

25th
ANNUAL
REPORT
2014-15




vijay
TEXTILES LIMITED

Furnishings Simply Incredible

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BOARD OF DIRECTORS**TEXTILES LIMITED**

Shri Vijay Kumar Gupta : Chairman and Managing Director

Shri Susheel Kumar Gupta : Executive Director

Shri R.Malhotra : Finance Director

Shri M. Srikanth Reddy : Independent Director

Shri K. Bhupal Reddy : Independent Director

(Up to 11th February 2015)

Shri Sanjeev Kumar Agarwal : Independent Director

Smt Kamini Gupta : Independent Director

(From 11th February 2015)

Company Secretary

S. Nagarajan

Statutory Auditors

M/s. Laxminiwas & Co.,

Chartered Accountants

402, 4th Floor, Moghul's Court, Basheer Bagh,

HYDERABAD - 500 001

Internal Auditors

M/s. Sankaran & Krishnan,

Chartered Accountants,

3-6-203, Himayatnagar, HYDERABAD - 500 029

Secretarial Auditor

Cs.Ajay Kishen

Company Secretary

2nd Floor, Kishen's Residency

H.No:4-1-1239/3 & 4, King Koti, Hyderabad - 500 001

Bankers**State Bank of India**

Industrial Finance Branch

Somajiguda, HYDERABAD-500 082

Axis Bank Limited

Begumpet, Hyderabad-500 016

State Bank of Hyderabad

Industrial Finance Branch

"Topaz", Amrutha Hills, Punjagutta, Hyderabad - 500 082

Registrars & Transfer Agents

Aarthi Consultants Private Limited

1-2-285, Domalguda, Hyderabad-500 029.

Registered Office

Surya Towers, Ground Floor

104, Sardar Patel Road, Secunderabad - 500 003

Email : info@vijaytextiles.in

CIN: L18100TG1990PLC010973

Factory:

Survey No: 139 to 141 & 143

Village: Rajapoor - 509 202

Mandal: Balanagar,

District: Mahaboobnagar

Telangana

Wholesale Depot:

Plot No: 46, Road No: 12

APIIC, Katedan,

Hyderabad - 500077

Retail Show Rooms:

1. Surya Towers, Ground Floor,
104, Sardar Patel Road
Secunderabad - 500003
2. D. No. 6-3-852/3,
Near Lal Bungalow,
Ameerpet,
Hyderabad - 500016
3. D. No. 2-22-306/A/2, Plot No: 6 &
7, Survey No: 178 & 179,
Bhagyanagar Colony, Phase-II,
Kukatpally,
Hyderabad - 500072
4. D. No. 23-27/A,
Survey No.127 &
130/1, Kothapet,
Dilsukhnagar,
Hyderabad - 500060
5. D. No. 19-94/1, Survey No: 466,
Housing Colony, A.S.Rao Nagar,
Secunderabad - 500062

**NOTICE OF THE 25TH
ANNUAL GENERAL MEETING**



TEXTILES LIMITED

NOTICE is hereby given that the 25th Annual General Meeting of the Members of **VIJAY TEXTILES LIMITED** will be held on Wednesday, the 30th **September 2015 at 11.00 A.M.** at Surana Udyog Auditorium, The Federation of Telangana and Andhra Pradesh Chamber of Commerce & Industry, The Federation House, 11-9-84, Red Hills, Hyderabad- 500 004 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2015 and the Statement of Profit and Loss for the year ended as on that date along with Cash Flow Statement and notes appended thereto together with the Directors' Report and Auditors' Report thereon.
2. To appoint a Director in the place of Shri R.Malhotra (DIN:5242639), who has been appointed as whole time Director and who retires by rotation and being eligible, offer himself for re-appointment.
3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution relating to ratification of appointment of Statutory Auditors of the Company:

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other rules framed there under, as amended from time to time, the appointment of M/S Laxminiwas & Co., Chartered Accountants (Firm Registration No FRN 011168S) as Auditors of the Company for a period of three consecutive years, made at the 24th Annual General Meeting (AGM), be and is hereby ratified for the period from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting at such remuneration as may

be decided by the Board of Directors of the Company"

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution

"RESOLVED THAT pursuant to Section 13 and 61, and all other applicable provisions, if any, of the Companies Act, 2013, the Authorized Share Capital of the Company be increased from present ₹ 70,00,00,000 (Rupees Seventy Crores only) divided into 2,00,00,000 (Two Crores Only) Equity Shares of ₹ 10/- each aggregating to ₹ 20,00,00,000 (Rupees Twenty Crores only) and 50,00,000 (Fifty Lakhs Only) Redeemable, Non-Convertible & Cumulative Preference Shares of ₹ 100/- each aggregating to ₹ 50,00,00,000/- (Rupees Fifty Crores only) to ₹ 73,00,00,000/- (Rupees Seventy Three Crores only) by creation of additional 3,00,000 (Three Lakhs Only) Redeemable, Non-Convertible & Cumulative Preference Shares of ₹ 100/- each and consequently the Clause V of the Memorandum of Association of the Company be and is hereby altered by substituting the following new clause.

- V. The Authorized Share Capital of the Company is ₹ 73,00,00,000 (Rupees Seventy Three Crores Only) divided into 2,00,00,000 (Two Crores Only) Equity Shares of ₹ 10/- each aggregating to ₹ 20,00,00,000 (Rupees Twenty Crores Only) and 53,00,000 (Fifty Three Lakhs Only) Redeemable, Non-Convertible & Cumulative Preference Shares of ₹ 100/- each aggregating to ₹ 53,00,00,000/- (Rupees Fifty Three Crores Only).The Company shall have the power, from time to time, to increase or reduce its Capital and to issue any shares in the original or new capital as ordinary or preferred shares

and to attach to any Class or Classes of such shares, any preferences, rights, privileges or priorities in payment of dividends or distribution of assets or otherwise over any other shares or to subject the same to any restrictions, limitations or conditions and to vary regulations, of the Company as far as necessary to give effect to the same and upon the sub-division of a share to apportion the right to participate in profits in any manner".

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

"RESOLVED THAT pursuant to provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013, the existing Article 3 of the Articles of Association of the Company relating to Share Capital be and is hereby altered by substituting with the following new article".

3. The Authorized Share Capital of the Company is ₹ 73,00,00,000 (Rupees Seventy Three Crores Only) divided into 2,00,00,000 (Two Crores Only) Equity Shares of ₹ 10/- each aggregating to ₹ 20,00,00,000 (Rupee Twenty Crores Only) and 53,00,000 (Fifty Three Lakhs Only) Redeemable, Non-Convertible & Cumulative Preference Shares of ₹ 100/- each aggregating to ₹ 53,00,00,000/- (Rupee Fifty Three Crores Only). The Company shall have power to increase, consolidate, sub-divide, reduce or otherwise alter its share capital, subject to the provisions of the Act".
6. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to provisions of Section 55,62 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force) and in accordance with the existing guidelines, rules and regulations of the Securities and Exchange Board of India ("SEBI"), Reserve Bank of India, Government of India (including any statutory amendment(s), modification(s) and or re-enactment(s) thereof, for the time being in force) and enabling provisions in the Memorandum and Articles of Association of the Company and subject to such terms, conditions and modifications as may be considered appropriate and determined by the Board of Directors of the Company (hereinafter referred to as "the Board" which expression shall include any committee thereof for the time being conferred on the Board by this resolution may have been delegated) and subject also to such approvals, consents, permissions or sanctions (including any conditions thereof, or modifications to the terms contained therein), if any, of the appropriate authorities, as may be required and/or such terms and conditions, as may be prescribed while granting such consents and approvals and which may be agreed to by the Board, the Board be and is authorized to issue, offer and allot, Redeemable, Non-Convertible & Cumulative Preference Shares of the face value of ₹ 100/- each at par not exceeding ₹ 2.76 Crores (Rupees Two Crores Seventy Six Lakhs Only) and in such numbers as the Board may decide, from time to time and in one or more tranches, at its absolute discretion, on preferential basis to Promoters of the Company on such terms and conditions including the rate of dividend, period of redemption etc., as may be decided by the Board in the best interest of the Company".

"RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board be and is hereby authorized to do all necessary acts, deeds, matters and things and execute all agreements and other documents as it may at its discretion deem necessary or desirable for such purpose and to settle any question, difficulties or doubts that may arise in regard as it may in its absolute discretion deem fit without being required to seek any fresh approval of the Members of the Company and the decision of the Board shall be final and conclusive".

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, (including any statutory modification(s) or re-enactment

thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Smt Kamini Gupta (DIN: 332756), a non-executive Director of the Company and who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office up to 29th September 2019, not liable to retire by rotation".

By Order of the Board
For **Vijay Textiles Limited**

Place : Secunderabad
Date : 22nd July, 2015

S Nagarajan
Company Secretary

Registered Office :
Surya Towers, Ground Floor,
104, Sardar Patel Road,
Secunderabad - 500 003

NOTES FOR MEMBERS ATTENTION:

1. A member entitled to attend and vote at the Annual General Meeting (the meeting) is entitled to appoint a proxy to attend and vote on a poll instead of him self and the proxy need not be a member of the Company. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than 48 hours before commencement of the meeting.
2. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the Meeting.
3. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
4. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID Numbers and those who hold shares in physical form are requested to write their Folio Number in the Attendance slip for attending the Meeting.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of the names will be entitled to vote.
6. The Company has already notified Closure of the Register of Members and Transfer Books

from Thursday, 24th September 2015 to Wednesday, 30th September 2015 (both days inclusive) for the purpose of Annual General Meeting.

7. Members who hold shares in Physical form in multiple folios in identical names or joint accounts in the same order of names are requested to send the Shares Certificates to the Company's Registrars and Transfer Agents, M/s. Aarathi Consultants Pvt Limited, for consolidation into a single folio.
8. Non-Resident Indian Members are requested to inform the Company's Registrars and Transfer Agents, M/s. Aarathi Consultants Private Limited, immediately of :
 - a) The Change in the Residential status on return to India for permanent settlement.
 - b) The particulars of the Bank Account, maintained in India, with complete name, branch, account type, account number and address of Bank, with PIN Code Number, if not furnished earlier.
9. Members desirous of obtaining any information concerning the accounts/operations of the Company are requested to send their queries at least seven days before the date of the meeting, to the Company so that information required may be made available at the meeting.
10. The Shares of the Company continue to be listed on the stock exchange at Mumbai, the Company has paid up to date all the listing fees to the exchanges.
11. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the Special Business to be transacted at the Meeting is annexed hereto.

12. INSTRUCTIONS FOR SHAREHOLDERS VOTING ELECTRONICALLY ARE AS UNDER:

In compliance with Section 108 of the Companies Act, 2013 and Rule 20 of the Companies Management and Administration Rules 2014, the Company is pleased its shareholders with facility to exercise their right to vote at the 25th Annual General Meeting (AGM) by electronic means and the Business may be transacted through e-voting services provided by Aarathi Consultants Private Limited.

The Company has signed an Agreement with Central Depository Services (India) Limited (CDSL) for facilitating e-voting to cast their vote electronically.

I. INSTRUCTIONS FOR SHAREHOLDERS VOTING ELECTRONICALLY ARE AS UNDER:

In compliance with Section 108 of the Companies Act, 2013 and Rule 20 of the Companies Management and Administration Rules 2014, the Company is providing its shareholders the facility to exercise their right to vote at the 25th Annual General Meeting (AGM) by electronic means and the Business may be transacted through e-voting services provided by Aarathi Consultants Private Limited.

