provident Fund, Superannuation Fund and Annuity Fund

Company's contribution to Provident Fund, Superannuation and Annuity Fund not exceeding 30% of salary in aggregate.

##### vii) Gratuity

As per Gratuity Act, 1972.

##### viii) Leave

Leave with full pay or encashment thereof as per the Rules of the Company.

##### ix) Car with Driver

The Company will provide Car with Driver for Company's business.

## NOTICE (Contd.)

**x) Telephone**

Free telephone and fax facilities at residence.

**xi) Reimbursement of Entertainment/ Travelling Expenses**

Reimbursement of all entertainment, traveling, hotel and other expenses incurred by Mr. Sushil Patwari during the course of his employment in connection with the business of the Company.

**xii) Sitting Fee**

No sitting fee shall be paid to Mr. Sushil Patwari for attending the meetings of the Board of Directors of the Company or any Committee thereof.

**xiii) Minimum Remuneration**

In the event of inadequacy or absence of profits in any financial year during his tenure, Mr. Sushil Patwari will be entitled to the above remuneration alongwith perquisites / benefits mentioned above as and by way of minimum remuneration.

### Explanation

Provision of Car for use of the Company's business and telephone at residence will not be considered in computing value of perquisites. Personal long distance calls of telephone shall be billed to Mr. Sushil Patwari.

The above may be treated as extract of the terms of reappointment of Mr. Sushil Patwari as Managing Director as per Section 190 of the Companies Act, 2013.

The Draft of revised Service Agreement between the Company and Mr. Sushil Patwari is available for inspection by the Members of the Company at its Registered Office between 11.00 A.M. and 1.00 P.M. on any working day of the Company.

The Board of Directors recommends the resolution for approval of the Members.

Save and except Mr. Sushil Patwari, Mr. Sunil Patwari and Mr. Mahendra Patwari, no Director of the Company or Key Managerial Personnel of the Company, are concerned or interested directly or indirectly in the Ordinary resolution set out under item no.10

### ITEM NUMBER 11:

The members of the Company in the 23rd Annual General Meeting held on 27th September, 2012 had accorded approval, by way of Ordinary Resolution under Section 293(1)(d) of the erstwhile Companies Act, 1956, to the Board of Directors for borrowing up to maximum of Rs 1500 Crore (Rupees One Thousand Five Hundred Crore) at any point of time.

Section 180(1)(c) of the Companies Act, 2013 requires that approval of the members by way of special resolution will be required for authorizing the Board of Directors to borrow in excess of the Company's paid up capital and free reserves, apart from temporary loans obtained from the Company's Bankers in the ordinary course of business. Since it is proposed to authorise the Board of Directors to borrow up to Rs.1500 crores at any point of time, which is in excess of paid up share capital and free reserve of the Company, approval of the members is sought by way of special resolution.

The Board of Directors recommends the special resolution for the approval of members.

No Director or Key Managerial Personnel, of the Company and their relatives are concerned or interested directly or indirectly in the Special resolution set out under item no.10.

### ITEM NUMBER 12:

As per Section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013, consent of the members is required by way of Special Resolution to create charges and/or mortgages and hypothecations.

The Special Resolution, being item no.11 in the notice, is intended for the purpose.

The Board of Directors recommends the special resolution for the approval of members.

No Director or Key Managerial Personnel, of the Company and their relatives are concerned or interested directly or indirectly in the Special resolution set out under item no.11.

By order of the Board  
For NAGREEKA EXPORTS LTD

Place : Kolkata  
Date : 29th May, 2014

**J.TIWARI**  
(Company Secretary)

## DIRECTORS' REPORT

### TO THE MEMBERS

Your Directors have pleasure in presenting the 25th Annual Report on the affairs of your Company together with the Audited Statements of Account for the year ended 31st March, 2014.

### FINANCIAL RESULT

	2013-2014 (Rs. In lacs)	2012-2013 (Rs. In lacs)
Revenue from operation	63028.47	64183.91
Other Income	464.25	302.75
	<u>63492.72</u>	<u>64486.66</u>
<b>PBIDT</b>	<b>3986.52</b>	<b>3470.71</b>
Interest	1985.55	2121.33
Depreciation	992.83	705.29
<b>PROFIT BEFORE TAXATION</b>	<b>1008.14</b>	<b>644.10</b>
Taxation	521.73	202.22
<b>PROFIT AFTER TAXATION</b>	<b>486.41</b>	<b>441.88</b>
Profit Brought Forward from Previous Year	1385.32	1016.56
<b>PROFIT AVAILABLE FOR APPROPRIATIONS</b>	<b>1871.73</b>	<b>1458.44</b>
<b>APPROPRIATIONS</b>		
Proposed Dividend	62.49	62.49
Income Tax on Dividend	10.62	10.62
Balance carried to Balance Sheet	1798.62	1385.33
	<u>1871.73</u>	<u>1458.44</u>

### DIVIDEND

Your Directors have recommended for payment of Dividend to the Equity Shareholders @10% i.e. Rs.0.50 per equity share of Rs. 5 each in respect of the Financial Year 2013-14.

### REVIEW OF OPERATION

During the financial year under review the company has achieved turnover of Rs.63028.47 lacs against Rs.64183.91 lacs in the previous year. The profit before tax is Rs.1008.14 lacs against Rs.644.10 lacs in the previous year, a growth of 56.57%.

The textile industry has seen better domestic consumption and exports during the year under review resulting in healthy demand for the company's products.

The prices of raw cotton moved up sharply between April and October,2013. In the new season beginning October 2013 prices remained approx. 20% higher year on year basis. Though, there is a bumper crop during 2013-14, availability of quality cotton is expected to be tight on account of brisk exports.

The value of the Indian Rupee (INR) vis-a-vis the US Dollar had wide fluctuations during the year. The company has been successful in dealing with these adversities low of Rs.53.75 in early May to high of Rs. 68.80 in end August.

The Company 's yarn dyeing and fibre bleaching facility at Kagal has found good market acceptance for its products and capacity utilisation is growing.

### FUTURE PROSPECT

The cotton prices are expected to remain high. Rising costs of inputs, a general shortage of man power and volatility in foreign exchange markets will continue to challenge the company and the industry.

The improvements and growth in the domestic economy and the expectation of growth of exports of textile products during financial year 2015 by 15%, present opportunities.

## DIRECTORS' REPORT (Contd.)

The company continues to develop projects for additional spinning capacity and denim fabric manufacturing.

### PUBLIC DEPOSIT

Your Company has not accepted any deposits during the year under review within the meaning of Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposit) Rules, 1975.

### DIRECTORS

As per the provisions of the erstwhile Companies Act, 1956 and Articles of Association of the Company Mr. Mahendra Patwari, Wholetime Director, Mr. M.K. Ogra and Mr. R.M. Ruia Independent Directors retire by rotation at the ensuing Annual General Meeting of the Company and being eligible have offered themselves for re-appointment. Sub-section (10) of Section 149 of the Companies Act, 2013 (effective from April 1, 2014) provides that Independent Directors shall be appointed for a term up to five consecutive years on the Board of a Company; and shall be eligible for re-appointment by the shareholders of the Company.

Consequent to notification of Section 149 and other applicable provisions of the Companies Act 2013 your Directors seek appointment of Mr.M.K. Ogra, Mr. B.C. Talukdar, Mr. M.P. Periwal and Mr. R.M. Ruia, as Independent Directors of the Company to hold office for 5 (five) consecutive years, effective from 1st April, 2014 up to 31st March, 2019. Details of the proposal of appointment of Mr. M.K. Ogra, Mr.B.C. Talukdar, Mr.M.P. Periwal and Mr. R.M. Ruia are mentioned in the statement under Section 102 of the Companies Act, 2013 of the notice of the twentyfifth Annual General Meeting.

The Company has received requisite notices in writing from members proposing Mr. M.K. Ogra, Mr. B.C. Talukdar, Mr. M.P. Periwal & Mr. R.M.Ruia, as Independent Directors.

The Company has received declarations from all the above Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchanges.

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

1. In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanations relating to material departures.
2. The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the company at the end of the financial year, 31st March, 2014, and the profit for that period.
3. Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities.
4. The Directors have prepared Annual Accounts on going concern basis.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management discussion and analysis are covered in a separate report annexed hereto and marked as **Annexure "B"**.

### CORPORATE GOVERNANCE

A separate report on Corporate Governance is enclosed as part of this annual report and marked as **Annexure "C"**. Requisite Certificate from the Auditors of the Company regarding compliance of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is annexed to the report of Corporate Governance. Adequate steps to ensure compliance of all the mandatory provisions of 'Corporate Governance' as provided in the Listing Agreements of the Stock Exchanges with which the Company's Shares are listed have been taken and your company has ensured its required compliance.

## DIRECTORS' REPORT (Contd.)

### AUDITORS

M/s. Das & Prasad, Chartered Accountants, Kolkata, the Auditors of the Company, retire at the ensuing Annual General Meeting and are eligible for re-appointment for which company has received a requisite certificate to Section 139 and 141 (3)(g) of the Companies Act, 2013 from M/s. Das & Prasad, the retiring Auditors of your Company regarding their eligibility for re-appointment as Auditors, and we recommend their re-appointment.

### AUDITORS' REPORT

The observation made by the auditors in their Report together with Notes on Accounts are self explanatory and, therefore, do not call for any further explanation under Section 217 (3) of the Companies Act, 1956.

### COST AUDITORS

M/s V.J.Talati & Co. Cost Accountants, was appointed as Cost Auditors for issuing Cost Audit Report of the Company for the F.Y 2013-14. The Cost Audit Report for the F.Y 2012-13 has been filed within prescribed time limits.

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

Information pursuant to Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988 is given in **Annexure -"A"** to this report.

### PARTICULARS OF EMPLOYEES

None of the employees are drawing remuneration exceeding Rs.5.00 Lacs per month or Rs.60.00 Lacs per year. Hence, details required to be furnished in accordance with Sub Section (2A) of Section 217 of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 are not applicable.

### APPRECIATION

We are thankful to various agencies of the Central and State Government(s) for their support and co-operation. Your Directors are also thankful to all stakeholders including customers, bankers and suppliers for their continued assistance, co-operation and support. Your Directors wish to place on record their sincere appreciation of all employees for their commitment and contribution to the Company. The Directors are also grateful for the confidence, faith and trust reposed by the shareholders of the Company.

By order of the Board

Place: Kolkata  
Date: 29th May, 2014

**Sushil Patwari**  
Chairman & Managing Director

## ANNEXURE "A" TO DIRECTORS' REPORT

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

### A. CONSERVATION OF ENERGY

The Plant incorporates the latest technology for the conservation of energy. Particulars with respect to Conservation of Energy are given in Form - A.