The Company has signed an Agreement with Central Depository Services (India) Limited (CDSL) for facilitating and providing e-voting facility.

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

In case of members receiving e-mail:

- (i) The Shareholders should log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.

- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID

For Members holding shares in Demat Form	For Members holding shares in Physical Form
For NSDL: 8 Character DP ID followed by 8 Digits Client ID For CDSL: 16 digits beneficiary ID	Folio Number registered with the Company

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

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). <ul style="list-style-type: none"> • 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. • 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.
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 Company records for the said demat account or folio. 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 Folio/Client ID in the Dividend bank details field as mentioned in instructions (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) For Members holding shares in Physical form, the details can be used only for remote e-voting on the resolution contained in this Notice.
- (x) Members holding shares in Demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for remote 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.

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.

- (xi) Click on the relevant EVEN for the "Vijay Textiles Limited" on which you choose to vote.
- (xii) On the voting page, you will see Resolution Description and against the same the option 'YES/NO' for voting. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTION FILE LINK" if you wish to view the entire Notice of the Annual General Meeting.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click Here to Print" option on voting page.
- (xvii) Note For Non-Individual Shareholders and Custodians.
 - 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.
 - 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 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 favor of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- (xviii) In case you have any queries or issues regarding remote e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

2. OTHER INSTRUCTIONS:

- (i) Since the Company is required to provide facility to the members to exercise their right to vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form and not casting their vote electronically, may cast their vote at the Annual General Meeting.
- (ii) The remote e-voting period begins on **26th September, 2015 (9A.M)** and ends on

29th September, 2015 (5.00 P.M).

During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut off date i.e. **23th September, 2015** may cast their vote electronically. Thereafter remote e-voting module shall be disabled by CDSL for voting thereafter.

- (iii) The voting rights of shareholders shall be in proportions to the shares held by them in the paid equity share capital of the Company as on the cut off date i.e **23th September 2015.**
- (iv) The Company has appointed Mr. Adusumilli. Ravi Shankar, (FCS No: 5335) Proprietor M/s A.Ravi Shankar & Co, Company Secretaries, Hyderabad as Scrutinizer for conducting the e-voting process for the Annual General Meeting in a fair and transparent manner.
- (v) The Scrutinizer shall after the conclusion of the Voting at the Annual General Meeting first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make not later than three days of conclusion of the meeting a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any,

to the Chairman or person authorized by him.

- (vi) Voting is provided to the members through e-voting and at the Annual General Meeting of the Company. A Member can opt for only one mode of voting i.e. either through e-voting or at the Annual General Meeting of the Company.
- (vii) If a Member casts votes by both modes, then voting done through e-voting shall prevail.
- (viii) The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.vijaytextiles.in and on the website of CDSL and will be communicated to the Bombay Stock Exchange Limited.

By Order of the Board
For **Vijay Textiles Limited**

Place : Secunderabad
Date : 22nd July, 2015

S Nagarajan
Company Secretary

Registered Office :
Surya Towers, Ground Floor,
104, Sardar Patel Road,
Secunderabad - 500 003

EXPLANATORY STATEMENT

Pursuant to Section 102(1) of the Companies Act, 2013.

Item No 4 & 5 : Increase of Authorized Share Capital and Amendment of Memorandum and Articles of Association of the Company:

In order to full fill, the terms and conditions stipulated by the Lenders under Corporate Restructuring Scheme the Board of Directors at their meeting held on 22nd July,2015 have decided to increase the existing Authorized Share Capital of ₹ 70.00 Crores to ₹ 73.00 Crores divided in to 2,00,00,000 (Two Crores Only) Equity Shares of ₹ 10/- each aggregating to ₹ 20,00,00,000 (Rupees Twenty Crores Only) and 53,00,000 (Fifty Three Lakhs Only) Redeemable, Non-Convertible & Cumulative Preference Shares of ₹ 100/-each aggregating to ₹ 53,00,00,000/- (Rupees Fifty Three Crores Only) by creation of additional 3,00,000 (Three Lakhs Only) Redeemable, Non-Convertible & Cumulative Preference Share of ₹ 100/- each.

The aforesaid increase in the Authorized Share Capital will require the amendment of the Capital Clause of the Memorandum of Association and Capital Clause of the Articles of Association. Hence the Directors recommend the Special Resolution under item No 4 & 5 of the Notice for approval of the Members.

Save and except Shri. Vijay Kumar Gupta, Chairman and Managing Director and Shri.Susheel Kumar Gupta, Executive Director none of the Directors/Key Managerial Personnel and their relatives are interested or concerned financially or other wise, in the Special Resolution except to the extent of their shareholding.

The Board commends the Special Resolution set out at Item No.4 & 5 of the Notice for approval of the shareholders.

Item No 6: Issue of Redeemable Non-

Convertible & Cumulative Preferential Shares to Promoters.

The Board of Directors at their Meeting held on 22nd July,2015 have approved issue of Redeemable, Non-Convertible & Cumulative Preference Shares for a sum not exceeding ₹ 2.76 Crores to the Promoters on preferential basis as a part of the fulfillment of the terms and conditions stipulated by the Lenders under Corporate Restructuring Scheme. As per the provisions of Section 55 & 62 of the Companies Act, 2013 any increase in the issued capital of the Company by allotment of further securities, such further securities shall be first offered to the existing shareholders of the Company in the manner laid down in Section 55 & 62 unless the shareholders in the General Meeting decides otherwise; as the preference shares are proposed to be offered and issued on preferential basis to the Promoters, approval of Members in General Meeting by way of Special Resolution is required.

The proposed preferential allotment to the Promoters as aforesaid will not result in any change in the control of the Company.

Save and except Shri. Vijay Kumar Gupta, Chairman and Managing Director and Shri.Susheel Kumar Gupta, Executive Director none of the Directors/Key Managerial Personnel and their relatives are interested or concerned financially or other wise, in the Special Resolution except to the extent of their shareholding

Board of Directors recommends the Resolution for your approval in the best interest of the Company.

Item No:7 Appointment of Independent

Director:

The said proposal of appointment also in conformity of the Compliance of appointment of Women Director as per the provisions of Companies Act,2013 and Listing Agreement.

In terms of Section 149 and any other applicable provisions of the Companies Act, 2013 Smt Kamini Gupta is proposed to be appointed as Independent Director on the Board of the Company for a term up to four consecutive years i.e. for a term up to 29th September 2019.

A brief profile of the proposed Independent Director is provided herein under.

Smt Kamini Gupta, aged about 45 years and is B.Tech and MBA by qualification. She is having 20 years of experience in strategic consultation, Marketing and sales. At present she is the Managing Director and CEO of Edgetx Technologies Private Limited, having wide experience in the business management and finance. Her association with the Company will help the Company in managing the affairs of the Company. The Members has been requested to approve the

appointment of Smt.Kamini Gupta, as Non-Executive Independent Director for a period of 4 years up to the date of Annual General Meeting to be held in the year 2019 not liable to retire by rotation.

Save and except Smt. Kamini Gupta, Independent Director none of the Directors/Key Managerial Personnel and their relatives are interested or concerned financially or otherwise in the Ordinary Resolution.

The Board commends the Ordinary Resolution set out at Item No:7 of the Notice for approval of the Stakeholders,

By Order of the Board
For **Vijay Textiles Limited**

Place : Secunderabad
Date : 22nd July, 2015

S Nagarajan
Company Secretary

Registered Office :
Surya Towers, Ground Floor,
104, Sardar Patel Road,
Secunderabad - 500 003

Dear Members,

Your Directors have pleasure in presenting the 25th Annual Report and the Audited Statement of Accounts of the Company for the Financial Year ended 31st March 2015.

FINANCIAL RESULTS

The performance of the Company during the year has been as under:

(₹ in Lakhs)

Particulars	2014-2015	2013-2014
Total Revenue from operations	8960.00	11112.57
Profit Before Tax	(1957.18)	71.92
Less: Taxation		
a. Provision for Taxation - Current Year	0.00	13.70
b. Deferred Tax	(30.31)	(140.04)
Profit/(Loss) After Tax	(1926.87)	198.26
Add: Profit brought forward from last year	754.04	555.78
Total available for appropriations	(1172.83)	754.04
Less: Adjustment Relating to Fixed Assets	56.01	0.00
Balance carried forward to Balance Sheet	(1228.84)	754.04

OPERATIONS

The sales and other income for the year were ₹ 8960.00 Lakhs and the net loss of ₹ 1926.87 Lakhs as compared to ₹ 11112.57 Lakhs of sales and other income and net profit of ₹ 198.26 Lakhs achieved in the last financial year respectively.

PERFORMANCE AND FUTURE OUTLOOK

Performance of your Company did not meet the expectations due to various factors that include recurring and persisting problems of power shortage, general economic slow down and other contributory factors like unanticipated reduction in other income and these had severely impacted its operations to a great extent. Adverse market environment is considered greatly responsible for lower turnover achieved by the Company as compared to the expectations and it dented its bottom line, which too remained much below the projected forecast.

Due to consistent pressure on operations, continuous stress on liquidity due to prevailing adverse market environment the overall impact on Company's liquidity position has remained under stress.

The industry is witnessing all around growth in the global scenario, which is coupled with rise in demand in the housing and infrastructure. Changing life styles and people's acumen to opt for sophisticated standards are the key factors in its growth pattern too. These factors will help the Company to achieve its projected growth outlined for the future.

EXTRACT OF ANNUAL RETURN:

As required pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT-9 is a part of this Annual Report is enclosed as Annexure - I

MEETINGS OF THE BOARD

The Board of Directors duly met seven times during the financial year from 1st April 2014 to 31st March 2015. The dates on which the meetings were held as follows:

11th April 2014, 28th May 2014, 24th July 2014, 12th August 2014, 7th November 2014, 11th February 2015, and 28th March 2015.

DIRECTORS

As per the provisions of Section 149 and 152 of the Companies Act, 2013, the shareholders at their 24th Annual General Meeting held on 30th September, 2014, had approved the re-appointment of all the existing Independent Directors of the Company for tenure up to five consecutive years. None of the Independent Directors are liable to retire by rotation.

In accordance with Section 149 (7) of the Companies Act, 2013, each Independent Director has confirmed to the Company that he or she meets the criteria of independence laid down in Section 149 (6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

During the year Shri K Bhupal Reddy, Independent Director of the Company resigned with effect from 11th February 2015 due to his pre-occupation. The Board places on record its deep appreciation for the valuable contribution made by him during his tenure as Director of the Company.

In accordance with Article 111 of the Company's Articles of Association, read with Section 152 of the Act, Shri R. Malhotra, Whole-time Director retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. A brief profile of Shri R Malhotra is given in the Corporate Governance section of Annual Report for reference to the shareholders.

In accordance with the provisions of the Companies Act, and listing agreement, Company has to appoint Women Director. The Company appointed Smt. Kamini Gupta, as Independent Director with effect from 11th February, 2015.

KEY MANAGEMENT PERSONNEL

Shri S. Nagarajan, Company Secretary, is the Key Management Personnel of the Company in terms of the provisions of the Companies Act, 2013.

APPOINTMENT OF DIRECTORS AND REMUNERATION POLICY

The assessment and appointment of members to the Board is based on a combination of criterion that includes ethics, personal and professional stature, domain expertise, gender diversity and specific qualification required for the position. The potential Board member is also assessed on the basis of independence criteria defined in Section 149 (6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

In accordance with Section 178(3) of the Companies Act, 2013, Clause 49 (IV) (B) of the Listing Agreement and on the recommendations of the Nomination and Remuneration Committee, the Board adopted a remuneration policy for Directors, Key Management Personnel (KMPs) and Senior Management. The Policy is attached as an annexure to the Corporate Governance Report.

BOARD EVALUATION

In accordance with the provisions of the Act and Clause 49 of the Listing Agreement, the Board has carried out evaluation of its own performance, the performances of Committees of the Board, namely, Audit Committee, Risk Management Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee and also the Directors. The manner in which the evaluation was carried out and the process adopted has been mentioned out in the Report on Corporate Governance.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 134(3) (C) and 134(5) of the Companies Act, 2013 and on the basis of explanation given by the executives of the Company and subject to disclosures in the Annual Accounts and also on the basis of discussions with the Statutory Auditors of the Company from time to time, we state as under:

1. That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. That the Directors have selected such accounting policies and applied them consistently and made judgment 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 and of the profit or loss of the Company for that period;
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. That the Directors have prepared the annual accounts on a going concern basis;
5. That the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
6. That the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

STATUTORY AUDITORS

The Shareholders at their 24th Annual General Meeting (AGM) held on 30th September 2014, approved the re-appointment of M/S. Laxminiwas & Co., Chartered Accountants, as Statutory Auditors of the Company, to hold office from the conclusion of the 24th AGM up to the conclusion of the 27th AGM to be held in the year 2017.

In terms of first proviso of Section 139 of the Companies Act, 2013, the appointment of Statutory Auditor is subject to ratification by the Shareholders at every subsequent AGM. Accordingly, the Statutory Auditors, M/S.Laxminiwas & Co., Chartered Accountants, have confirmed their eligibility under Section 141 of the Companies Act, 2013, Rule 4 of the Companies (Audit and Auditors) Rules, 2014 and Clause 41(1)(h) of the Listing Agreement.

The Audit Committee and the Board of Directors recommend the appointment of M/S. Laxminiwas & Co., Chartered Accountants, as Statutory Auditors of the Company from the conclusion of 25th AGM till the conclusion of 26th AGM, to the Shareholders for ratification.

The Auditors' Report does not contain any qualification, reservation or adverse remark.

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Board has appointed Mr. Ajay Kishen, Practicing Company Secretary to undertake the Secretarial Audit of the Company. The report of the Secretarial Auditor is enclosed herewith vide Annexure II of this Report.

Certain observations made in the report with regard to non filing of some forms were mainly due to ambiguity and uncertainty of the applicability of the same for the relevant period. However, the Company would ensure in future that all the provisions are complied to the fullest extent.

Basing on the consent received from Mr. Ajay Kishen, Practicing Company Secretary and the recommendations of the Audit Committee, the Board has appointed Mr. Ajay Kisen, Practicing Company Secretary, as Secretarial Auditor of the Company for the financial year 2015-2016.

PARTICULARS OF LOANS GUARANTEES, OR INVESTMENTS

The Company has not granted any loans, investments, guarantees and securities

RELATED PARTY TRANSCATIONS

All related party transactions that were entered into during the financial tear were on arm's length basis and were in the ordinary course of business. There were no material significant related party transactions made by the Company with the Promoters, Directors, Key Managerial Personnel or the Senior Management which may have a potential conflict with the interest of the Company at large.

All related party transactions were placed before the Audit Committee/Board for approval. Prior approval of the Audit Committee was obtained for the transactions which are foreseen and are in repetitive in nature.

None of the Directors have any pecuniary relationship or transactions with the Company, except payments made to them in the form of remuneration, rent, sitting fees and interest on unsecured loans.

The Company has not entered into any contracts/arrangements with related parties referred to Section 188(1) of the Companies Act, 2013 including certain arm length transaction during the year. Accordingly, no disclosure or reporting is required covered under this Section.

RESERVES

During the year your Company has not transferred any amount to General Reserve Account

DIVIDEND

The Board of Directors of your Company has not recommended any dividend for the financial year 2014-2015.

During the year dividend amounting to ₹ 3,70,782.75 that had not been claimed by the Shareholders for the year ended 31st March 2007 was transferred to the credit of Investor Education and Protection Fund as required under Section 124 read with Section 125 of the Companies Act 2013.

MATERIAL CHANGES AND COMMITMENTS, IF ANY

There are no major material changes and commitments affecting the financial position of the Company after the end of the financial year and up to date of this report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREGIN EXCHANGE EARNIGNS AND OUTGO

The particulars as prescribed under Section 134(3)(m) of the Companies Act, 1956, read with Companies (Accounts) Rules, 2014 are enclosed as Annexure III.

RISK MANAGEMENT POLICY

The Company has constituted a Risk Management Committee. The details of constitution of the Committee and its terms of reference are set out in the Report on Corporate Governance. The Company has formulated

a Risk Management Policy under which various risks associated with the business operations are identified and risk mitigation plans have been put in place.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company fully acknowledges its social responsibilities being a conscientious corporate citizen and fully believes in discharging its obligations to the society at large. The Company sees this as an opportunity that shall play a pivotal role in helping the society and thus it continues to make concerted efforts in its work towards transformation of communities surrounding its work place as its humble contribution to the society.

CHANGES IN THE NATURE OF BUSINESS

During the year, there was no changes in the nature of business of the Company.

SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

During the year under review, the Company does not have any subsidiaries, joint ventures or associate Companies

FIXED DEPOSITS

The Company has not accepted or invited any Deposits covered under Chapter V of the Companies Act, 2013. and, a such, no amount of principal or interest was outstanding as on the date of the Balance Sheet. Accordingly, no disclosure or reporting is required in respect of details relating to deposits covered under this Chapter.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE COURTS/ REGULATORS

During financial year 2015, there were no significant and / or material orders, passed by any Court or Regulator or Tribunal, which you may impact the going concern status or the Company's operations in future.

INTERNAL FINANCIAL CONTROL SYSTEMS

The Company has adequate Internal Financial Controls commensurate with the nature of business and size of operations, to effectively provide for safety of its assets, reliability of financial transactions with adequate checks and balances, adherence to applicable statutes, accounting policies, approval procedures and to ensure optimum use of available resources. .

The Company has its own corporate internal audit function to monitor and assess the adequacy and effectiveness of the Internal Financial Controls and system across all key processes covering various locations. Deviations are reviewed periodically and due compliance ensured. The Internal Audit findings are discussed and suitable corrective actions are taken as per the directions of Audit Committee on on-going basis to improve efficiency in operations. The Audit Committee reviews adequacy and effectiveness of the Company's internal financial control systems and monitors the implementation of audit recommendations.

VIGIL MECHANISM

In pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013, a vigil Mechanism for Directors and employees to report genuine concerns has been established. It also provides for necessary safeguards for protection against victimization for whistle blowing in good faith.

CORPORATE GOVERNANCE

The Company has implemented all of its major stipulations as applicable to the Company. As stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, a report on Corporate Governance duly audited is appended as Annexure IV for information of the Members. A requisite certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached to the Report on Corporate Governance.

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

The Management Discussion and Analysis Report, pursuant to Clause 49 of the Listing Agreement, is appended as Annexure V for information of the Members.

ENVIRONMENTS AND HUMAN RESOURCE DEVELOPMENT

Your Company always believes in keeping the environment pollution free and is fully committed to its social responsibility. The Company has been taking utmost care in complying with all pollution control measures from time to time strictly as per the directions of the Government.

We would like to place on record our appreciation for the efforts made by the management and the keen interest shown by the Employees of your Company in this regard.

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has in place a Prevention of Sexual Harassment Policy in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Compliance Committee has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy. During the year 2014-2015, there were no complaints received by the Committee.

PARTICULARS OF EMPLOYEES

A table containing the particulars in accordance with the provisions of Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended as Annexure VI to this Report.

During the year NONE of the employees have received remuneration more than the limits specified under the Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

CODE OF CONDUCT

Your Company has laid down a Code of Conduct for all Board Members and senior management of the Company. In pursuance of Clause 49 of the listing agreement, the declaration by the Managing Director of the Company affirming compliance with the Code of Conduct by the Directors and senior management personnel forms part of Corporate Governance Report.

ACKNOWLEDGEMENTS

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to thank all the executives, staff and workers for their contribution and continued support throughout the year.

For and on behalf of the Board

Place : Secunderabad
Date : 22nd July, 2015

Vijay Kumar Gupta
Chairman & Managing Director

Registered Office :
Surya Towers, Ground Floor,
104, Sardar Patel Road,
Secunderabad - 500 003

FORM NO. MGT – 9
EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2015

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

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L18100TG1990PLC010973
ii)	Registration Date	02-02-1990
iii)	Name of the Company	Vijay Textiles Limited
iv)	Category/Sub-Category of the Company	Company having Share Capital
v)	Address of the Registered office and contact details	Ground Floor, Surya Towers, 104,S.P.RoadSecunderabad, Telangana State – 500003.
vi)	Whether Listed Company	YES
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Shri Bhaskara Murthy, GM & Compliance Officer Aarhi Consultants Private Limited, 1-2-285, Domalguda, Hyderabad – 500029 Phone: 040-27638111.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl.No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
I	Dyeing and Printing of Textile Fabrics	2480	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S.No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
	NA	NA	NA	NA	NA

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
(1) Indian									
a) Individual / HUIF	53,80,045	-	53,80,045	46.78	53,80,045	-	53,80,045	46.78	Nil
b) Central Govt	--	--	--	--	--	--	--	--	--
c) State Govt (s)	--	--	--	--	--	--	--	--	--
d) Bodies Corp	--	--	--	--	--	--	--	--	--
e) Banks / FI's	--	--	--	--	--	--	--	--	--
f) Any Other	--	--	--	--	--	--	--	--	--
Sub Total (A) (1)	53,80,045	-	53,80,045	46.78	53,80,045	-	53,80,045	46.78	Nil
(2) Foreign	--	--	--	--	--	--	--	--	--
a) NRI - Individuals	--	--	--	--	--	--	--	--	--
b) Other - Individuals	--	--	--	--	--	--	--	--	--
c) Bodies Corporate	--	--	--	--	--	--	--	--	--
d) Banks / FI	--	--	--	--	--	--	--	--	--
e) Any Other	--	--	--	--	--	--	--	--	--
Sub Total (A) (2)	--	--	--	--	--	--	--	--	--
Total Shareholding of Promoter									
(A)=(A)(1) + (A)(2)	53,80,045		53,80,045	46.78	53,80,045		53,80,045	46.78	NIL
B. PUBLIC SHAREHOLDING									
I. Institutions									
a) Mutual Funds	--	--	--	--	--	--	--	--	--
b) Banks / FI	15,00,000	--	15,00,000	13.04	15,00,000	--	15,00,000	13.04	Nil
c) Central Govt	--	--	--	--	--	--	--	--	--
d) State Govt (s)	--	--	--	--	--	--	--	--	--
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Companies	--	--	--	--	--	--	--	--	--
g) FIs	--	--	--	--	--	--	--	--	--
h) Foreign Venture Capital Fund	--	--	--	--	--	--	--	--	--
i) Others	--	--	--	--	--	--	--	--	--
Sub Total (B) (1)	15,00,000	--	15,00,000	13.04	15,00,000	--	15,00,000	13.04	Nil

(Contd.)