#### FORM - A

Form for disclosure of particulars with respect to conservation of energy

	Year Ended 31.03.2014	Year Ended 31.03.2013
<b>1 Power consumption</b>		
i Electricity		
a) Purchased units (in lacs)	<b>370.59</b>	354.92
Total amount (Rs. In lacs)	<b>2,229.32</b>	2,461.73
Rate per unit (Rs.)	<b>6.02</b>	6.94
b) Own Generation		
Through Diesel Generator		
Total Unit Generated (In Lacs)	<b>3.73</b>	1.67
Unit per litre of Diesel Oil	<b>3.39</b>	3.46
Cost per Unit (Rs.)	<b>15.08</b>	12.03
ii. Coal	<b>Nil</b>	Nil
iii. Furnance Oil	<b>Nil</b>	Nil
iv Other Internal Generation	<b>Nil</b>	Nil
<b>2. Consumption per unit of production</b>		
i. Electricity unit per kgs. of yarn	<b>3.69</b>	3.90
ii. Furnance Oil	<b>Nil</b>	Nil

### B. TECHNOLOGY ABSORPTION

#### Effort made in Technology Absorption as per Form - B

Indigenous technology alone is used and Research and Development are carried out by separate Textile Research Association for Textile units, SITRA and BITRA and the Company is a member of these associations.

### C. TOTAL FOREIGN EXCHANGE EARNED AND USED

	Year Ended 31.03.2014	Year Ended 31.03.2013
Earning	<b>4806197899</b>	5054356755
Outgo	<b>147841476</b>	251989766

By order of the Board

Place: Kolkata  
Date: 29th May, 2014

**Sushil Patwari**  
Chairman & Managing Director

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## ANNEXURE “B” TO DIRECTORS’ REPORT

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### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

#### ECONOMIC OUTLOOK

The outlook of the global economic particularly US & Europe is now positive. There are signs of improvement in these economies. The emerging economies of Asia are also expected to fare better in the future.

The recent general election in India has given us a new Government enjoying a clear mandate. There is hope and expectation of strong policy initiatives and significantly better governance. There is optimism in the air.

The new Government still has to tackle challenges presented by stubborn current account deficit, fiscal deficit, growing import bills on account of essentials, such as crude oil, edible oils etc.

There is need to boost growth in manufacturing.

Textiles being one of the major industries with the contribution of 14% to the industrial production, 4% to the GDP and 11% to exports, we expect it to receive favourable attention of the new Government.

#### Cotton Scenario

The global cotton crop for the year 2013-14 is estimated to produce 117.1 million bales. The consumption is expected to be 109.4 million bales resulting in ending stock of 97.9 million bales i.e. an increase of 7.7 million bales.

Over the last few years, the international cotton prices have benefitted from the policies of the Chinese Government. The global stock-to-use ratio is increasing and is at multiyear high with more than 60% of the global stock being in the hands of China. The stock in the hands of China is increasing year to year while the stock with the rest of the world is reducing. The future policies of the Chinese Government with respect to their stock of cotton and future procurements are not fully clear, but will have a huge impact on the cotton markets all over the world.

#### Cotton in India

The cotton production in India is estimated at 38 million bales for the current cotton season 2013-14. It is estimated that the quantity of more than 10 million bales is already exported. Hence in spite of our record crop, availability of cotton for domestic consumption is expected to be very tight and reduction in closing stock in India is likely. The quantity of cotton imported in India is likely to increase in this season.

For the coming season 2014-15 there is an expectation that the area under cotton may increase. However the prediction for monsoon is not very favourable. So we may expect a crop size similar to last year. With prospects of reduced exports, the availability of cotton for domestic industry is expected to be comfortable.

#### COTTON YARN

The production of cotton yarn in India has been increasing over the last two years. There has been good demand for yarn from domestic as well as export market. There has been significant increase in the export of cotton yarn to China.

The prospect of good economic development, growth of organized retail promises increased consumption of textiles within the country. Further, increase in investment in the entire textile value chain to increase India's share in the global exports of textile, will also result in higher consumption of cotton yarn.

#### MANAGEMENT PERCEPTION OF RISK AND CONCERN:

The primary risk factor is raw material prices, cotton, which is the largest component of cost. Since cotton is an agriculture produce, it suffers from climatic volatility in the major cotton producing countries. This in turn creates uncertainties for yarn manufacturers.

Another important issue is the availability, quality and price of power. The availability of good quality power at reasonable prices is critical for sustainability of the industry. However, the cost of power has been continuously increasing, adding to input cost pressure in the industry. The non-availability of skilled manpower along with high labour cost prevailing in the country is growing concern area for textile industry.

We are making all efforts to cope up with the challenges through continuous cost reduction, process improvements, upgradation and de-bottle necking, diversification of products, rationalization of costs, training the workforce on the continued basis, improving efficiencies and creating a strong customer oriented approach.



## ANNEXURE “C” TO DIRECTORS’ REPORT

### CORPORATE GOVERNANCE REPORT

To uphold the spirit of best and transparent business governance the Company actively seeks to adopt good corporate governance practices and to ensure compliance with all relevant laws and regulations. The company conducts business in a manner that is fair and transparent and also perceived to be such by others. In compliance with the requirement of Clause 49 of the Listing Agreement with the stock exchange(s), your company submits the Report on Corporate Governance as under.

#### 1. COMPANY’S PHILOSOPHY ON THE CODE OF GOVERNANCE

Your Company has always believed in the concept of good Corporate Governance involving transparency, empowerment, accountability and integrity with a view to enhancing the Share Holders’ Value. The Company has professionals on its Board of Directors who are actively involved in the deliberations of the Board on all important Policy matters.

#### 2. BOARD OF DIRECTORS

##### COMPOSITION

- i) The Company’s Board at present has eight directors comprising of two Managing Directors, two Whole Time Directors and four Non-Executive Directors. The Company has a Chairman. The numbers of non-executive Directors are equal to 50% of total number of Directors.
- ii) None of the Directors on the Board is a member of more than 10 committees and Chairman of more than 5 committees (as per clause 49(iv) B) across all the companies in which he is a Director. All the Directors have made requisite disclosures regarding committee positions occupied by them in other companies.

The Board met five times, on the following dates, during the financial year 2013-14:

29.05.2013	14.08.2013	24.09.2013	12.11.2013	14.02.2014
------------	------------	------------	------------	------------

The names and categories of Directors on the Board, their attendance at Board Meetings held during the year and at the last Annual General Meeting as also the number of Directorships and committee positions as held by them in other Public Limited Companies as on 31.03.2014 are given below:

Name	Category	No. of Board Meeting held during the Financial Year 13-14	No. of Board Meetings attended during 13-14	Whether Attended AGM held on 24.09.13	No. of Directorship in other Public Limited Companies	No. of Committee Positions held in other Public Limited Companies		No. of Shares held in the Company as at 31.03.2014
						Chairman	Member	
Mr. Sushil Patwari	Promoter Executive	5	5	Yes	4	None	2	568500
Mr. Sunil Patwari	Promoter Executive	5	4	No	4	None	4	712000
Mr. Mahendra Patwari	Executive	5	4	Yes	1	None	None	312000
Mr. K. C. Purohit	Executive	5	1	No	Nil	None	None	Nil
Mr. M. K. Ogra	Independent	5	5	Yes	5	2	None	Nil
Mr. B. C. Talukdar	Independent	5	5	Yes	3	2	3	Nil
Mr. M.P. Periwal	Independent	5	3	No	5	None	None	Nil
Mr. R.M. Ruia	Independent	5	4	No	1	None	None	19934

#### 3. COMMITTEES OF THE BOARD

##### A) AUDIT COMMITTEE

The Audit Committee comprises of three Directors viz. Mr. M. K.Ogra as Chairman of the Committee, Mr. Sunil Patwari and Mr. B. C. Talukdar as its members Mr. J. Tiwari, Company Secretary, is the Secretary of the Audit Committee. The terms of reference of the Audit Committee are as contained in the Corporate Governance Clause 49 of the Listing Agreement.

The Audit Committee meet Four times on the following dates during the financial year 2013-2014:

29.05.2013	14.08.2013	12.11.2013	14.02.2014
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## ANNEXURE "C" TO DIRECTORS' REPORT (Contd.)

### ATTENDANCE OF THE AUDIT COMMITTEE MEETING:

Name of the Directors	Number of Meeting Held	Number of Meeting Attended
Mr. M.K.Ogra	4	4
Mr. B.C.Talukdar	4	4
Mr. Sunil Patwari	4	4

Necessary quorum was present at the meeting. Representatives of Statutory Auditors of the Company are being invited to the meetings, as and when required.

### B) SHARE HOLDERS' / INVESTORS' GRIEVANCE COMMITTEE

The Company has an independent Shareholders' Grievance Committee.

The Committee comprises of:

1. Mr. M.K.Ogra	Chairman	Independent Director
2. Mr. Sushil Patwari	Member	(Promoters Executive)
3. Mr. Sunil Patwari	Member	(Promoters Executive)

The Committee met four times on the following dates during the financial year 2013-14:

29.05.2013	14.08.2013	12.11.2013	14.02.2014
------------	------------	------------	------------

The Committee is prompt in attending to the requests received for transfers, as well as issue of duplicate certificates. The number of Complaints received during the Financial Year 2013-14 are as under:

Number of complaints received from Investors comprising of Non-receipt of Dividend and Annual Reports , Shares sent for Transfer and Transmission, Complaints received from SEBI, Stock Exchanges and direct from Investors, Registrar of Companies etc.	0
Number of Complaints resolved	0
Number of Complaints pending as on 31.03.2014	NIL

The complaints were disposed off within the stipulated redressal time period.

### C) REMUNERATION COMMITTEE

The Remuneration Committee comprised of the following three Directors of the Company:

1. Mr. M. K. Ogra	Chairman	Independent Director
2. Mr. B. C. Talukdar	Member	Independent Director
3. Mr. Sunil Patwari	Member	Promoter Executive

The Committee met once during the financial year 2013-2014 on 29.05.2013.

The Company has paid remuneration to Executive Directors according to approval granted by the members of the Company in the concerned Annual General Meetings.

Given below are the details of remuneration to Directors during the financial year 2013-14:

Name of Directors	Sitting Fees (Rs.)	Salary (Rs.)	Perquisites (Rs.)	Commission (for 2013-14 paid during the year ) (Rs.)
1.Mr. Sushil Patwari	-	24,00,000/-	-	-
2. Mr. Sunil Patwari	-	31,00,000/-	55,000/-	-
3.Mr. Mahendra Patwari	-	24,00,000/-	55,000/-	-
4. Mr. K. C. Purohit	-	10,20,000/-	-	-
5. Mr. M.K.Ogra	43,000/-	-	-	-
6. Mr. B.C.Talukdar	35,000/-	-	-	-
7. Mr.Rajendra Mahavir Prasad Ruia	20,000/-	-	-	-
8. Mr. Mahavir Prasad Periwal.	15,000/-	-	-	-

## ANNEXURE “C” TO DIRECTORS’ REPORT (Contd.)

Non-executive Directors are paid remuneration by way of sitting fees. The Company pays remuneration to its Managing / Whole Time Directors by way of salary and perquisites. Remuneration is paid as approved by the Remuneration Committee, Board of Directors and shareholders. The Board, on the recommendations of the Remuneration Committee, approves the annual increments. The appointment / reappointment of Managing / Whole Time Directors are contractual and subject to termination by three months’ notice in writing on either side.

#### 4. SUBSIDIARY

The Company does not have any subsidiary Company.

#### 5. DISCLOSURE OF ACCOUNTING TREATMENT IN PREPERATION OF FINANCIAL STATEMENTS

The Company has followed the accounting standards laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.

#### 6. DETAILS OF NON- COMPLIANCE BY THE COMPANY IN THE LAST THREE YEARS.

Your Company has complied with all the requirements of the Listing Agreement with the Stock Exchanges and SEBI Regulations. No penalties or strictures have been imposed on your Company by the Stock Exchanges or SEBI or any other Statutory Authority in connection with violation of Capital Market norms, rules, regulations, etc. in the last three years.

#### 7. DETAILS OF DIRECTORS SEEKING APPOINTMENT / REAPPOINTMENT IN THE ENSUING ANNUAL GENERAL MEETING:

Name of Director	Mr. Mahendra Patwari	Mr.M.K. Ogra	Mr. B. C Talukdar	Mr. R.M.Ruia	Mr. K.C. Purohit
Date of Birth	15.03.1963	15.09.1930	01.03.1936	09.01.1957	18.06.1932
Date of appointment	01.07.2004	30.06.2001	30.06.2005	31.07.2008	30.06.2001
Qualification	B.E. From IIT Powai, Mumbai	Graduate in Maths & Statistics and Diploma in statistics & Quality Control	B.Com., PGDBM.	B.Sc., MBA	D.T.M.
Expertise in specific Functional area	Industrialist having rich business experience	Industrialist having rich business experience	Having rich experience in Industrial and Corporate Laws	Industrialist having rich business experience	Having rich experience in Textile manufacturing.
List of other Directorship held excluding foreign companies, companies under section 25 of the Companies Act, 1956 and Private Companies.	1. Nagreeka Foils Ltd.	1. Nicco Financial Services Ltd 2. Nicco Biotech Ltd. 3. Nagreeka Capital & Infrastructure Ltd. 4. Nicco Engineering Services Ltd. 5. Ne Cables Ltd.	1. Nagreeka Capital & Infrastructure Ltd. 2. H.P. Cotton Textile Mills Ltd.	1. Arco Leasing Ltd.	Nil
Chairman / Member of the committees of the Board of other Companies in which he/she is a Director	NIL	<b>AUDIT COMMITTEE</b> Nagreeka Capital & Infrastructure Ltd. (CHAIRMAN)  <b>SHAREHOLDERS’/ INVESTORS’ GRIEVANCE COMMITTEE</b> Nagreeka Capital & Infrastructure Ltd. (CHAIRMAN)	<b>AUDIT COMMITTEE</b> Nagreeka Capital & Infrastructure Ltd. (MEMBER)  H.P. Cotton Textile Mills Ltd. (CHAIRMAN)  <b>REMUNERATION COMMITTEE</b> H.P. Cotton Textile Mills Ltd. (CHAIRMAN)  <b>SHAREHOLDERS’/INVESTORS’ GRIEVANCE COMMITTEE</b> H.P. Cotton Textile Mills Ltd. (CHAIRMAN) Nagreeka Capital & Infrastructure Ltd. (MEMBER)	Nil	Nil
Shareholding in the Company	312000	NIL	NIL	19934	NIL

## ANNEXURE “C” TO DIRECTORS’ REPORT (Contd.)

### 8. DETAILS OF GENERAL MEETINGS

A. Locations, Date and Time of last three Annual General Meetings held are as under:

Sr.No	Year	Location	AGM / EGM	Date	Day	Time	No. of Special Resolution Passed
1.	2012-13	Bengal National Chamber of Commerce and Industry, 23, R. N. Mukherjee Road Kolkata - 700 001	24th A.G.M	24.09.13	Tuesday	10.30 am	1
2.	2011-12	Bengal National Chamber of Commerce and Industry, 23, R. N. Mukherjee Road Kolkata - 700 001	23rd A.G.M.	27.09.12	Thursday	10.30 am	4
3.	2010-11	Bengal National Chamber of Commerce and Industry 23, R. N. Mukherjee Road Kolkata - 700 001	22nd A.G.M.	28.09.11	Wednesday	10.30 am	Nil

No item was passed by any resolution through postal ballot during the financial year 2013-14.

At the forthcoming Annual General Meeting, there is no item in the Agenda which needs approval by way of Special Resolution through Postal Ballot.

### 9. DISCLOSURES

- (i) There are no materially significant related party transactions made by the Company with its Promoters, Directors or Management Stuffs as defined in Clause 49 of the listing agreement, where they have personal interest that may have a potential conflict with the interests of the Company at large requiring disclosure by them to the Board of Directors of the Company.
- (ii) The particulars of transactions between the Company and its related parties in accordance with Accounting Standard 18 are set out in Note No.32 to the Accounts. These transactions are in the ordinary course and are not likely to have any conflict with the interest of the Company.
- (iii) All Accounting Standards mandatorily required have been followed in preparation of financial statements and no deviation has been made in following the same.
- (iv) Risk assessment and its minimization procedures have been laid down by the Company and the same have been informed to Board Members. These procedures are periodically reviewed to ensure that executive management controls risks through means properly defined.
- (v) No penalties or strictures have been imposed on the company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years.
- (vi) Management Discussion and Analysis forms part of the Annual Report to the members and it includes discussion on matters as required under the provisions of clause 49 of the listing agreement with stock exchange.

### 10. CODE OF CONDUCT OF DIRECTORS AND SENIOR MANAGEMENT STAFF

The Company adopted a Code of Conduct for its Directors and Senior Management Staff. The Code has also been posted on the company’s website.

## ANNEXURE "C" TO DIRECTORS' REPORT (Contd.)

### 11. CEO'S CERTIFICATION

A Certificate duly signed by the Chairman and Managing Director relating to Financial Statements and Internal Controls and Internal Control Systems for financial reporting as per the format provided in amended Clause 49(V) of the listing agreement was placed before the Board, who took the same on record.

### 12. GENERAL SHAREHOLDER INFORMATION:

Annual General Meeting	25th	
Date and Time	: 10th September, 2014 at 10.30 A.M	
Venue	: Bengal National Chamber of Commerce & Industry, 23, R.N. Mukherjee Road, Kolkata- 700 001	
Financial Calendar (Tentative)	: Year ending - 31st March, 2015	
	First Quarter Results	Before end of 2nd week of August'14
	Second Quarter and Half Yearly Results	Before end of 2nd week of November'14
	Third Quarter Results	Before end of 2nd week of February'15
	Audited results for Fourth Quarter and year ending 31st March, 2015	Before end of May '15
	Annual General Meeting for Year ending 31st March'15	Before end of September '15
Date of Book Closure	: 4th September, 2014 to 10th September, 2014 (both days inclusive)	
Listing of Stock Exchanges	: 1. Bombay Stock Exchange Limited 2. National Stock Exchange of India Limited	

The Company has paid the Annual Listing Fees to Bombay Stock Exchange Limited and National Stock Exchange of India Limited for the financial year 2014-15.

### 13. STOCK CODE:

Bombay Stock Exchange Limited : 521109

National Stock Exchange of India Limited : NAGREEKEXP

### 14. PLANT LOCATION

1. Village Yavluj, Taluka Panhala, Dist . Kolhapur, Maharashtra.
2. Plot No. T-48, MIDC, KAGAL-Hatkanangale Five star Industrial Area  
Village:Talandage Taluka Hatkanangale, Dist. Kolhapur (Maharashtra)

### 15. MEANS FOR COMMUNICAION

The quarterly results are published in the leading English daily Newspaper Financial Express, Business Standard & Economic Times and Bengali Newspapers (Arthik Lipi). Management discussion and analysis form part of the Annual Report.

### 16. DEMATERIALISATION OF SHARES

As on 31st March, 2014, 95.5035% of the Share Capital comprising 11937646 shares are in dematerialized form. Under the depository system the International Securities Identification Number (ISIN) allotted to the company's shares is INE 123B01028.

### 17. ADDRESS FOR CORRESPONDENCE

#### a) Routine Matters:

For any assistance regarding Share transfer and transmissions, change of address, non-receipt of dividends, duplicate / missing share certificates, demat and other matters communication may be made to the Share Department of the Company at the address given below:

Nagreeka Exports Limited, 18, R. N. Mukherjee Road, Kolkata - 700 001.

Phone No. 2248-4922, 2248-4943, Fax No. (033) 2248-1693

E-mail ID: compsect.nel@nagreeka.com

OR

Registrar & Share Transfer Agent, Maheshwari Datamatics (P) Ltd., 6, Mangoe Lane, Kolkata - 700 001.

Phone Nos. 2243-5029, 2243-5809, Fax No. (033) 2248-4787

E-mail ID : mdpl@cal.vsnl.net.in., Website: www.mdpl.online.com

## ANNEXURE "C" TO DIRECTORS' REPORT (Contd.)

### (b) For Redressal of Complaints and Grievances:

The Secretary  
Nagreeka Exports Ltd.  
18, R. N. Mukherjee Road, Kolkata - 700 001.

Telephone Nos.(033) 2248-4922, 2248-4943  
Fax No. (033) 2248-1693  
E-mailID:compsect.nel@nagreeka.com

### DISTRIBUTION OF SHARE HOLDING PATTERN BY SIZE AS ON 31.03.2014

Category	No. of Shareholders	Percentage	No. of Shares	Percentage
1) 1 to 500	10482	92.5399	1361882	10.8953
2) 501 to 1000	411	03.6285	343614	2.7490
3) 1001 to 2000	196	01.7304	305499	2.4441
4) 2001 to 3000	68	00.6003	170293	1.3624
5) 3001 to 4000	43	00.3796	150189	1.2015
6) 4001 to 5000	21	00.1854	95704	0.7657
7) 5001 to 10000	37	00.3267	266388	2.1312
8) 10001 and Above	69	00.6092	9806131	78.4509
<b>TOTAL</b>	<b>11327</b>	<b>100.00</b>	<b>12499700</b>	<b>100.00</b>

### CATEGORY OF SHAREHOLDERS AS ON 31.03.2014:

Category	No. of Shares Held	Percentage of shareholding
<b>A. PROMOTER'S HOLDING</b>		
(a) Individual / Huf	4472300	35.78
(b) Bodies Corporate	2105186	16.84
<b>Sub-Total(A)</b>	<b>6577486</b>	<b>52.62</b>
<b>B PUBLIC HOLDING</b>		
<b>1. INSTITUTIONS</b>		
(a) Mutual Funds and UTI	3300	0.026
(b) Banks/ Financial Institutions	300	0.003
(c) FIs	300	0.003
(d) Qualified Foreign Investor	500	0.004
<b>Sub- Total(B)(1)</b>	<b>4400</b>	<b>0.036</b>
<b>2. NON-INSTITUTIONALS</b>		
(a) Bodies Corporate	2219154	17.75
(b) Individuals		
(i) Individual shareholders holding nominal share capital Upto Rs. 1 Lakh.	2585992	20.69
(ii) Individual shareholders holding nominal share capital in excess of Rs.1 Lakh	889830	7.12
(c) Any Other		
(i) Non- Resident Individuals	213279	1.7063
(ii) Clearing Member	9559	.0765
<b>Sub-Total(B)(2)</b>	<b>5917814</b>	<b>47.34</b>
<b>Grand Total (A+B+C)</b>	<b>12499700</b>	<b>100.00</b>