Category-wise Share Holding (Contd.)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non Institutions									
a) Bodies Corporate	7,42,005	--	7,42,005	6.45	6,57,865	--	6,57,865	5.72	0.73
i) Indian	--	--	--	--	--	--	--	--	--
ii) Overseas	--	--	--	--	--	--	--	--	--
b) Individuals									
i) Individual Shareholders holding nominal share capital up to ₹ 1 Lakh	27,67,450	21,796	27,89,246	24.25	25,94,739	21,496	26,16,235	22.76	13.21
ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 Lakh	10,34,399	--	10,34,399	8.99	12,69,856	--	12,69,856	11.04	2.05
c) Others	52,505	1,800	54,305	0.49	74,199	1,800	75,999	0.66	0.19
Sub Total (B) (2)	45,96,359	23,596	46,19,955	40.18	45,96,659	23,296	46,19,955	40.18	
Total Public Shareholding (B) = (B)(1) + (B) (2)	60,96,359	23,596	61,19,955	53.22	60,96,659	23,296	61,19,955	53.22	
C. SHARES HELD BY CUSTODIAN FOR GDRS & ADRS	--	--	--	--	--	--	--	--	--
GRAND TOTAL (A+B+C)	1,14,76,404	23,596	1,15,00,000	100	1,14,76,704	23,296	1,15,00,000	100	--

ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (as on 01-04-2014)			Share holding at the end of the year (as on 31-03-2015)			% change in shareholding during the year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged/encumbered to total shares	
1	Vijay Kumar Gupta	30,88,816	26.86	92.14	30,88,816	26.86	100	No Change
2	Susheel Kumar Gupta	20,11,699	17.49	29.83	20,11,699	17.49	100	No Change
3	Shashi Kala Gupta	1,66,500	1.45	-	1,66,500	1.45	100	No Change
4	Vijay Kumar Gupta (HUF)	1,13,030	0.98	-	1,13,030	0.98	-	No Change
	Total	53,80,045	46.78		53,80,045	46.78		

(iii) Change in Promoters' Shareholding

Sl. No.	Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of	% of total Shares of the Company
1.	At the beginning of the year	53,80,045	46.78	53,80,045	46.78
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease(e.g. allotment/transfer/bonus/sweat equity etc) :	-	-	-	-
3.	At the End of the year	53,80,045	46.78	53,80,045	46.78

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRS):

Sl. No.	Name of Shareholder	Shareholding at the beginning of the year			Increase/Decrease in share holding		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the Company	Date	No. of Shares	Reason	No. of Shares	% of Total Shares of the Company
1.	State Bank of India	15,00,000	13.04	--	--		15,00,000	13.04
2.	Archana Shorewala	2,70,000	2.35	--	--		2,70,000	2.35
3.	Kaveri Seed Company Limited	1,99,425	1.73	--	--		1,99,425	1.73
4.	Ganga Kaveri Seeds Pvt Ltd	1,80,000	1.57				1,80,000	1.57
5.	R.B.Jaju Securities Pvt Ltd	1,12,432	0.97	30.06.14	333	Transfer	1,12,765	0.98
				25.07.14	-550	Transfer	1,12,215	0.97
				01.08.14	-504	Transfer	1,11,711	0.97
				05.09.14	-11	Transfer	1,11,700	0.97
				12.09.14	-5,000	Transfer	1,06,700	0.93
				19.09.14	-1,475	Transfer	1,05,225	0.92
				23.09.14	-3,000	Transfer	1,02,225	0.89
				30.09.14	-5,000	Transfer	97,225	0.84
				31.03.15	-	-	97,225	0.84
6.	U.K.Agarwal	80,000	0.70		-	-	80,000	0.70
7.	A.Rajendra Prasad	58,350	0.81	06.06.14	58250	Transfer	100	-
				31.03.15	100	Transfer	100	-
8.	Trimurthi Advisory Services P Ltd	58,250	0.51	16.05.14	-58,250	Transfer	-	-
9.	Ghansham Das Gilada	52,940	0.45	-	-	-	52,940	0.45
10.	Sanjay Jain	50,294	0.44	18.07.14	-200	Transfer	50,094	0.44
				07.11.14	-300	Transfer	49,794	0.43
				31.03.15	-	-	49,794	0.43

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of	% of total Shares of the Company
A. Directors					
1	Vijay Kumar Gupta	30,88,816	26.86	30,88,816	26.86
2	Susheel Kumar Gupta	20,11,699	17.49	20,11,699	17.49
3	Shashikala Gupta	1,66,500	1.45	1,66,500	1.45
4	Vijay Kumar Gupta(HUF)	1,13,030	0.98	1,13,030	0.98
5	R.Malhotra				
6	M.Srikanth Reddy	-	-	-	-
7	K.Bhupal Reddy *	-	-	-	-
8	Sanjeev Kumar Agarwal	-	-	-	-
9	Smt.Kamini Gupta **	-	-	-	-
B. Key Managerial Personnel					
1.	S.Nagarajan	1,200	0.01	1,200	0.01

* Ceased to be a Director with effect from 11th February,2015 consequent upon resignation.

**Appointed as a Director with effect from 11th February,2015 against casual vacancy.

V. INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	141,85,76,477	7,31,68,610	-	149,17,45,087
ii) Interest due but not paid	1,49,88,030	48,58,634	-	1,98,46,664
iii) Interest accrued but not due		-	-	-
Total (i+ii+iii)	143,35,64,507	7,80,27,244	-	151,15,91,751
Change in Indebtedness during the financial year				
Addition	126,48,33,760	27,04,53,559	-	153,52,87,319
Reduction	116,28,28,157	16,47,71,654	-	132,75,99,811
Net Change	10,20,05,603	10,56,81,905	-	20,76,87,508
Indebtedness at the end of the financial year				
i) Principal Amount	153,07,46,031	17,37,84,652	-	170,45,30,683
ii) Interest due but not paid	48,24,079	99,24,497	-	1,47,48,576
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	1,53,55,70,110	18,37,09,149	-	171,92,79,259

VI. REMUNERATION OF DIRECTORS AND KEY MANGERIAL PERSONNEL

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

Sl. No.	Particulars of Directors	Vijay Kumar Gupta (Managing Director)	Susheel Kumar Gupta (Executive Director)	R.Malhotra (Whole Time Director)	Total Amount (Rs)
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6,00,000	24,00,000	15,00,000	45,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	as % of profit	-	-	-	-
	Others	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total (A)	6,00,000	24,00,000	15,00,000	45,00,000
	Ceiling as per the Act				60,00,000

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		K.Bhupal Reddy	M.Srikanth Reddy	Sanjeev Kumar Agarwal	Smt. Kamini Gupta	
1	Independent Directors					
	Fee for attending Board/Committee Meetings	18,000	34,000	30,000	8,000	90,000
	Commission	-	-	-	-	-
	Others	-	-	-	-	-
	Total (1)	18,000	34,000	30,000	8,000	90,000
2	Other Non-Executive Directors					
	Fee for attending Board/Committee Meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B) = (1+2)	18,000	34,000	30,000	8,000	90,000
	Total Managerial Remuneration	Nil	Nil	Nil	Nil	Nil
	Overall Ceiling as per the Act	NA	NA	NA	NA	NA

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary (S. Nagarajan)	CFO	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	15,00,000	-	15,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	as % of profit	-	-	-	-
	Others	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	-	15,00,000	-	15,00,000

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding Fees imposed	Authority (RD /NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment			NIL		
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment					
Compounding					

FORM NO:MR-3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended On 31st March, 2015

(Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014)

To,
The Members,
Vijay Textiles Limited
Secunderabad

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Vijay Textiles Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, i hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Vijay Textiles Limited for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; [Not applicable to the Company during the Audit period].
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; [Not applicable to the Company during the Audit period]
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; [Not applicable to the Company during the Audit period].
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations. 2008; [Not applicable to the Company during the Audit period].

- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. [Not applicable to the Company during the Audit period].
- (vi) Other laws applicable to the Company as per the representations made by the Management.

I / We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above except to the extent as mentioned below:

1. The Company has not filed the resolutions in form MGT-14 with the Registrar of Companies in respect of disclosure of interest by Directors, Adoption of Accounts and Boards Report as required under the provisions of the Companies Act, 2013.
2. The Company has not filed the report as required under the rule 30(1) and 30(2) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
3. The Company has filed the Certificate under clause 47 (c) with Mumbai Stock Exchange but the submission to the Exchange is not within the stipulated time as specified in the Listing Agreement.

I further report that,

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Ajay Kishen
Practicing Company Secretary
FCS: 6298 CP: 5146

Place : Hyderabad
Date : 22nd July, 2015

Note: This report is to be read with my letter of even date which is annexed as ANNEXURE A and forms an integral part of this report.

ANNEXURE A

To,
The Members,
Vijay Textiles Limited
Secunderabad

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Ajay Kishen
Practicing Company Secretary
FCS: 6298 CP: 5146

Place : Hyderabad
Date : 22nd July, 2015

ANNEXURE -III

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND
FOREGIN EXCHANGE EARNINGS AND OUTGO**

Disclosure of Particulars with respect to conservation of Energy:

I. Energy Conservation:	31.03.2015	31.03.2014
A. 1. Power & Fuel Consumption		
Electricity :		
a) Purchased:		
Units	19,29,428	27,94,818
Total amount (₹)	1,55,66,362	2,05,78,202
Units Rate (₹)	8.07	7.36
b) Own Generation :		
Through Diesel Generator	1,920	23,360
Units	3.20	3.20
Units per ltr. of Diesel oil	19.56	17.41
Cost/Unit (₹)		
2. Coal used in Boiler :		
Quantity (Tonnes)	Nil	Nil
Cost (₹)	Nil	Nil
Average Rate (₹)	Nil	Nil
3. Furnace Oil (HSD):		
Quantity (K. Liter)	Nil	Nil
Total Amount (₹)	Nil	Nil
Average Unit/Liters	Nil	Nil
4. Others/Internal generation :		
Quantity (Tonnes)	6,390	8,997
Total Cost	1,73,87,844	2,40,14,751
Average Rate (₹)	2,721	2,669
B. Consumption per unit of production (Linear meter)		
Electricity	0.40	0.40
Furnace Oil	Nil	Nil
Coal (Kgs.)	Nil	Nil
Others (Firewood) (Kgs.)	1.32	1.27
2. Technology Absorption:	The Company has its In - house Design and Development Department continuously develop innovative designs and select the most suitable raw fabrics for dyeing/printing/processing.	
3. Foreign Exchange earnings and outgo :		
Earnings (₹)	44,50,865	75,15,071
Outgo (₹)	2,81,855	Nil

CORPORATE GOVERNANCE REPORT

(As required under Clause 49 of the Listing Agreement entered into with Stock Exchanges).

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Vijay Textiles Limited (VTL) is committed to the highest standards of Corporate Governance in all its activities and processes.

The Company always believes that good corporate governance practices enable the management to direct and control the affairs of the Company in an efficient manner and to achieve the Company's goal of maximizing value for its shareholders. The Company will continue to focus its resources, strengths and strategies to achieve its vision of becoming a truly global Company.

Key elements of corporate governance are transparency, disclosure, supervision & internal controls, risk management, internal & external communications, high standards of safety, health, environment, accounting fidelity product and service quality. The Board has empowered responsible persons to implement its broad policies and guidelines and has setup adequate review process.

BOARD OF DIRECTORS**COMPOSITION:**

The Board of Directors, as at the end of the year on 31st March 2015 comprised of Six Directors out of which three being Independent Directors and three being Non-Independent Directors. One Independent Director is a Woman Director

During the Financial Year 2014-2015, the Company had a Non-Executive Chairman who belonged to the promoters group and the number of Independent Directors during the year consists of three, which is in compliance with the requirement of having one-half of the Board as an Independent Directors.

None of the Directors on the Board is a member of more than 10 (ten) Committees or Chairman of more than 5 (five) Committees as specified in Clause 49 of the Listing Agreement, across all the Companies in which he is a Director. The Directors made necessary disclosures regarding Committee positions in other public limited companies as on 31st March 2015.

Board Meetings :

Seven (7) Board Meetings were held during the year as against the minimum requirement of four meetings. The gap between any two meetings did not exceed four months. The date on which the Board meetings were held are 11th April, 2014, 28th May, 2014, 24th July, 2014, 12th August, 2014, 7th November, 2014, 11th February, 2015 and 28th March, 2015.

Attendance and Directorship & Committee positions in other Companies:

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Membership held by them in other Companies is given below. Other directorships do not include alternate directorships, directorships of private limited companies, Directorship of Foreign Companies and Directorship of Companies under Section 25 of the Companies Act, 1956. The Chairmanship /Membership of Board/Committees includes Membership of Audit/Nomination and Remuneration, Stakeholders Relationship Committee and other committees.

Corporate Governance Report (Contd.)

Name	Category	No. of Board Meetings during the period		Attendance of the last AGM held on 30.09.14	No. of Directorship in other Public Ltd. Companies		No. of Committee positions held in other Public Companies	
		Held	Attended		C	M	C	M
Vijay Kumar Gupta	CMD/P/ED	7	7	Present	-	1	-	3
Susheel Kumar Gupta	P/ED	7	7	Present	-	-	-	-
R. Malhotra	F.D/E.D	7	7	Present	-	-	-	-
M Srikanth Reddy	ID/NED	7	6	Present	-	1	-	-
K. Bhupal Reddy *	ID/NED	7	4	Present	-	-	-	-
Sanjeev Kumar Agarwal	ID/NED	7	6	Present	-	-	-	-
Smt. Kamini Gupta **	ID/NED	7	2	NA	-	-	-	-

CMD/P/ED : Chairman and Managing Director/Promoter/Executive Director

ID/NED : Independent Director/ Non-Executive Director

C : Chairman M: Member

* Ceased to be a Director with effect from 11th February, 2015 consequent upon resignation.

**Appointed as a Director with effect from 11th February, 2015 against casual vacancy

AGENDA, PROCEEDINGS ETC., OF THE BOARD MEETING

All the Meetings are conducted as per well designed and structured agenda. All the agenda items are backed by necessary supporting information and documents (Except for critical price sensitive information, which is circulated in the Meeting) to enable the Board to take informed decisions. Agenda also includes minutes of the Meetings of the Board Committees. Additional Agenda items in the form of "Other Business" are included with the permission of the Chairman. Agenda papers are generally circulated seven days prior to the Board Meeting. For any other business exchanges the resolutions are passed by circulation and later placed in the ensued Board Meeting for ratification.

Apart from the Board Members the Company Secretary and the CFO are invited to attend all Board Meetings. Other senior Management Executives are called as and when necessary to provide additional inputs for the items being discussed by the Board. The CFO makes presentation on quarterly and annual operating and financial performance and on capex expenditure. The Chairman of various Board Committees brief the Board on all the important matters discussed and decided at their respective Committee Meetings, which are generally held prior to the Board Meeting.

The Company Secretary records minutes of proceedings of each Board and Committee meeting. Draft minutes are circulated to Board/Board Committee members for their comments. The minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting.

INDEPENDENT DIRECTORS

The Company has complied with the definition of Independence as per Clause 49 of the Listing Agreement and according to the Provisions of Section 149(6) of the Companies Act, 2013. The Company has also obtained declarations from all the Independent Directors pursuant to Section 149(7) of the Companies Act, 2013.

Corporate Governance Report (Contd.)**TRAINING OF INDEPENDENT DIRECTORS**

Whenever new Non-executive and Independent Directors are inducted in the Board they are introduced to our Company's culture through appropriate orientation session and they are introduced to our organisation structure, our business, constitution, board procedures and management strategy.

PERFORMANCE EVALUATION OF NON-EXECUTIVE AND INDEPENDENT DIRECTORS

The Board evaluates the performance of Non-Executive and Independent Directors every year. All the Non-executive and Independent Directors are eminent personalities have wide experience in the field of business, industry and administration. Their presence on the Board is advantageous and fruitful in taking business decisions.

SEPARATE MEETING OF THE INDEPENDENT DIRECTORS

The Independent Directors held a Meeting on 12th March 2015 without the attendance of Non-Independent Directors. All the Independent Directors were present at the meeting. The following issues were discussed in detail.

1. Reviewed the performance of non-Independent Directors and the Board as a whole.
2. Reviewed the performance of the Chairperson of the Company taking into account the views of Executive Directors and Non - Executive Directors.
3. Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

DETAILS OF DIRECTOR(S) SEEKING APPOINTMENT/RE-APPOINTMENT

As per the provisions of Section 152 of Companies Act, 2013, two-thirds of the Directors should be retiring Directors. One-third of these retiring Directors are required to retire every year and if eligible, these Directors qualify for re-appointment.

Shri R.Malhotra retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. As required by Clause 49(VIII) (E) of the Listing Agreement on Corporate Governance particulars of Directors being re-appointed are provided hereunder:

Shri R.Malhotra graduated in Science from Punjab University, Chandigarh and has Postgraduate qualifications in Computers (NITIE -Mumbai) and Banking (IIB - Mumbai). He is a Certificated Associate (CAIB) of Indian Institute of Bankers, Mumbai and a life member of this esteemed institute. He has undergone Advanced Management Program at Bankers Training College of Reserve Bank of India at Mumbai and Advanced Credit Management Program of Northern India Bankers Staff Training College, New Delhi as a part of his professional qualifications. He served in the Senior Management Cadre of the public sector bank before switching over to private sector.

Shri R.Malhotra has served for 24 years in various capacities in the public sector bank handling important portfolios in Branch Management and Credit Management and as incumbent of large, very large branches and exceptionally large branch. He has served the private sector for 18 years so far; whereas Finance Director of a Confectionary Conglomerate he was associated for over seven years before joining our Company in April 2003. He brings with him core experience in Banking and Finance to the Company as its Finance Director.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013 Smt. Kamini Gupta is proposed to be appointed as Independent Director on the Board of the Company for a term up to four consecutive years i.e. for a term up to 29th September 2019. The brief profile of the Independent Director are herein under provided:

Corporate Governance Report (Contd.)

Smt Kamini Gupta, aged about 45 years having a qualification of B.Tech, MBA. She is having 20 years of experience in strategic consultation, marketing and sales. At present she is the Director and CEO of Edgetx Technologies Private Limited. Having wide experience in the business management and finance. The Company will immensely benefit from her rich experience in management and marketing functions.

COMMITTEES OF THE BOARD:

The Board constituted various committees to deal with specific areas/activities relating to the Company. The Board supervises the execution of its responsibilities by the Committees. The minutes of the meeting of the committee are placed before the Board for review. The Board has currently established the following statutory and non -statutory committees.

AUDIT COMMITTEE:

The terms of reference of the Audit Committee encompasses the requirements of Section 177 of Companies Act, 2013 and Clause 49 of the Listing Agreement and, inter alia, includes

1. Over view of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement reflect a true and fair position and that sufficient and credible information is disclosed.
2. Recommending the appointment and removal of statutory auditors, internal auditors and cost auditors, fixation of their audit fees and approval for payment of any other services.
3. Reviewing the financial statement and draft audit report, including quarterly/half yearly financial information.
4. Reviewing with the management the annual financial statements before submission to the Board, focusing primarily on:
 - i) The changes in accounting policies and practices.
 - ii) Major accounting entries based on excises of judgment by the management.
 - iii) Qualifications in draft audit report.
 - iv) Significant adjustment arises out of audit.
 - v) The going concern assumption.
 - vi) Compliance with accounting standards, stock exchange and legal requirement concerning financial statements.
 - vii) Review and approval of related party transactions.
5. Reviewing, with the management, external and internal auditors, the adequacy and compliance of internal control systems.
6. Reviewing the adequacy of internal audit functions.
7. Discussions with internal auditors on any significant findings and follow up there on.
8. Discussions with statutory auditors about the nature and scope of the audit before the audit commences and as well as the post audit discussions to ascertain any area of concern.
9. Reviewing the Company's financial and risk management policy.
10. Any other function as delegated by the Board from time to time.

Corporate Governance Report (Contd.)

During the year April 2014 to March 2015, Four (4) Audit Committee Meetings were held. The dates on which the said meetings were held are 28th May,2014, 12th August,2014 , 7th November,2014 and 11th February,2015.

The composition of the Audit Committee and particulars of meetings held and attended by members of the Audit Committee are given below

Name	Category	Number of meetings during the year 2014-2015	
		Held	Attended
Shri K. Bhupal Reddy *	Independent, Non-Executive	4	2
ShriM. Srikanth Reddy	Independent, Non-Executive	4	4
Shri Sanjeev Kumar Agarwal	Independent, Non-Executive	4	3
Smt Kamini Gupta **	Independent, Non-Executive	4	Nil

*Ceased to be a Director with effect from 11th February,2015 consequent upon resignation.

**Appointed as a Director with effect from 11th February,2015 against casual vacancy

The Audit Committee meetings were also attended by the partner/representatives of Statutory Auditors, Internal Auditors and Cost Auditors of the Company. Shri K.Bhupal Reddy Chairman of Audit Committee attended the previous Annual General Meeting held on 30th September, 2014. Shri S. Nagarajan, Company Secretary of Company, also acts as the Secretary to the Audit Committee.

NOMINATION AND REMUNERATION COMMITTEE:

The terms of reference of the Nomination and Remuneration Committee is to review, assess and recommend the appointment and removal of the Whole-time Directors/ Independent Directors and also to review the remuneration payable to the Whole-time Directors and recommend suitable revision to the Board. The Company Secretary acts as the Secretary to the Committee.

The Nomination and Remuneration Committee comprises of Three Directors, all of whom are Non-Executive, Independent Directors. The Chairman of the Committee is a Non-Executive independent Director nominated by the Board.

The constitution of the Nomination and Remuneration Committee is as follows:

1. Shri K.Bhupal Reddy *	Chairman, Independent, Non-Executive
2. Shri M. Srikanth Reddy	Member, Independent, Non-Executive
3. Shri Sanjeev Kumar Agarwal	Member, Independent, Non-Executive
4. Smt Kamini Gupta **	Member, Independent, Non-Executive

* Ceased to be a Director with effect from 11th February,2015 consequent upon resignation.

**Appointed as a Director with effect from 11th February,2015 against casual vacancy

Corporate Governance Report (Contd.)

During the year one meeting was held on 11th April, 2014.