## ANNEXURE "C" TO DIRECTORS' REPORT (Contd.)

### 18. MARKET PRICE DATA (Rs.)

MONTH	Bombay Stock Exchange Limited		National Stock Exchange of India Limited	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
Apr'2013	18.50	13.15	19.90	15.00
May'2013	15.90	13.51	15.50	13.95
Jun'2013	17.70	13.25	16.65	16.00
Jul'2013	15.55	13.15	15.00	13.60
Aug'2013	15.13	13.11	14.00	13.35
Sep'2013	16.47	14.16	16.25	14.20
Oct'2013	16.12	14.25	16.90	14.80
Nov'2013	18.20	15.15	18.50	15.65
Dec'2013	16.80	15.00	17.60	14.05
Jan'2014	20.10	15.85	19.60	14.75
Feb'2014	18.25	15.40	18.90	16.10
Mar'2014	21.00	15.25	19.85	15.70

For & on behalf of the Board

Place: Kolkata  
Date: 29th May, 2014

**Mr. Sushil Patwari**  
Chairman & Managing Director

### AUDITORS' CERTIFICATE

TO THE MEMBERS

#### NAGREEKA EXPORTS LIMITED

We have examined the compliance of conditions of corporate governance by Nagreeka Exports Limited, for the year ended on 31st March, 2014, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

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

For **DAS & PRASAD**  
Chartered Accountants  
Firm's Registration No. 303054E

**(CA. B. N. AGARWALA)**  
Partner

Place : Kolkata  
Date : 29th May, 2014

M. No. 011709  
Firm Regn. No. 303054E

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF NAGREEKA EXPORTS LIMITED

#### Report on the Financial Statements

We have audited the accompanying financial statements of Nagreeka Exports Limited which comprise the Balance Sheet as at 31st March 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

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

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 (The Act) read with the General Circular 15/2013 dated 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:

- (i) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (ii) In the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- (iii) 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"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - d. In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards 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; and
  - e. On the basis of written representations received from the directors as on 31st March 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For **DAS & PRASAD**  
Chartered Accountants  
Firm's Registration No. 303054E

**(CA. B. N. AGARWALA)**  
Partner  
M. No. 011709

Place : Kolkata  
Date : 29th May, 2014



## ANNEXURE TO THE AUDITORS' REPORT

(The Annexure referred to in paragraph 1 under the heading of "report on other legal and regulatory requirements" of our report of even date to the members of Nagreeka Exports Limited on the accounts of the company for the year ended 31st March, 2014.)

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

### 1. In respect of fixed assets:

- (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The company has regular programme of verification of fixed assets in a phased periodical manner to cover all the items over a period of 3 years which in our opinion is reasonable having regard to the size of the company and the nature of its assets. As informed, no material discrepancies were noticed on such verification.
- (c) In our opinion the company has not discarded or disposed off any substantial part of its fixed assets and therefore the going concern status of the Company is not affected.

### 2. In respect of Inventories:

- (a) The inventory of the company has been physically verified by the management during the year. In our opinion the frequency of verification is reasonable.
  - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) In our opinion and as explained to us, the Company is maintaining proper records of Inventory. There was no material discrepancies noticed on physical verification of inventories as compared to the book records.
3. As informed to us the Company has not granted any loans, secured or unsecured to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses 4(iii) of the Order are not applicable to the Company.
  4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, we have neither come across nor have been informed of any continuing failure to correct major weakness in the aforesaid internal control system.
  5. In respect of the contracts or arrangements referred to in section 301 of the Companies Act, 1956
    - (a) To the best of our knowledge and belief and according to the information and explanation given to us, we are of the opinion that the transactions made in pursuance of 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 information and explanation given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of the rupees five lacs in respect of any party during the year have been made at the prices which are reasonable having regard to prevailing market prices at the relevant time.
  6. In our opinion and according to information and explanation given to us, the Company has not accepted any deposits from the public during the year. Therefore, the provisions of Clause (vi) of paragraph 4 are not applicable to the Company.
  7. In our opinion the Company has an internal audit system commensurate with its size and the nature of its business. However there are some further scopes of improvement by coverage of more areas.
  8. We have reviewed the books of accounts and records maintained by the company relating to its manufacturing activity pursuant to the order made by the Central Government for the maintenance of cost records under section 209 (1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have however not made a detailed examination of the records with a view to determining whether they are accurate or complete.
  9. In respect of statutory due:
    - (a) According to the information and explanation given to us and the records of the company examined by us, the company is regular in depositing during the year, all undisputed statutory dues including Investor Education and Protection fund, Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2014 for a period of more than six months from the date they became payable.

## ANNEXURE TO THE AUDITORS' REPORT (Contd.)

- (b) The disputed statutory dues aggregating Rs.498.27 lacs that have not been deposited on account of disputed matters pending before appropriate authorities are as under:

Sl No	Name of the statute	Nature of the dues	Amount (Rs in lacs)	Period to which the amount relates	Forum where dispute is pending
1	Income Tax Act, 1961	Income tax	1.99	1999-2000	High Court
			5.67	2004-2005	High Court
			25.93	2005-2006	CIT(Appeals)
			101.15	2007-2008	ITAT
			93.87	2009-2010	CIT(Appeals)
			217.38	2010-2011	CIT(Appeals)
2	Central Excise Act, 1944	Excise Duty	27.13	2005-2006	CCE(Appeals)
3	Finance Act, 1994	Service Tax	25.15	2004-2005 & 2005-2006	CCE(Appeals)

10. The Company does not have any accumulated losses at 31st March, 2014 .It has not incurred cash losses in the current financial year covered by the audit as well as in the immediately preceding financial year.
11. Based on our audit procedures and according to the records of the company examined by us and the information and explanations given by the management, in our opinion the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders. No debentures are issued by the company.
12. Based on our audit procedures and according to the records of the company examined by us and the information and explanations given by the management, in our the opinion the Company, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion the Company is not a chit fund or a nidhi /mutual benefit fund/societies. Therefore the provisions of clause (xiii) of paragraph 4 of the Order are not applicable to the Company.
14. In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the order are not applicable to the company.
15. In our opinion and according to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
16. According to the records of the company examined by us and information and explanation to us, the term loans outstanding at the beginning of the year have been applied for the purpose for which they were obtained.
17. On the basis of an overall examination of the Balance Sheet of the Company, in our opinion and according to the information and explanations given to us we report that there are no funds raised on short-term basis that have been used for long-term investment by the Company.
18. According to the records of the company examined by us and information and explanations given to us by the management, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
19. The Company has not issued any debentures and hence no securities or charge have been created.
20. The Company has not raised any money by public issue during the year.
21. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, either noticed or reported during the year, nor have we been informed of such case by the management.

For **DAS & PRASAD**  
Chartered Accountants  
Firm's Registration No. 303054E

**(CA. B. N. AGARWALA)**  
Partner  
M. No. 011709

Place : Kolkata  
Date : 29th May,2014

## BALANCE SHEET AS AT 31ST MARCH, 2014

	Note No.	Rs.	As at 31st March, 2014 Rs.	As at 31st March, 2013 Rs.
<b>EQUITY AND LIABILITIES</b>				
<b>Shareholders' funds</b>				
Share Capital	3	62,550,000	62,550,000	
Reserves and surplus	4	<u>876,327,627</u>	<u>834,999,018</u>	
			<b>938,877,627</b>	<b>897,549,018</b>
<b>Non Current Liabilities</b>				
Long-term Borrowings	5	802,440,589	867,708,114	
Deferred tax liabilities (net)	6	<u>184,485,310</u>	<u>160,949,874</u>	
			<b>986,925,899</b>	<b>1,028,657,988</b>
<b>Current Liabilities</b>				
Short term borrowings	7	1,405,292,093	1,131,966,690	
Trade Payables	8	226,054,827	224,459,686	
Other Current Liabilities	9	186,451,539	114,821,966	
Short term Provisions	10	<u>36,382,959</u>	<u>26,155,139</u>	
			<b>1,854,181,417</b>	<b>1,497,403,482</b>
<b>Total</b>			<b><u>3,779,984,943</u></b>	<b><u>3,423,610,488</u></b>
<b>ASSETS</b>				
<b>Non Current Assets</b>				
<b>Fixed Assets</b>				
Tangible Assets	11	1,325,151,775	1,362,274,704	
Capital Work in progress	11	<u>16,452,451</u>	<u>-</u>	
		<u>1,341,604,226</u>	<u>1,362,274,704</u>	
Non current Investments	12	142,434,235	142,434,235	
Long Term Loans & Advances	13	<u>32,827,520</u>	<u>38,579,992</u>	
			<b>1,516,865,981</b>	<b>1,543,288,931</b>
<b>Current Assets</b>				
Inventories	14	939,340,580	826,455,421	
Trade Receivables	15	285,881,523	133,511,445	
Cash & Bank Balances	16	19,191,036	23,353,695	
Short-term loans & advances	17	<u>1,018,705,824</u>	<u>897,000,997</u>	
			<b>2,263,118,962</b>	<b>1,880,321,557</b>
<b>Total</b>			<b><u>3,779,984,943</u></b>	<b><u>3,423,610,488</u></b>

Significant Accounting Policies and Notes on Accounts

1 TO 33

The notes referred to above forms an integral part of the Financial Statement

As per our annexed report of even date.

For **DAS & PRASAD**  
Chartered Accountants

**(CA. B. N. AGARWALA)**  
Partner  
M. No. 011709  
Firm's Regn. No. 303054E

Place : Kolkata  
Date : 29th May, 2014

For and on behalf of the Board of Directors

**SUSHIL PATWARI** Chairman & Managing Director  
**SUNIL PATWARI** Vice Chairman & Managing Director  
**M. K. OGRA** Director  
**J. TIWARI** Company Secretary

## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

	Note No.	As at 31st March, 2014 Rs.	As at 31st March, 2013 Rs.
<b>INCOME</b>			
Revenue from operation	18	6,302,846,620	6,418,390,891
Other Income	19	46,425,397	30,275,049
Total Revenue		<u>6,349,272,017</u>	<u>6,448,665,940</u>
<b>EXPENDITURE</b>			
Cost of Material Consumed	20	1,512,509,038	1,324,122,529
Purchase of Traded Goods	21	3,676,226,378	3,828,515,617
Change in inventories of Finished Goods, Stock in Process and Stock in Trade	22	(59,305,282)	124,002,649
Employees Benefit expenses	23	162,395,945	125,660,027
Finance Costs	24	198,555,275	212,132,613
Depreciation	11	99,283,263	70,528,798
Other Expenses	25	658,793,364	699,294,000
<b>TOTAL EXPENSES</b>		<u>6,248,457,980</u>	<u>6,384,256,233</u>
<b>PROFIT BEFORE TAX</b>		<b>100,814,036</b>	<b>64,409,707</b>
<b>Tax expenses</b>			
Current Tax		(27,700,000)	(12,600,000)
Deferred Tax (Liability) / Assets		(23,535,436)	(11,173,428)
MAT Credit Entitlement		-	3,454,614
Taxes for earlier years		(937,980)	96,668
<b>Profit / (Loss) for the year</b>		<u>48,640,620</u>	<u>44,187,561</u>
Basic / Diluted Earnings Per Shares (of Rs. 5 Each)		<b>3.89</b>	<b>3.54</b>

Significant Accounting Policies and

Notes on Accounts

1 TO 33

The notes referred to above forms an integral part of the Financial Statement

As per our annexed report of even date.