The composition of the Nomination and Remuneration Committee and particulars of meetings held and attended by members of the Committee are given below

Name	Category	Number of meetings during the year 2014-2015	
		Held	Attended
Shri K. Bhupal Reddy *	Independent, Non-Executive	1	1
Shri M. Srikanth Reddy	Independent, Non-Executive	1	1
Shri Sanjeev Kumar Agarwal	Independent, Non-Executive	1	1
Smt Kamini Gupta **	Independent, Non-Executive	-	-

* Ceased to be a Director with effect from 11th February, 2015 consequent upon resignation.

** Appointed as a Director with effect from 11th February, 2015 against casual vacancy

Remuneration Policy**A. Remuneration to Non-Executive Directors**

The Non-executive Directors are being paid sitting fees @ Rs2,000/- for each meeting of the Board or any committee thereof attended by them. The Board of Directors has approved the compensation of the Non-Executive Directors.

B. Remuneration to Chairman and Managing Director and Whole-time Directors

Payments of Remuneration of Chairman and Managing Director and Whole-time Director, approved by the Board and is within the limits set out by the Shareholders at Annual General Meetings. The Remuneration comprises of salary, perquisites and allowances. Presently the Company does not have any stock option plan or performance linked incentives for its Directors.

Details of Remuneration accrued and paid to the Directors for the year ended 31st March, 2015:

Name of the Director	Perquisites (₹)	Sitting Fees (₹)	Total (₹)
Shri Vijay Kumar Gupta	6,00,000	-	6,00,000
Shri Susheel Kumar Gupta	24,00,000	-	24,00,000
Shri R. Malhotra	15,00,000	-	15,00,000
Shri M. Srikanth Reddy	-	34,000	34,000
Shri K. Bhupal Reddy *	-	20,000	20,000
Shri Sanjeev Kumar Agarwal	-	30,000	30,000
Smt Kamini Gupta **	-	8,000	8,000

* Ceased to be a Director with effect from 11th February, 2015 consequent upon resignation.

** Appointed as a Director with effect from 11th February, 2015 against casual vacancy.

Corporate Governance Report (Contd.)

Non- Executive Directors interest.

None of the Non-Executive Directors has any pecuniary or material relationship or transaction with the Company.

SI.No.	Name of the Non-Executive Director	No. of Shares held
1	Shri M. Srikanth Reddy	Nil
2	Shri. K. Bhupal Reddy *	Nil
3	Shri. Sanjeev Kumar Agarwal	Nil
4.	Smt. Kamini Gupta **	Nil

* Ceased to be a Director with effect from 11th February,2015 consequent upon resignation.

**Appointed as a Director with effect from 11th February,2015 against casual vacancy

STAKEHOLDERS RELATIONSHIP COMMITTEE:

The terms of reference of this Committee is to consider transfer/ transmission of Shares, issue of duplicate share certificates, review of shares dematerialized and all other related matters, investors grievances and redressal thereof. During the year the Company had received 8 letters/complaints from the shareholders and all of them were resolved satisfactorily . There were no transfers pending at the close of the financial year.

During the year April 2014 to March 2015, Four (4) Stakeholders Relationship Committee Meetings were held. The dates on which the said meetings were held are 28th May,2014, 12th August,2014, 7th November,2014 and 11th February,2015.

The composition of the Stakeholders Relationship Committee and particulars of meetings held and attended by members of the Stakeholders Relationship Committee are given below:

Name	Category	Number of meetings during the year 2014-2015	
		Held	Attended
Shri K. Bhupal Reddy *	Independent, Non-Executive	4	2
Shri M.Srikanth Reddy	Independent, Non-Executive	4	4
Shri Sanjeev Kumar Agarwal	Independent, Non-Executive	4	3
Smt. Kamini Gupta **	Independent, Non-Executive	4	Nil

* Ceased to be a Director with effect from 11th February,2015 consequent upon resignation.

**Appointed as a Director with effect from 11th February,2015 against casual vacancy.

RISK MANAGEMENT COMMITTEE

The Risk Management Committee was constituted by the Board on 11th February 2015 adhering to requirement of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The Committee's prime responsibility is to implement and monitor the risk management plan and policy of the Company. The Committee's constitution meets with the requirements of Clause 49 to the Listing Agreement.

Role and Responsibilities of the Committee includes the following:

- I. Framing of Risk Management Plan and Policy

Corporate Governance Report (Contd.)

2. Overseeing implementation of Risk Management Plan and Policy.
3. Monitoring of Risk Management Plan and Policy.
4. Validating the procedure for Risk Minimization.
5. Periodically reviewing and evaluating the Risk Management Policy and practices with respect to risk assessment and risk management processes.
6. Continually obtaining reasonable assurance from management that all known and emerging risks have been identified and mitigated or managed.
7. Performing such other functions as may be necessary or appropriate for the performance of its oversight function.

During the Year one meeting was held on 11th February 2015.

The composition of the Risk Management Committee and particulars of meetings held and attended by members of the Stakeholders Relationship Committee are given below:

Name	Category	Number of meetings during the year 2014-2015	
		Held	Attended
Shri Vijay Kumar Gupta	Managing Director	1	1
Shri M.Srikanth Reddy	Independent, Non-Executive	1	1
Shri Sanjeev Kumar Agarwal	Independent, Non-Executive	1	1
Smt Kamini Gupta *	Independent, Non-Executive	1	1

*Appointed as a Director with effect from 11th February, 2015 against casual vacancy

Compliance Officer

The Board has designated Shri S. Nagarajan, Company Secretary as the Compliance Officer.

Code of Conduct

The Company has evolved a Code of Conduct for the Directors and Senior Management Personnel of the Company, which has been affirmed for adherence.

General Body Meetings

During the preceding three years, the Company's Annual General Meetings were held at Surana Udyog Auditorium, The Federation House, 11-9-841, Red Hills, Hyderabad-500 004.

The date and time of Annual General Meetings held during last three years, and the special resolution(s) passed thereat are as follows:

Financial Year	Date	Time	Special Resolution Passed
2011-2012	27.09.2012	11.00 A.M	Nil
2012-2013	27.09.2013	3.30 P.M	Nil
2013-2014	30.09.2014	11.00 A.M	5 (Five)*

Corporate Governance Report (Contd.)

- * Re-appointment of Shri Vijay Kumar Gupta, Managing Director of Company for a period of 5 years.
- * Approval for Borrowings Powers of the Company u/s.180 (1)(c)
- * Approval for creation and mortgage of assets u/s 180(1)(a).
- * Alteration of Articles of Association of the Company.
- * Approval of de-listing of equity shares from Madras Stock Exchange Limited.

Disclosures :

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

There are no materially significant related party transactions made by the Company with its Promoters, Directors or Management, their subsidiaries or relatives, etc. that may potential conflict with the interest of the Company at large. Transactions with related parties are disclosed in Note 26 of Notes on Accounts under point No: 11 to the Accounts in the Annual Report.

- b) The Company has complied with all the requirements of the Listing Agreement with Stock Exchanges as well as Regulations and Guidelines prescribed by SEBI. There were no penalties or strictures imposed on the Company by any statutory authorities for non-compliance on any matter related to capital market, during the last three years.
- c) The Company has lay down a "Code of Conduct:" for the Directors and Senior Management Personnel. The Members of the Board and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct as at 31st March, 2015. A declaration to this effect signed by Shri Vijay Kumar Gupta, Chairman and Managing Director, is given in Annexure to this report.
- d) All the mandatory requirements of Clause 49 of the Listing Agreement on Corporate Governance has been completed with.

Reconciliation of Share Capital:

A qualified practicing Company Secretary carry out audit to reconcile the total admitted capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. Reconciliation of Share Capital Audit Report confirms that the total paid up capital was in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

MEANS OF COMMUNICATION:

- i. The Board of Directors of the Company approves and takes on record the quarterly, half yearly and yearly financial results in the Performa prescribed by Clause 41 of the Listing Agreement within forty five days/ sixty days of the close of the respective period.
- ii. The approved financial results are forthwith sent to the listed Stock Exchanges and are published in the newspapers namely, Business Standard and Andhra Prabha within forty-eight hours of approval thereof.
- iii. As the Company's quarterly/half yearly financial results are published in press, the same are not mailed to the Shareholders.

Corporate Governance Report (Contd.)

I. General Shareholders Information:

- Company Registration Details : The Company is registered in the State of Telangana, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L18100TG1990PLC010973.
- Date, Time & Venue of AGM : 30th September, 2015, 11.00 A.M
Surana Udyog Auditorium,
The Federation of AP Chamber of
Commerce & Industry, Federation House,
11-6-841, Red Hills, Hyderabad - 500 004.
- Financial Calendar : 1st April to 31st March.
- Results for the quarter ending : June 20, 2015 - Second week of August, 2015
September 30, 2015 - Second week of October, 2015
December 31, 2015 - Second Week of February, 2016.
March, 31 2016 - Fourth week of May, 2016.
- Date of Book Closure : Thursday, 24th September, 2015 to
Wednesday, the 30th September, 2015 (both days inclusive)
- Listing on Stock Exchanges : The Bombay Stock Exchange Limited
- Stock Code : 530151 on Bombay Stock Exchange Limited
- ISIN Number for NSDL & CDSL : INE 256 G01033
- Market price data:

Monthly High/Low of market price of the Company's shares traded on the Bombay Stock Exchange, Mumbai (BSE).

Sl.No.	Month	High (₹)	Low (₹)
1	April, 2014	7.77	6.32
2	May, 2014	11.50	6.63
3	June, 2014	12.65	9.04
4	July, 2014	12.14	9.36
5	August, 2014	10.84	8.41
6	September, 2014	12.88	8.45
7	October, 2014	11.88	8.60
8	November, 2014	10.29	8.02
9	December, 2014	10.50	7.00
10	January, 2015	8.99	7.21
11	February, 2015	8.50	6.04
12	March, 2015	8.53	5.95

Corporate Governance Report (Contd.)

● **Unclaimed Dividend:**

Pursuant to the provisions of Section 123 of the Companies Act, 2013, dividend which remains unpaid or unclaimed for a period of seven years from the date of its transfer to unpaid dividend account is required to be transferred by the Company to Investor Education and Protection Fund (IEPF), established by the Central Government pursuant to Section 125 of the Companies Act, 2013.

Members who have not so far encashed the dividend warrant(s) are requested to seek revalidation of dividend warrants in writing to the Company's Registrar and Transfer Agents, M/S. Aarathi Consultants Pvt Ltd immediately. Members are requested to note that no claims shall lie against the Company in respect of any amounts which were unclaimed and unpaid for a period of seven year from the dates that they first became due for payment and no payment shall be made in respect of any such claims.

Members are also advised to update their correspondence address in their demat accounts in case of their holdings are in electronic form or inform their latest correspondence address to the Registrars in case of holdings in physical form.

Information in respect of such unclaimed dividends due for transfer to the Investor Education and Protection Fund (IEPF) us as follows.

Year	Dividend-Type	Date of Declaration	Due Date of Transfer
2007-2008	Final	27.09.2008	09.11.2015
2008-2009	Final	24.09.2009	06.11.2016
2009-2010	Final	25.09.2010	04.11.2017
2010-2011	Final	02.08.2011	11.09.2018

- Registrars & Transfer Agents : Aarathi Consultants Private Limited,
1-2-285, Domalguda,
Hyderabad - 500 029.
Phone: 040-27638111, 27634445
Fax : 040-27632184.
Email: info@aarthiconsultants.com

● **Share Transfer System:**

The Company's Shares are traded on BSE Limited compulsorily in the dematerialized form. 99.80% of the total equity shares of the Company are in dematerialized form with NSDL and CDSL as on 31st March 2015. Transfer of these shares is done through depositories with no involvement of the Company. However, all requests received for transfer of shares for off market transaction in physical from furnishing with a copy of PAN card of the transferee(s) in compliance with the SEBI circular in that behalf, are processed by the Registrars and Transfer Agents. The Share Transfers are registered and returned within a period of 15 days from the date of lodgement, if documents are complete in all respect.