For **DAS & PRASAD**  
Chartered Accountants

**(CA. B. N. AGARWALA)**  
Partner  
M. No. 011709  
Firm's Regn. No. 303054E

Place : Kolkata  
Date : 29th May, 2014

For and on behalf of the Board of Directors

**SUSHIL PATWARI** Chairman & Managing Director  
**SUNIL PATWARI** Vice Chairman & Managing Director  
**M. K. OGRA** Director  
**J. TIWARI** Company Secretary

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

	As at 31st March, 2014 Rs.	As at 31st March, 2013 Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before extra ordinary items and tax	100,814,036	64,409,707
Additions :		
Depreciation and amortization	99,283,263	70,528,798
Loss on sale / write off of assets	-	(35,000)
Finance Cost	174,605,017	182,628,075
Interest Income	(42,806,133)	(26,364,276)
Dividend Income	(1,709,730)	(1,671,600)
<b>Operating Profit Before Working Capital</b>	<b>330,186,453</b>	<b>289,495,704</b>
Adjusted for :		
(Increase) / Decrease in Trade and other Receivables	(272,010,405)	(366,338,654)
(Increase) / Decrease in Inventories	(112,885,159)	86,876,736
(Increase) / Decrease in Trade and other Payables	<b>(48,835,607)</b>	<b>108,267,671</b>
<b>Cash Generated from Operation</b>	<b>(103,544,717)</b>	<b>118,301,458</b>
Direct Taxes Paid / Refund Received	(19,431,118)	(11,636,308)
<b>Net Cash Flow from / (used in) Operating Activities</b>	<b>(122,975,836)</b>	<b>106,665,150</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Capital Expenditure on Fixed Assets, Including Capital Advances	(78,612,785)	(469,512,987)
Sale of Fixed Assets	-	35,000
Purchase of Current Investments	-	(90,200)
Interest received on Loans and Deposits	42,806,133	26,364,276
Dividend Received	1,709,730	1,671,600
<b>Net Cash Flow from / (used in) Investing Activities</b>	<b>(34,096,922)</b>	<b>(441,532,311)</b>
<b>C. CASH FLOW FROM FINANCEING ACTIVITIES :</b>		
Net Increase in Long Term borrowings	(65,267,525)	414,667,570
Net increase / (decrease) in working capital borrowings	400,046,373	72,057,181
Finance Cost	(174,605,017)	(182,628,075)
Dividends Paid	(6,249,850)	-
Tax on Dividend	(1,013,882)	-
<b>Net Cash Flow from / (used in) Financing Activities</b>	<b>152,910,099</b>	<b>304,096,677</b>
Net Increase / (Decrease) in cash & cash Equivalents (A+B+C)	<b>(4,162,658)</b>	<b>(30,770,485)</b>
<b>Cash &amp; Cash equivalents at the beginning of the year</b>	<b>23,353,694</b>	<b>54,124,180</b>
<b>Cash &amp; Cash equivalents at the end of the year</b>	<b>19,191,036</b>	<b>23,353,694</b>

The Accompanying notes area forming part of the Financial Statements

As per our annexed report of even date.

For **DAS & PRASAD**  
Chartered Accountants

**(CA. B. N. AGARWALA)**  
Partner  
M. No. 011709  
Firm's Regn. No. 303054E

Place : Kolkata  
Date : 29th May, 2014

For and on behalf of the Board of Directors

**SUSHIL PATWARI** Chairman & Managing Director  
**SUNIL PATWARI** Vice Chairman & Managing Director  
**M. K. OGRA** Director  
**J. TIWARI** Company Secretary

## NOTES forming part of the Financial Statements for the year ended 31st March, 2014

### 1. COMPANY OVERVIEW:

The Company was incorporated on 6th March, 1989 under the laws of republic of India and has its registered office at Kolkata, West Bengal. The company is engaged in manufacturing and export of cotton yarn and other various merchandise. The shares of the company are listed in National Stock Exchange. Company has set up 100% export oriented unit with the state of art, Plant with manufacturing capacity of 55440 spindles at Kolhapur in Maharashtra. The company has also set up yarn dyeing and cotton bleaching plant at Kagal Kolhapur. The Company was also awarded International standard Organization certificate for export performance. The company's marketing network is spread over in various countries. The Company is also doing trading of cotton yarn and various commodities. The company is Merchant exporter also.

### 2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES :

#### a) BASIS OF PREPERATION OF FINANCIAL STATEMENT:

The financial statements are prepared as a going concern under historical cost convention on accrual basis, except those with significant uncertainty and in accordance with the Companies Act, 1956 Accounting policies not stated explicitly otherwise are consistent with generally accepted accounting principles.

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 realization 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.

#### b) FIXED ASSETS :

Fixed assets are stated at cost less accumulated depreciation. Cost of fixed assets is inclusive of pre-operative expenses (Net of revenue) incurred up to the date of Commissioning of project/plant, exchange losses or gains arising on specific foreign currency loan taken for acquiring the assets.

#### c) CAPITAL WORK IN PROGRESS :

All pre-operative expenses incurred on Capital Work in Progress allocated to related fixed assets on Pro-rata Basis.

#### d) CASH FLOW:

Cash Flows are reported using Indirect Method, where by profit / (Loss) before extraordinary items and its tax is adjusted for the effects of transaction of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, investing and financing activities of the company is segregated based on the available information.

#### e) DEPRECIATION AND AMORTISATION :

i) Depreciation has been provided as per Straight Line Method at the rates and in the manner prescribed in schedule XIV to the Companies Act, 1956 and the relevant Accounting Standard issued by the Institute of Chartered Accountants of India. Plant & Machinery have been considered to be continuous Process Plants as defined in the said schedule on technical assessment and depreciation has been provided accordingly.

ii) Lease Hold Land is being amortised over the lease period.

#### f) INVESTMENTS :

i) Quoted Investments are stated at Cost. Provision for diminution in long term investment is made only, if such a decline is other than temporary.

ii) Unquoted investments are stated at Cost.

#### g) VALUATIONS OF INVENTORIES :

Raw Materials	:	Valued at Cost or Net Realisable Value whichever is lower (Cost is computed using "Weighted Average Cost Method").
Work-in-Progress	:	Valued at Cost or Net Realisable Value whichever is lower (Cost includes material Cost plus appropriate share of overhead) (Cost is computed Using "Weighted Average Cost Method").
<b>Finished goods :</b>		
i) Manufacturing goods	:	At Cost or Net Realisable Value whichever is lower (Cost includes Cost of Purchase, Conversion Cost, and other Cost i.e. overhead) (Cost is computed using "Weighted Average Cost Method").
ii) Trading goods	:	At Cost or Net Realisable Value whichever is lower (Cost is computed using " Specific Identification Method").
Packing Materials, Stores & Spare Parts	:	At Cost or Net Realisable Value whichever is lower (Cost is Computed Using "FIFO Method")
Waste	:	At Realisable Value

## NOTES forming part of the Financial Statements for the year ended 31st March, 2014 (Contd.)

### h) RECOGNITION OF INCOME AND EXPENDITURE :

- i) Items of Income & Expenditure are recognised on accrual basis.
- ii) Sales & Purchases are accounted for as and when deliveries are effected.

### i) PROVISION, CONTINGENT LIABILITIES & CONTINGENT ASSETS:

Provision involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statement.

### j) RETIREMENT BENEFITS TO EMPLOYEES :

- i) **Leave Encashment:** Accrued liability for leave encashment has been provided for as per actuarial valuation.
- ii) **Gratuity :** Accruing liability for gratuity to employees is covered by the Group Gratuity-Cash - Accumulation Scheme of LIC of India and annual contribution due there under are paid /provided in accordance therewith.

### k) FOREIGN CURRENCY TRANSACTIONS :

- i) **Export Sales:** At the rates as on the date of transactions.
- ii) **Expenditures:** At the rates as on the date of transaction. Outstanding amounts in respect of current assets/current liabilities are translated at the rate as at the close of the year, at the forward contract rates or at the rate at which liabilities/assets are likely to be disbursed/realised, wherever applicable, and the exchange difference thereon is adjusted in the Profit & Loss Account.
- iii) **Foreign Exchange Forward Contract:** Exchange differences in respect of foreign exchange contract (other than for acquisition of fixed assets) are recognised as income or expense over the life of the contract.
- iv) Bank Balance in Foreign Currency Bank Account as at close of the year is translated at exchange rate as on that date.
- v) Loans in foreign currency for financing the fixed assets are converted at the prevailing exchange rate on the transaction dates. Liabilities payable in foreign currencies on the date of Balance Sheet are restated and all exchange rate differences arising from such restatement are adjusted with the fixed asset.

### l) FINANCIAL DERIVATIVES AND COMMODITY HEDGING TRANSACTION:

The company uses foreign currency forward contracts and currency options to hedge its risk associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. The company designate these hedging instruments as cash flow hedges applying the recognition and measurement principles setout in the "Accounting Standard 30 "financial Instruments: Regulation and measurement" (AS-30).

In respect of derivative contracts, premium paid, gain/losses on settlement and provision for losses for cash flow hedges are recognized in the Profit & Loss Account, except in case, where they relate to borrowing costs that are attributable to the acquisition or construction of fixed assets, in which case, they are adjusted to the carrying cost of such assets.

### m) BORROWING COSTS :

Borrowing Costs in respect of fixed Assets charged to the respective fixed assets till the date of commercial use and in respect of others, is charged to Profit & Loss Account in the year, the same has been incurred.

### n) PROVISION FOR CURRENT AND DEFERRED TAX:

Provision for Current Tax is made on the basis of taxable income for the current accounting period and in accordance with the provisions as per Income Tax Act, 1961.

Deferred Tax resulting from "timing difference" between book and taxable profit for the year is accounted for using the tax rates and laws that have been enacted or substantially enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be adjusted in future.

### o) IMPAIRMENT OF ASSETS:

The company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the assets. If such recoverable amount of the assets or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

### p) GOVERNMENT GRANTS / SUBSIDIES:

Government grants / subsidies are recognized when there is reasonable certainty that the same will be received. Revenue grants are recognized in the Profit & Loss Account either as income or deducted from related expenses. Capital grants / subsidies are credited to respective fixed assets where it relates to specific fixed assets. Other grants / subsidies are credited to the Capital Reserve.