All matters pertaining to share transfer in physical form are handled by the Registrars and Share Transfer Agents M/S. Aarathi Consultants Pvt Ltd, Hyderabad , who is registrar to the Company. The share transfer requests are processed by them and a transfer register is sent to the Company for approval once in a fortnight. There were no share transfers pending as on 31st March 2015.

Corporate Governance Report (Contd.)

- Distribution of Shareholding and Shareholding Pattern as on 31.03.2015.

Distribution of Shareholding:

No. of equity Shared held	No. of Shareholders	%	No. of Shares	%
Up to 5000	11792	92.14	1177609	10.24
5001 to 10000	495	3.87	376441	3.27
10001 to 20000	246	1.92	351036	3.05
20001 to 30000	86	0.67	214835	1.87
30001 to 40000	39	0.30	138219	1.20
40001 to 50000	29	0.23	133425	1.16
50001 to 100000	54	0.42	387050	3.37
100001 and above	58	0.45	8721385	75.84
Grand Total	12799	100	11500000	100
Physical Mode	56	0.44	23296	0.20
Demat Mode	12743	99.56	11476704	99.80

Shareholding Pattern as on 31.03.2015:

Sl. No.	Category	No. of shares	%
1	Promoters	53,80,045	46.78
2	UTI & Mutual Funds	-	-
3	Banks, Financial Institutions & Insurance Companies	15,00,000	13.04
4	Foreign Institutional Investors	-	-
5	Private Bodies Corporate	6,57,865	5.72
6	Indian Public	38,86,091	33.80
7	NRIs/OCBs	24,978	0.22
8	Clearing Members	51,021	0.44
	Total	1,15,00,000	100.00

Outstanding GCRs/ADRs/Warrants or any convertible instruments. Conversion date and likely impact of equity.

We have no GDRs/ADRs or any commercial instrument

Corporate Governance Report (Contd.)

- Dematerialization of Share and Liquidity : The trading in Company's shares is permitted only on dematerialized form. In order to enable the Shareholders to hold the shares in electronic form and to facilitate scrip less trading, the Company has enlisted its shares with NSDL and CDSL. Dematerialization of shares is done through M/s.Aarthi Consultants Private Limited, Hyderabad and on an average the dematerialization process is completed with in a period of 15 days from receipt of a valid demat request along with all documents
- Share Dematerialization Records : The total number of shares under demat mode constitutes 11476404 Shares amounting to 99.80% of the capital have been dematerialized by investors as on 31.03.2015.
- Plant Location : Survey No: 139 to 141 & 143
Village Rajapoor, Mandal Balanagar,
Dist: Mahaboobnagar,
Telangana - 509 202.
- Address for correspondence : To be addressed to
Aarthi Consultants Pvt. Ltd.
1-2-285, Domalguda, Hyderabad-500029
Phone: 040-27638111, 27634445
Fax: 040-27632184
Email: info@aarthicconsultants.com
Web: www.aarthicconsultants.com.
- Investor Correspondence / Query on Annual Report, Sub-Division, Revalidation of Dividend Warrants etc. : S. Nagarajan
Company Secretary
Vijay Textiles Limited
Surya Towers, Ground Floor,
104, Sardar Patel Road
Secunderabad - 500 003.
Ph.No. 040-27848479, 27844086
Fax: 040-27846849
Email: Info@vijaytextiles.in
Web: www.vijaytextiles .in

• **Depository Services:**

For guidance on Depository services, shareholders may write to the Company or to the respective Depositories:

National Securities Depository Ltd,
Trade World, 4th Floor,
Kamala Mills Compound,
Senapati Bapat Marg, Lower Patel,
Mumbai - 400 013.
Tel: 022-24994200
Fax: 022-24972993/24976351
Email: info@nsdl.co.in

Central Depository Services (I) Ltd.
Phiroze Jeejeebhoy Towers,
28th Floor, Dalal Street,
Mumbai - 400 023.
Tel: 022-22723333, 022-22723224
Fax: 022-22723199
Email: investors@cdslindia.com

Corporate Governance Report (Contd.)

- Nomination Facility : Shareholders holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company as permitted under Section 109 (A) of the Companies Act, 1956 are requested to submit to the Company in the prescribed form 2B for this purpose.
- Company's Policy on prevention of insider trading : Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended, the Company had framed a Code of Conduct for prevention of insider trading. Shri S. Nagarajan, Company Secretary, had been appointed as the Compliance Officer for this purpose. The code is applicable to all such employees of the Company, who are expected to have access to the unpublished price sensitive information relating to the Company and the same is being implemented as a self-regulatory mechanism.

CFO CERTIFICATION

As required by Clause 49 of the Listing Agreement, the CFO certification is provided in the Annual Report.

GREEN INITIATIVE IN THE CORPORATE GOVERNANCE

As part of the green initiative process, the Company has taken an initiative of sending documents like notice calling Annual General Meeting, Corporate Governance Report, Directors Report, Audited financial Statements, Auditors Report, Dividend intimations etc., by email. Physical copies are sent only to those shareholders whose email addresses are not registered with the Company and for bounced -mail cases. Shareholders are requested to register their email id with Registrar and Share Transfer Agent/concerned depository to enable the Company to send the documents in electronic form or inform the Company, in writing, in case they wish to receive the above documents in paper mode.

DECLARATION ON CODE OF CONDUCT

This is to confirm that the Board has laid down a code of conduct for all Directors and Senior Management personnel of the Company. It is further confirmed that all Directors and Senior Management personnel of the Company have affirmed compliance with the code of conduct of the Company for the financial year ended on 31st March 2015, as envisaged in Clause 49 of the Listing Agreement with Stock Exchanges.

Place : Secunderabad
Date : 22nd July, 2015

Vijay Kumar Gupta
Chairman & Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE, DEVELOPMENTS AND PERFORMANCE

STRENGTHS

The furnishing industry has made rapid strides and grown in size and stature over the years, largely influenced by changing consumer tastes and mass appeal. There has been tremendous growth in housing and infrastructure sectors, which are catalyst in the growth of this industry. In global scenario this industry has shown accelerated growth in the recent past. Economic changes and increase in general spending power has induced the consumers to splurge more money on furnishing and in embellishing their homes and offices.

The Company taking a cue from all round growth witnessed by the furnishing industry has excelled itself as a large player in the domestic arena. The Company's core strength has been its well established pan India dealer network for wholesale, 5 world class large format retail stores strategically located in the twin cities of Hyderabad and Secunderabad and fine blend of infrastructure to navigate new markets for business development. The major clientele consist of NRIs, reputed institutes, corporate consumers and people from by far from all the strata of the society. The Company caters to all the segments that matter, mainly on the strength of its quality products, which have exclusive and wide range of hues, quality and pricing choices. Going further the Company has strengthened its bed linen portfolio by penetrating the markets through its strong dealer network and mega retail outlets.

The Company has a fully automated Embroidery Unit within its factory premises initially set up in the year 2009 now boasts of 40 fully automatic embroidery and sophisticated machines imported from Japan. In-house embroidery unit extends an edge to the Company in increasing its output in line with the increased demand for embroidered fabric. Embroidered fabric and bed linen has enabled the Company to increase its market stronghold and thus capture a sizeable market share too.

The Company believes in policy of continuing innovation and improvisation in quality of its products, which are indeed its hallmarks; that has enabled the Company to extend its market reach and capture a sizeable market share.

OPPORTUNITIES & THREATS:

Though the furnishing fabric market is ever growing one yet it has witnessed a radical change in consumer tastes and liking due to changing life styles in line with changing times. The economic changes and liberalization has played a big role in rise in living standards and is also instrumental to a large extent in enhancing general spending power. The boom in housing sector has indeed added spice to peoples' tastes and their zest for sophistication. The Company operates in a highly competitive environment but its competence and core experience has helped it in keeping pace with the developments around.

The Company does not foresee any immediate threat to its domain merely because of size of its operations. Being a manufacturer, a wholesaler and its retail operations all skewed together under one umbrella are in fact the key factors that other competitors finds difficult to dislodge the Company from its leadership position.

The furnishing industry has by and large has been able to withstand the market slow down and fluctuation in prices of essential raw materials to a considerable extent albeit with a lesser impact. The invasion of foreign companies in Indian markets and their mushroom growth in size and stature has also played a great role in escalating stiff competition. The Company has kept pace with the advancements around and forged its synergies in innovating techniques and competes well in design and development of its range of products to beat the competition, persistent with constant improvisation, astute pricing policy and highest quality standards.

OUTLOOK

The industry is witnessing all-round growth in the global scenario, which is coupled with rise in demand in the housing and infrastructure. Changing life styles and people's acumen to opt for sophisticated standards are the key factors in its growth pattern too. These factors will help the Company to achieve its projected growth

Management Discussion and Analysis Report (Contd.)

outlined for the future. The governmental policies relating to infrastructure projects have strong bearing on the investment scenario in this sector, which may impact the planning of the Company in regard to future projects in this field. General economic slowdown is in fact a disheartening factor and is allowing the contemporary markets to swing back in to revival mode, yet the Company through its aggressive marketing strategy is trying to overcome it in a good measure and is hopeful of battering its overall performance despite odds.

The Company plans to continue its thrust in retail segment aimed at further ensuring a horizontal growth and to extend its reach to the untapped segments that will help in achieving its long term goals besides ultimately allowing the Company to the stage of consolidation.

RISKS & CONCERNS

The Company remains apprehensive of the market environment and its continuous conditions of general economic slow down, which is not allowing the contemporary markets to go in to revival mode. It is a growth retardant and impacting the Company to a considerable extent. Market buoyancy and fluctuating prices of raw materials are key concerns, which are to be addressed appropriately at crucial stages to ensure projected growth. The Company is hopeful that by constantly bringing in new products through innovation and employing new marketing strategies will greatly help it in mitigating the adverse impacts apprehended thus. Industry by and large continues to witness a general economic slow down which is in fact a decisive factor in impairing growth.

INTERNAL CONTROL SYSTEM & ADEQUACY

The Company has an adequate internal control system which commensurate with the size and nature of its business. The internal control system is being supported by internal audits, regular reviews by management to ensure reliability of financial and all other records to prepare financial statements and other data. Further the Audit Committee of the Board review the findings and recommendations of the internal audit and suitable implementations are affected.

MATERIAL DEVELOPMENT IN HUMAN RELATION/INDUSTRIAL RELATIONS FRONT INCLUDING NUMBER OF PEOPLE EMPLOYED

There are no material developments in the Human Resources area. The Industrial relations have been considered to be satisfactory. The Company constantly reviews the manpower requirements and effective steps are being taken to meet the requirements. The total number of people directly and indirectly employed by the Company is 350.

DISCUSSION ON FINANCIAL PERFORMANCE

The Company achieved a gross turnover of ₹ 8925.62 Lakhs during the year and net loss of ₹ 1926.87 Lakhs during the year under review.