## NOTES forming part of the Financial Statements for the year ended 31st March, 2014 (Contd.)

	As at 31st March, 2014		As at 31st March, 2013	
	Rs.	Rs.	Rs.	Rs.
<b>3. SHARE CAPITAL :</b>				
<b>Authorised Share Capital</b>				
3,00,00,000 Equity shares of Rs.5/- each (3,00,00,000)		150,000,000		150,000,000
		<u>150,000,000</u>		<u>150,000,000</u>
<b>Issued</b>				
1,25,10,000 Equity shares of Rs. 5/- each (1,25,10,000)		62,550,000		62,550,000
		<u>62,550,000</u>		<u>62,550,000</u>
<b>Subscribed and paid up</b>				
1,24,99,700 Equity shares of Rs. 5/- each (1,24,99,700)	62,498,500		62,498,500	
Add : 10,300 Equity Forfeited Shares (Amount originally paidup)	51,500		51,500	
		<u>62,550,000</u>		<u>62,550,000</u>
<b>i) Reconciliation of number of Equity Shares and amount Outstanding</b>				
		<b>2013-14</b>		<b>2012-13</b>
		<b>Number</b>	<b>Rs.</b>	<b>Number</b>
				<b>Rs.</b>
Shares Outstanding as at April 1,2013	12,499,700	62,498,500	12,499,700	62,498,500
Shares Outstanding as at March 31, 2014	12,499,700	62,498,500	12,499,700	62,498,500
<b>ii) The details of Shareholders holding more than 5% shares :-</b>				
		<b>As at 31st March, 2014</b>		<b>As at 31st March, 2013</b>
Name of the share holder	<b>Nos.</b>	<b>%</b>	<b>Nos.</b>	<b>%</b>
Mala Patwari	891,700	7.13%	891,700	7.13%
Sunil Patwari	712,000	5.70%	712,000	5.70%
Nagreeka Synthetics Pvt. Ltd.	940,270	7.52%	940,270	7.52%
<b>iii) The company has one class of equity share having a par value of Rs. 5 per share. Each shareholder is eligible for one vote per share held.</b>				
<b>4. RESERVES AND SURPLUS :</b>				
		<b>As at 31st March, 2014</b>		<b>As at 31st March, 2013</b>
<b>Capital Reserve :</b>		<b>Nos.</b>	<b>%</b>	<b>Nos.</b>
				<b>%</b>
As per last Balance Sheet		3,000,000		3,000,000
Share Premium Reserve				
As per Last Account		143,363,589		143,363,589
General Reserve				
As per Last Account		550,000,000		550,000,000
Share Forfeiture Reserve				
As per Last Account		103,000		103,000
Profit & Loss Account				
As per last account	138,532,429		101,656,880	
Add: Profit / (Loss) for the year	48,640,620		44,187,561	
	<u>187,173,049</u>		<u>145,844,441</u>	
Less : APPROPRIATION				
Less : Proposed Dividend	6,249,850		6,249,850	
Less : Tax on dividend	1,062,162	179,861,037	1,062,162	138,532,429
<b>Total</b>		<u><u>876,327,627</u></u>		<u><u>834,999,018</u></u>



## NOTES forming part of the Financial Statements for the year ended 31st March, 2014 (Contd.)

	As at 31st March, 2014		As at 31st March, 2013	
	Rs. Non Current	Rs. Current	Rs. Non Current	Rs. Current
<b>5. LONG TERM BORROWINGS :</b>				
<b>Secured</b>				
Term Loan From Bank	649,832,589	152,608,000	715,100,114	152,608,000
	<b>649,832,589</b>	<b>152,608,000</b>	<b>715,100,114</b>	<b>152,608,000</b>
<b>i) MATURITY PROFILE</b>	<b>Within 1-2 Yr.</b>	<b>Within 2-3 Yr.</b>	<b>Within 3-4 Yr.</b>	<b>Beyond 4 Yr.</b>
Term Loans from Bank	152,608,000	149,063,722	131,140,715	217,020,152
ii) Rupee Term loan from Canara Bank - Kolkata, Oriental Bank of Commerce – Kolkata and State Bank of Patiala – Mumbai is secured by				
(a) an equitable mortgage ranking pari passu inter-se by deposit of title deeds of all the immovable properties of the company both present and future, relating to its spinning unit premises at Village : Yavluj, District : Kolhapur, Maharashtra and				
(b) by way of hypothecation ranking pari passu inter-se of all movable properties of the company both present and future including movable machineries, spares, tools & accessories (save & except book debts) subject to prior charges created or to be created in favour of the Company's Bankers, on its stock of Raw Materials, finished goods, consumable stores, book debts & such other movables as may be specifically permitted by the institutions in writing, to secure borrowings for working capital requirements and				
(c) Personal guarantee of some of the Directors of the Company.				
iii) Working Capital Term Loan from Canara Bank, Overseas Branch, Kolkata is secured by way of :				
(a) hypothecation of stock of Raw materials, Work-in-process, finished goods and book debts relating to spinning unit at Village : Yavluj, District : Kolhapur, Maharashtra and stock-in-trade at trading unit Kolkata,				
(b) Second charge on immovable properties of the company relating to above mentioned spinning unit, and				
(c) Personal guarantee of some of the Directors of the Company.				
iv) For the above loan a securitisation agreement entered in between the Company, AXIS Bank Limited and the above lenders.				
v) Rupee Term loan from Canara Bank - Kolkata is secured by				
(a) an equitable mortgage ranking exclusive charges inter-se by deposit of title deeds of all the immovable properties of the company both present and future, relating to its Dying & Bleaching unit premises at Village : Kagra, District : Kolhapur, Maharashtra				
(b) all the existing securities for other regular limits will be available as co-lateral security on pari passu basis				
		<b>As at 31st March, 2014</b>		<b>As at 31st March, 2013</b>
		<b>Rs.</b>		<b>Rs.</b>
<b>6. DEFERRED TAX LIABILITY (NET)</b>				
Deferred Tax Liability Fixed Assets - Depreciation		186,879,155		161,952,598
Deferred Tax Assets				
Disallowance under Income Tax Act, 1961		2,393,845		1,002,724
<b>Total</b>		<b>184,485,310</b>		<b>160,949,874</b>
<b>7. SHORT TERM BORROWING :</b>				
<b>Secured Loans</b>				
Working Capital Loans from Bank		1,405,292,093		1,131,966,690
<b>Total</b>		<b>1,405,292,093</b>		<b>1,131,966,690</b>
i) Working Capital Loan from Canara Bank, Overseas Branch, Kolkata & Mumbai , Oriental Bank of Commerce, Overseas Branch, Kolkata, Allahabad Bank, Industrial Finance Branch, Kolkata, State Bank of Patiala - Commercial Branch, Mumbai and ICICI Bank Limited, Kolkata are secured by way of :				

## NOTES forming part of the Financial Statements for the year ended 31st March, 2014 (Contd.)

- (a) First charge by way of hypothecation of stock of Raw materials, Work-in-process, finished goods and book debts relating to spinning unit at Village : Yavluj, District : Kolhapur, Maharastra and stock-in-trade at trading unit Kolkata, both present and future in a form and manner satisfactory to the bank, ranking pari pasu with each other participating working capital banks.
- (b) Second charge on all the fixed assets of the company, both present and future ranking pari pasu with each other participating working capital banks.
- (c) Personal guarantee of some of the Directors of the Company.

	As at 31st March, 2014	As at 31st March, 2013
	Rs.	Rs.
<b>8. TRADE PAYABLES :</b>		
Small Scale Industries	-	-
Others	226,054,827	224,459,686
<b>Total</b>	<b><u>226,054,827</u></b>	<b><u>224,459,686</u></b>
i) The Company has not received any information its suppliers regarding registration under "The Micro, Small and Medium Enterprises Development Act, 2006." Hence, the information required to be given in accordance section 22 of the said Act, is not ascertainable. Hence, not disclosed.		
<b>9. OTHER CURRENT LIABILITIES</b>		
Interest accrued and due on borrowings	-	-
Unpaid dividends	960,442	1,129,042
Statutory remittances	2,290,684	2,739,349
Payables on purchase of fixed assets	7,293,412	25,712,635
Advances from customers	16,992,880	53,047,790
Book Overdraft on Reconciliation	158,914,121	32,193,150
<b>Total</b>	<b><u>186,451,539</u></b>	<b><u>114,821,966</u></b>
i) Based on the information/documents available with the Company, there was an unpaid dividend amounting to Rs. 3,91,583/- due relating to (2005-2006) and outstanding as on 31st March, 2013 which has been transferred to Investors Education and Protection Fund under Section 205C of the Companies Act, 1956.		
<b>10. SHORT TERM PROVISIONS</b>		
Provision for employee benefits	11,920,410	7,334,580
Provision for Gratuity	1,919,615	1,844,795
	<b><u>13,840,025</u></b>	<b><u>9,179,375</u></b>
Provision - Others		
Provision for tax (net of advance tax Rs.NIL Tax Deducted at Source is Rs 46,81,106/- (As at 31 March, 2013 net of advance tax Rs. 96,63,752 net of advacne tax of Rs 29,36,248/- )	15,230,922	9,663,752
Provision for proposed equity dividend	6,249,850	6,249,850
Provision for tax on proposed dividends	1,062,162	1,062,162
	<b><u>22,542,934</u></b>	<b><u>16,975,764</u></b>
<b>Total</b>	<b><u>36,382,959</u></b>	<b><u>26,155,139</u></b>

NOTES forming part of the Financial Statements for the year ended 31st March, 2014 (Contd.)

NOTE NO. : 11

TANGIBLE ASSETS

(Amount in Rs.)

PARTICULARS	GROSS BLOCK (At Cost)				DEPRECIATION			NET BLOCK		
	As at 31st March 2012	Addition during the year	Adjustment/ Disposed/ Sales	As at 31st March 2014	Upto 31st March 2013	For the Year	Adjustment For Deduction	Upto 31st March 2014	As at 31st March 2014	As at 31st March 2012
Land & Site Development	2,635,829	-	-	2,635,829	-	-	-	-	2,635,829	2,635,829
Land (Lease Hold)	68,055,982	327,100	-	68,383,082	932,889	599,473	-	1,532,362	66,850,720	67,123,093
Office Premises	14,268,713	-	-	14,268,713	4,088,191	232,580	-	4,320,771	9,947,942	10,180,522
Factory Building	308,723,789	18,517,844	-	327,241,633	67,600,341	10,465,574	-	78,065,915	249,175,718	241,123,448
Godown	7,275,714	-	-	7,275,714	977,658	243,009	-	1,220,667	6,055,047	6,298,056
Plant & Machinery	1,580,316,435	38,345,729	-	1,618,662,164	572,998,249	84,444,478	-	657,442,727	961,219,437	1,007,318,186
Furniture & Fixtures	13,179,873	313,278	-	13,493,151	6,207,030	847,003	-	7,054,033	6,439,118	6,972,843
Air Conditioner	2,120,185	462,956	-	2,583,141	688,145	118,164	-	806,309	1,776,832	1,432,040
Vehicles	15,591,033	1,748,000	-	17,339,033	5,530,290	1,612,912	-	7,143,202	10,195,831	10,060,743
Computer	3,119,219	949,042	143,100	3,925,161	2,020,240	440,528	143,100	2,317,668	1,607,493	1,098,979
Office Equipments	3,412,210	256,864	-	3,669,074	1,445,677	161,646	-	1,607,323	2,061,751	1,966,533
Non Factory Building	6,205,537	1,239,521	-	7,445,058	604,652	112,940	-	717,592	6,727,466	5,600,885
Refrigerator	104,322	-	-	104,322	33,081	4,956	-	38,037	66,285	71,241
Old Machine in Hand	392,306	-	-	392,306	-	-	-	-	392,306	392,306
<b>Grand Total</b>	<b>2,025,401,147</b>	<b>62,160,334</b>	<b>143,100</b>	<b>2,087,418,381</b>	<b>663,126,443</b>	<b>99,283,263</b>	<b>143,100</b>	<b>762,266,606</b>	<b>1,325,151,775</b>	<b>1,362,274,704</b>
Previous Year	1,426,639,160	598,958,087	196,100	2,025,401,147	593,007,201	70,528,798	409,556	663,126,443	1,362,274,704	-
Capital Work in Progress									16,452,451	-

**Notes :**

- Office Premises includes Rs.1,500/- towards cost of shares of co-operative society.
- Lease Hold Land includes Rs, 5,000/- towards cost of shares of West Bengal Hosiery Park Infrastructure Ltd.

## NOTES forming part of the Financial Statements for the year ended 31st March, 2014 (Contd.)

	As at 31st March, 2014 Rs.	As at 31st March, 2013 Rs.
<b>11. FIXED ASSETS :</b>		
Tangible Assets	1,325,151,775	1,362,274,704
Annexure Attached		
<b>12. NON CURRENT INVESTMENTS</b>		
<b>Unquoted :</b>		
47,975 Sundaram BNP Paribas Equity Multiplier Fund	479,753	479,753
5,00,000 Sundaram BNP Paribas Select Small Cap	500,000	500,000
50,000 SBI Gold Fund	500,000	500,000
62,500 Tirumala Mart P. Ltd	5,000,000	5,000,000
<b>Quoted:</b>		
1,15,600 Nagreeka Capital & Infrastructure Ltd of Rs. 5/- each	578,000	578,000
82 Bajaj Finance Ltd of Rs. 10/- each	90,200	90,200
4,77,600 of Sesa Sterlite Ltd receipt on Merger of Sterlite ind(l) Ltd with Sesa goa in the ratio of 3 : 5 (P.Y. 7,96,000 Sterlite Ind(l) Ltd.of Rs. 1/-each)	135,286,282	135,286,282
	<b>142,434,235</b>	<b>142,434,235</b>
Aggregate Book value of:		
a) Quoted Investments	135,954,482	135,954,482
b) Unquoted Investments	6,479,753	6,479,753
Aggregate market value of quoted investments:	91,573,222	76,170,584
<b>13. LONG TERM LOANS &amp; ADVANCES</b>		
(Unsecured, considered goods)		
Security Deposit	4,713,164	2,677,664
Security Deposit to Related Parties	17,600,000	17,600,000
MAT Credit Entitlement	10,514,356	18,302,328
	<b>32,827,520</b>	<b>38,579,992</b>
<b>14. INVENTORIES</b>		
Raw Material	307,581,371	263,822,751
Work-in-progress	34,920,015	22,264,352
Finished Goods	197,396,456	140,689,440
Stock-in-Trade	357,866,559	366,078,116
Stores, Spares, Packing Material & Fuel	29,569,862	19,748,605
Waste Cotton	12,006,317	13,852,158
	<b>939,340,580</b>	<b>826,455,421</b>
<b>15. TRADE RECEIVABLES</b>		
(Unsecured, considered good)		
Over Six Months	2,164,163	7,557,205
Others	283,717,360	125,954,240
<b>Total</b>	<b>285,881,523</b>	<b>133,511,445</b>

i) Over Six Months Trade Receivables include a sum of Rs. 20,98,960/- receivable, which is under litigation.

## NOTES forming part of the Financial Statements for the year ended 31st March, 2014 (Contd.)

	As at 31st March, 2014 Rs.	As at 31st March, 2013 Rs.
<b>16. CASH AND CASH EQUIVALENTS</b>		
Cash in Hand	6,915,687	5,316,689
Balances with banks		
(i) In current accounts	1,376,895	8,529,952
(ii) In deposit accounts	9,938,012	8,378,010
(iii) In earmarked accounts		
Unpaid dividend accounts	960,442	1,129,042
Balances held as margin money or security against borrowings, guarantees and other commitments	-	-
<b>Total</b>	<b><u>19,191,036</u></b>	<b><u>23,353,695</u></b>
<b>17. SHORT TERM LOANS AND ADVANCES</b> (Unsecured, considered good)		
Security Deposits	10,960,710	9,510,702
Advance Income Tax (Net of Provision of Taxation)	24,178,186	20,078,186
Prepaid Interest & Expenses	8,055,904	8,114,596
Advances to Employees	5,060,836	3,749,256
Balance with statutory / government Authority	175,900,678	150,321,501
Other Loans & Advances	794,549,510	705,226,756
<b>Total</b>	<b><u>1,018,705,824</u></b>	<b><u>897,000,997</u></b>
i) Other Loans & Advances include a sum of Rs. 35,62,036/- receivable, which is under litigation.		
	<b>For the year ended 31st March, 2014 Rs.</b>	<b>For the year ended 31st March, 2013 Rs.</b>
<b>18. REVENUE FROM OPERATION</b>		
<b>Sale of Products</b>		
Finished Goods	2,186,195,374	1,993,369,342
Traded Goods	3,797,485,872	4,091,185,878
Waste	141,950,477	161,843,802
	<b><u>6,125,631,723</u></b>	<b><u>6,246,399,022</u></b>
<b>Other operating revenues</b>		
Jobwork Charges	24,280,272	-
Scrap	567,291	922,049
Duty drawback and other export incentives	152,367,334	171,069,820
	<b><u>177,214,897</u></b>	<b><u>171,991,869</u></b>
<b>Total</b>	<b><u>6,302,846,620</u></b>	<b><u>6,418,390,891</u></b>
i) <b>Sale of products comprises</b>		
<b>Manufactured goods</b>		
Dyed Yarn	160,496,759	327,916
Cotton Yarn	1,875,531,814	1,879,951,208
Knitted Fabrics	33,996,744	32,833,424
Waste	141,950,477	161,729,737
Bleached Cotton	39,025,818	-
Cloth	77,144,239	80,370,860
<b>Total - Sale of manufactured goods</b>	<b><u>2,328,145,851</u></b>	<b><u>2,155,213,144</u></b>

## NOTES forming part of the Financial Statements for the year ended 31st March, 2014 (Contd.)

	For the year ended 31st March, 2014	For the year ended 31st March, 2013
	Rs.	Rs.
<b>Traded goods</b>		
Cotton Yarn	3,614,701,424	3,947,079,107
Knitted Fabrics	-	7,113,508
Readymade Garment	745,836	486,385
Rice	110,690,562	-
Raw Cotton	71,348,050	136,506,878
<b>Total - Sale of traded goods</b>	<b>3,797,485,872</b>	<b>4,091,185,878</b>
<b>Total - Sale of products</b>	<b>6,125,631,723</b>	<b>6,246,399,022</b>
<b>Other operating revenues</b>		
Jobwork Charges	24,280,272	-
Sale of scrap	567,291	922,049
Duty drawback and other export incentives	152,367,334	171,069,820
<b>Total - Other operating revenues</b>	<b>6,302,846,620</b>	<b>6,418,390,891</b>
<b>19. OTHER INCOME :</b>		
<b>Interest Income</b>		
Bank Deposits (TDS RS.1,52,161/- Previous Year Rs1,85,840/-)	2,031,815	1,644,923
Others (TDS RS. 39,69,145,-/ Previous Year Rs.23,10,717/-)	40,774,318	24,719,352
Dividend income		
From Long-term Investments	1,709,730	1,671,600
Net gain on sale of Fixed Assets	-	35,000
Investment		
Other non-operating income	1,909,534	2,204,174
<b>Total</b>	<b>46,425,397</b>	<b>30,275,049</b>
<b>20. COST OF MATERIAL CONSUMED :</b>		
Opening stock	263,822,751	228,955,299
Add: Purchases	1,689,228,443	1,358,989,982
Less : Inter Department Transfer	(132,960,785)	-
	1,820,090,409	1,587,945,280
Less: Closing stock	307,581,371	263,822,751
<b>Cost of material consumed</b>	<b>1,512,509,038</b>	<b>1,324,122,529</b>
<b>i) Material consumed comprises</b>		
Raw Cotton	1,230,532,968	1,094,927,485
Cotton Yarn	320,370,345	149,578,422
Cotton	25,718,022	-
Cloth	68,848,487	79,616,623
	1,645,469,823	1,324,122,529
Less : Inter Department Transfer		
Cotton Yarn	(103,535,116)	-
Cotton	(29,425,669)	-
<b>Total</b>	<b>1,512,509,038</b>	<b>1,324,122,529</b>
<b>21. PURCHASE OF TRADED GOODS :</b>		
Cotton Yarn	3,579,122,508	3,699,216,482
Knitted Fabrics	-	1,775,700
Readymade Garment	231,650	158,820
Rice	96,872,220	-
Raw Cotton	-	127,364,615
<b>Total</b>	<b>3,676,226,378</b>	<b>3,828,515,617</b>

## NOTES forming part of the Financial Statements for the year ended 31st March, 2014 (Contd.)

	For the year ended 31st March, 2014	For the year ended 31st March, 2013
	Rs.	Rs.
<b>22. CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK IN PROCESS AND STOCK IN TRADE</b>		
<b>Inventories at the end of the year</b>		
Finished goods	197,396,456	140,689,440
Stock-in-trade	357,866,559	366,078,116
Work-in-progress	34,920,015	22,264,352
Waste	12,006,317	13,852,158
	<b>602,189,347</b>	<b>542,884,065</b>
<b>Inventories at the beginning of the year:</b>		
Finished goods	140,689,440	207,038,618
Stock-in-trade	366,078,116	422,581,398
Work-in-progress	22,260,257	24,259,757
Waste	13,856,253	13,006,941
	<b>542,884,065</b>	<b>666,886,714</b>
<b>Net (increase) / decrease</b>	<b>(59,305,282)</b>	<b>124,002,649</b>
<b>23. EMPLOYEES BENEFIT EXPENSES</b>		
Salaries and wages	145,543,171	113,418,373
Contributions to provident and other funds	6,436,557	6,189,103
Staff welfare expenses	10,416,217	6,052,551
<b>Total</b>	<b>162,395,945</b>	<b>125,660,027</b>
	<b>As at</b>	<b>As at</b>
	<b>31st March, 2014</b>	<b>31st March, 2013</b>
	Rs.	Rs.
<b>i) Disclosure pursuant to Accounting Standard - 15 : Employee Benefit</b>		
<b>(a) Reconciliation of opening &amp; closing balance of Defined Benefit Obligation</b>		
Defined Benefit obligation at the beginning of the year	21,750,918	17,644,794
Current Service Cost	1,926,557	1,631,669
Interest cost	1,740,073	1,411,584
Actuarial (Gain) / Loss	1,783,521	1,991,942
Benefit paid	(2,265,973)	(929,071)
<b>Present value of obligations as at end of year</b>	<b>24,935,096</b>	<b>21,750,918</b>
<b>(b) Reconciliation of opening &amp; closing balance of Plan Assets</b>		
Fair value of Plan Assets at the beginning of the year	19,941,665	15,680,582
Expected return of Plan Assets	1,836,721	1,576,864
Actuarial Gain / (Loss) on Plan Assets	-	-
Contribution by Employer	3,754,667	3,613,290
Benefit Paid	(2,265,973)	(929,071)
	<b>23,267,080</b>	<b>19,941,665</b>
<b>(c) Reconciliation of Fair Value of Assets &amp; Obligation</b>		
Fair value of Plan Assets	23,267,080	19,941,665
Present Value of Obligation	24,935,096	21,750,918
<b>Amount Recognised in Balance Sheet</b>	<b>1,668,016</b>	<b>1,809,253</b>

## NOTES forming part of the Financial Statements for the year ended 31st March, 2014 (Contd.)

	As at 31st March, 2014 Rs.	As at 31st March, 2013 Rs.
<b>(d) Actuarial (Gain) / Loss Recognised</b>		
Actuarial (Gain) / Loss on Obligation	(1,783,521)	(1,991,942)
Actuarial (Gain) / Loss on Plan Assets	-	-
Actuarial (Gain) / Loss Recognised during the year	<u>(1,783,521)</u>	<u>(1,991,942)</u>
<b>(e) Expenses charged to Profit &amp; Loss Account</b>		
Current service cost	1,926,557	1,631,669
Interest Cost	1,740,073	1,411,584
Expected Return on Plan Assets	(1,836,721)	(1,576,864)
Actuarial (Gain) / Loss	1,783,521	1,991,942
	<u>3,613,430</u>	<u>3,458,331</u>
(f) March'2014, March'2013 & March'2012 - 100% with Life Insurance of India Ltd.		
(g) Principal Actuarial Assumption as at 31st March, 2014.		
A. Discount Rate (per annum)	8%	8%
B. Expected Rate of Return of Plan Assets (per annum)	8%	8%
C. Salary Escalation	5%	5%
D. Inflation Rate	5%	5%
ii) The Company has also computed and made necessary provisions on account of leave encashment benefits based on actuarial valuation as per Accounting Standard-15 (Revised) "Employee Benefits". The total service eligibility as per the Company's leave rules are estimated and provided in the books as a revenue expenditure after making adjustment towards the benefit paid on this benefit obligation were carried out at 31st March, 2014.		
	<b>For the year ended 31st March, 2014 Rs.</b>	<b>For the year ended 31st March, 2013 Rs.</b>
<b>24. FINANCE COST</b>		
<b>Interest :</b>		
Interest	174,605,017	182,628,075
Bank Charges	23,950,258	29,504,538
<b>Total</b>	<u>198,555,275</u>	<u>212,132,613</u>
<b>25. OTHER EXPENSES</b>		
<b>Manufacturing Expenses</b>		
Consumption of Stores, Spares & Packing Material	86,329,592	54,353,785
Power and Fuel	249,464,340	248,642,239
Processing Charges	1,507,731	1,959,644
Repairs and maintenance - Buildings	1,296,010	1,262,505
Repairs and maintenance - Machinery	6,080,887	4,561,575
	<u>344,678,560</u>	<u>310,779,748</u>
<b>Selling &amp; Distribution Expenses</b>		
Outward Freight	122,238,709	122,080,443
Other Export Expenses	46,854,495	46,705,033
Commission on Sale	83,566,384	167,024,692
Claims & Discounts	4,178,936	2,896,883
	<u>256,838,524</u>	<u>338,707,051</u>
<b>Establishment &amp; Other Expenses</b>		
Rent	893,600	366,000
Rates and taxes	4,539,629	2,004,287
Communication Charges	5,408,315	4,809,815
Travelling and conveyance	21,799,173	16,892,337



## NOTES forming part of the Financial Statements for the year ended 31st March, 2014 (Contd.)

	For the year ended 31st March, 2014	For the year ended 31st March, 2013
	Rs.	Rs.
Insurance	2,037,154	1,853,232
Miscellaneous Expenses	22,598,408	23,881,531
	<u>57,276,279</u>	<u>49,807,202</u>
<b>Total</b>	<u><b>658,793,364</b></u>	<u><b>699,294,000</b></u>
i) Miscellaneous Expenses includes payment to Statutory Auditor as :		
Statutory Audit Fees	202,248	202,248
Tax Audit Fees	22,472	22,472
Other Services	88,483	78,943
<b>Total</b>	<u><b>313,203</b></u>	<u><b>303,663</b></u>

### 26. CAPITAL COMMITMENTS:

Estimated amount of contracts remaining to be executed on Capital Account and not provided for **Rs. 160.19 Lacs** (Net of advances) (Previous Year Rs. 6.09 Lacs ).

### 27. CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF :

- i. Bills discounted with Banks **Rs. 7197.21 Lacs** (Previous Year Rs. 5403.55 lacs).
- ii. Bank Guarantees of **Rs. 305.55 Lacs** (Previous Year Rs. 426.47 lacs) issued in favour of Custom, Central Excise & Other Government Authorities.
- iii. **Disputed Statutory Dues :-**
  - a) The Income Tax Assessment of the Company have been completed up to Assessment Year 2011-2012. Disputed Income Tax Liabilities for which appeal is pending before different appellate authorities for Assessment Year **2000-2001, 2005-2006, 2006-2007, 2008-2009, 2010-2011 & 2011-2012** are **Rs. 445.99**.
  - b) Disputed Central Excise liability for which appeal is pending before different excise authorities relating to financial year from 2005-2006 is Rs. 27.13 Lacs.
  - c) Disputed Central Service Tax liability for which appeal is pending before different Service Tax authorities relating to financial year from **2004-2005, 2005-2006 & 2009-2010** is **Rs. 25.15 Lacs**.

Based on the decision of the Appellate authorities and the interpretations of the other relevant provisions, the Company has been legally advised that the demand is likely to be either deleted or substantially reduced and accordingly no provision has been made.

28. As per Accounting Standard 28 issued by the institute of Chartered Accountants of India, the company has assessed recoverable value of generating unit based on value in used method which has worked out to be much higher than corresponding book value of net assets thereby not warranting further exercise of arriving at their net selling price. This further confirms absence of exigency of making any provision for impairment of asset(s)
29. The Company has only one business segment i.e. Textiles and thus no further disclosure are required in accordance with Accounting Standard 17 notified by Companies (Accounting Standards) Rules, 2006 (As amended) of the Companies Act, 1956.

	For the year ended 31st March, 2014	For the year ended 31st March, 2013
	Rs.	Rs.
Geographical Segments		
Export Revenues (Including Export Benefits)	4,958,565,233	5,225,426,575
Domestic Revenues (Net of Excise Duty)	1,344,281,387	1,192,964,316
<b>Total</b>	<u><b>6,302,846,620</b></u>	<u><b>6,418,390,891</b></u>

## NOTES forming part of the Financial Statements for the year ended 31st March, 2014 (Contd.)

	For the year ended 31st March, 2014	For the year ended 31st March, 2013
	Rs.	Rs.
<b>30. Basic and diluted earning per share (EPS) of the face value of Rs.5/- each is calculated as under:-</b>		
Net profit as per Profit and Loss Account available for Equity Share Holder (In Rs.)	48,640,620	44,187,561
Weighted average number of Equity Shares for Basis Earning Per Share	12,499,700	12,499,700
Basis / Diluted Earning Per Share (Weighted Average) - in Rs.	3.89	3.54
<b>31. DIRECTORS REMUNERATIONS</b>		
Salary	8,920,000	8,070,000
Other Perquisites	60,000	60,000
Directors Sitting fees	111,000	85,000
<b>32. Related parties with whom transactions have taken place during the year</b>		
<b>Key Management personnel's</b>		
Sri Sushil Patwari : Chairman and Managing Director		
Sri Sunil Patwari : Vice Chairman and Managing Director		
Sri K.C. Purohit : Whole Time Director		
Sri Mahendra Patwari : Whole Time Director		
<b>Associate Company :</b>		
Nagreeka Capital & Infrastructure Ltd.		
Nagreeka Foils Limited		
Nagreeka Synthetics Private Limited		
<b>Relatives of Key Management Personnel's &amp; Others :</b>		
Patwari Properties		
Smt. Minakshi Patwari		
Smt. Anita Patwari		
	(Rs. in Lacs)	(Rs. in Lacs)
	<b>2013-2014</b>	<b>2012-2013</b>
<b>Nature of Transaction &amp; with Whom</b>		
Rent to Relatives of Key Management Personnel's & Other	2.34	1.74
Rent to Key Management Personnel	0.60	0.60
Loans & Advances from Associates	502.37	339.80
Repayemnt of Loans & Advances from Associates	502.37	339.80
Purchase of Goods from Associates	-	-
Remuneration to Key Management Personnels	89.20	80.70
Outstaing Balances as on 31.03.2014	-	-
<b>Deposit / Loans &amp; Advances :</b>		
Key Management Personnels	176.00	176.00
<b>33. The Previous Year figures has been re-grouped / re-arranged wherever necessary to conform to the current year presentation</b>		

As per our annexed report of even date.

For **DAS & PRASAD**  
Chartered Accountants

**(CA. B. N. AGARWALA)**  
Partner  
M. No. 011709  
Firm's Regn. No. 303054E

Place : Kolkata  
Date : 29th May, 2014

For and on behalf of the Board of Directors

**SUSHIL PATWARI** Chairman & Managing Director  
**SUNIL PATWARI** Vice Chairman & Managing Director  
**M. K. OGRA** Director  
**J. TIWARI** Company Secretary



*President's Award Gold Trophy*



*President's Award Silver Trophy*



*Eastern Region Export Excellence Award (Gold Award)*

## BOOK POST

***Nagreeka Exports Ltd (Yaviuj Factory)***



***Nagreeka Exports Ltd (Kagal Factory)***



If undelivered please return to :  
**M/s. Maheshwari Datamatics Pvt. Ltd.**  
(Unit : Nagreeka Exports Ltd.)  
6, Mangoe Lane, 2nd Floor  
Kolkata - 700 001