Despite a lean performance in the preceding couple of years the Company hopes to overcome the slide and show an improved and healthy performance in the current financial year and years to follow. Evidently in the current financial year the Company is really beginning to feel an improvement in the market scenario and truly hopes that this trend continues thus helping it in overcoming the obstacles that have been impacting its growth. The Company is pushing up its marketing synergies to gain access to newer markets with its product innovation strategies and improvement in overall operations that will help it to sail well in the ensuing financial year.

NOTE

Readers are advised to kindly note that the above discussion contains statements about risks, concerns, opportunities, etc., which are valid only at the time of making the statements. A variety of factors known/unknown expected or otherwise may influence the financial results. We do not expect these statements to be updated or revised to take care of any changes in the underlying presumptions.

Readers may therefore appreciate the context in which these statements are made before making use of the same.

ANNEXURE-VI

The details of remuneration during the year 2014-2015 as per Rule 5 (1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules 2015 are as follows:

Sl. No.	Disclosure Requirement	Disclosure Details	
i.	Ratio of the Remuneration of each Director to the median Remuneration of the employees of the Company for the Financial year	Executive Directors	Ratio to median remuneration
		Shri Vijay Kumar Gupta	5.21
		Shri Susheel Kumar Gupta	20.86
		Shri R.Malhotra	13.03
ii.	Percentage increase in the remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase in remuneration in the financial year
		Shri Vijay Kumar Gupta	NIL
		Shri Susheel Kumar Gupta	NIL
		Shri R.Malhotra	NIL
		Shri S.Nagarajan	NIL
Note: During the year 2014-15, Non-Executive/Independent Directors being paid only sitting fees for the meeting attended by them.			

- iii. Percentage increase in the median remuneration of employees in the financial year – NIL
- iv. Number of permanent employees on the rolls of the Company as on 31st March, 2015 – 153
- v. Explanation on relationship between average increase in remuneration & Company performance
During the year there is no increase in remuneration when compared to previous year.
- vi. **Comparison of the remuneration of Key Managerial Personnel against the performance of the Company.**

Aggregate remuneration of Key Managerial Personnel (KMP) in FY 2014-15 (₹ in Lakhs)	15.00
Revenue (₹ Lakhs)	8960.01
Remuneration of KMPs (as % of revenue)	0.17
Profit before Tax (PBT) (₹ in Lakhs)	(1957.18)
Remuneration of KMP (as % of PBT)	(0.77)

- vii. **Variation in the market capitalization of the Company and price earnings ratio as at the closing date of the current financial year and previous financial year:**

Particulars	31.03.2014	31.03.2015
Market Capitalization of the Company (in ₹ Lakhs)	13.99	84.42
Closing price at the Bombay Stock Exchange Ltd. (in ₹)	7.29	5.98
Price Earnings Ratio as at the closing date	4.24	(10.78)

Percentage increase over decrease in market quotations of the shares of the Company in comparison with the last public offer:

Not Applicable as the last public offer was in 1995 and the data are incomparable.

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

The average annual increase in salaries of employees was Nil.

Increase in the managerial remuneration for the year was Nil.

- ix. **Comparison of each remuneration of the key managerial personal against the performance of the Company .:**

(₹ in Lakhs)

Particulars	Mr. Vijay Kumar Gupta Managing Director (up to 30.06.2015)	Mr. Susheel Kumar Gupta Executive Director	Mr. R Malhotra Finance Director	Mr. S Nagarajan Company Secretary
Remuneration in FY 2014-2015	6.00	24.00	15.00	15.00
Revenue	8960.01	8960.01	8960.01	8960.01
Remuneration as % of revenue	0.07	0.27	0.17	0.17
Profit before Tax (PBT)	(1957.18)	(1957.18)	(1957.18)	(1957.18)
Remuneration (as % of PBT)	(0.31)	(1.23)	(0.77)	(0.77)

- x. The key parameters for any variable components of remuneration availed by the Directors:
None of the Directors being drawn/paid any variable components of remuneration .
- xi. **Ratio of remuneration of the highest paid director of the employees who are not directors but recent remuneration in excess of the highest paid Director during the year:**
Not Applicable as no employee is receiving remuneration in excess of the highest paid Director.
- xii. **Affirmation that the remuneration is per the remuneration policy of the Company:**
The Company is in compliance with its remuneration policy.

CERTIFICATE BY CHIEF EXECUTIVE OFFICER & CHIEF FINANCIAL OFFICER

We, Vijay Kumar Gupta, Chief Executive Officer and R. Malhotra Finance Director/Chief Financial Officer of Vijay Textiles Limited, hereby certify to the best of our knowledge and belief certify that:

1. We have reviewed the Balance Sheet and Statement of Profit and Loss and all its schedules and notes to accounts, as well as the Cash Flow Statements and the Director's Report;
2. Based on our knowledge and information, these statements do not contain any untrue statement of a material fact or omit to state a material fact or contain statements that might be misleading;
3. Based on our knowledge and information, the financial statements, and other financial information included in this report, present in all material respects, a true and fair view of the Company's affairs, and are in compliance with the existing accounting standards and / or applicable laws and regulations;
4. To the best of our knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's code of conduct;
5. We are responsible for establishing and maintaining internal controls over financial reporting for the Company, and have
 - a. Designed such internal control over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with generally accepted accounting principles.
 - b. Evaluated the effectiveness of the Company's internal control systems pertaining to financial reporting and
 - c. Disclosed in this report and change in the Company's internal control over financial reporting that has materially affected the Company's internal control over financial reporting.
6. We have disclosed to the Company's Auditors and the Audit Committee of the Company's Board of Directors in regard to
 - a. Deficiencies in the design or operation of internal controls and steps taken / proposed to be taken to rectify these deficiencies.
 - b. Significant changes in internal controls over financial reporting, if any, during the year covered by this report.
 - c. Significant changes in accounting policies during the year, if any, and that the same, have been disclosed in the notes to the financial statements.
 - d. Instances of significant fraud of which I am aware, that involves management or other employees who have a significant role in the Company's internal controls system over financial reporting.

Place : Secunderabad
Date : 25th May, 2015

R.MALHOTRA
Chief Financial Officer

(VIJAY KUMAR GUPTA)
Chief Executive Officer

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

The Members

Vijay Textiles Limited

We have examined the compliance of conditions of Corporate Governance by M/s. Vijay Textiles Limited, for the year ended March 31, 2015, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

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 the compliance of the 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 and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that as per the records maintained by the Company, there were no investor grievances remaining unattended/ pending for more than 30 days.

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

For **LAXMINIWAS & CO**
Chartered Accountants
Firm Registration number: 011168S

(LAXMINIWAS SHARMA)
Partner
Membership No.014244

Place : Hyderabad
Date : 25th May, 2015

To
The Members of
Vijay Textiles Limited

Report on Financial Statements

1. We have audited the accompanying financial statements of **Vijay Textiles Limited** ("the Company") which comprise the Balance Sheet as at 31st March, 2015, 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, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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.
4. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

7. Report on Other Legal and Regulatory Requirements

- 1. As required by the companies (Auditor's Report) 2015 issued by Central Government in terms of sub-section (11) of section 143 of the Companies Act 2013, we give in the annexure a statement on the matters specified in paragraphs 3 and 4 of the order.
- 2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.

For **LAXMINIWAS & CO**
Chartered Accountants
Firm Registration number: 011168S

Place: Hyderabad
Date : 25th May, 2015

(LAXMINIWAS SHARMA)
Partner
Membership No.014244

ANNEXURE TO THE INDEPEDENT AUDITORS' REPORT:

VIJAY TEXTILES LIMITED

- (i) a. The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
 - b. All the assets have not been physically verified by the Management during the year but there is a phased programme of verification, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies have been noticed on such verification.
- (ii) a. The inventory 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 explanation 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. According to the information and explanation given to us, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book/ records were not material, nevertheless those have been dealt properly within the books of accounts.
- (iii) According to the information and explanations given to us, the Company has not granted loans, secured or unsecured, to Companies, Firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to the purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
- (vi) According to the information and explanation given by the Company, the Central government has not specified maintenance of cost records under sub-section (1) of section 148 of Companies Act, 2013. However the Company has informed that they are maintaining the cost records.
- (vii) a. According to the information and explanations given to us and the records of the Company examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Customs duty, Excise duty, Value added tax, Cess and any other statutory dues applicable to it as on 31.03.2015.

- b. According to the information and explanations given to us, there are no dues of Income tax, Sales tax, Wealth Tax, Service tax, Customs duty, Excise duty, Value added tax and Cess which have not been deposited with the appropriate authorities on account of any dispute except as under:

₹ In Lakhs

Nature of Dues	Assessment year	Amount Outstanding as on 31.03.2015	Amount Outstanding as on 31.03.2014	Appeal Pending with
Income Tax	2009-10	16.34	16.34	Appeal decided by ITAT in favour of the Company and await AO to pass consequential order.
Income Tax	2010-11	105.54	105.54	Appeal decided by CIT (A) IV in favour of the Company and await AO to pass consequential order.
Income Tax	2011-12	2.70	2.70	CIT (A) - IV

- c. According to information and explanation given to us and the records of the Company examined by us, the Company has transferred the required amount to Investor Education and Protection Fund in accordance with relevant provisions of the Companies Act'1956 and the rules made thereafter has been transferred to such fund within time.
- (viii) In our opinion, the Company does not have accumulated losses as at 31.03.2015 and it has incurred cash losses of Rs 10.77 crores in the financial year ended on that date.
- (ix) According to the information and explanation given to us, the Company has not defaulted in repayment of dues to bank and financial institutions as at balance sheet date.
- (x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions, the terms and conditions whereof are prejudicial to the interest of the Company.
- (xi) According to the information and explanations given to us, the term loans availed by the Company were, prima facie, applied by the Company during the year for the purposes for which they were obtained.
- (xii) To the best of our knowledge and according to the information and explanation given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year nor have been informed of such case by the management.

For **LAXMINIWAS & CO**
Chartered Accountants
Firm Registration number: 011168S

Place: Hyderabad
Date : 25th May, 2015

(LAXMINIWAS SHARMA)
Partner
Membership No.014244

**BALANCE SHEET AS AT
31ST MARCH, 2015**



TEXTILES LIMITED

Particulars	Note No	As at 31.03.2015		As at 31.03.2014	
		₹	₹	₹	₹
EQUITY AND LIABILITIES					
Shareholders' Funds					
Share Capital	1	61,50,02,689		61,50,02,689	
Reserves & Surplus	2	40,36,89,964	101,86,92,653	60,19,78,323	121,69,81,012
Non-Current Liabilities					
Long Term Borrowings	3	100,96,36,858		48,13,28,183	
Deferred Tax Liabilities (Net)	4	9,58,04,033	110,54,40,891	9,88,35,206	58,01,63,389
Current Liabilities					
Short Term Borrowings	5	57,07,13,679		84,06,13,288	
Trade Payables	6	14,99,01,978		14,59,41,044	
Other Current Liabilities	7	18,63,42,815		26,17,30,378	
Short Term Provisions	8	27,77,754	90,97,36,226	31,76,012	125,14,60,722
TOTAL			303,38,69,770		304,86,05,123
ASSETS					
Non-Current Assets					
Fixed Assets	9				
Tangible Assets		88,89,24,079		94,11,70,442	
Intangible Assets		1,37,647		3,77,097	
Capital Work-in-Progress		68,81,227		3,94,48,035	
Long-Term Loans and Advances	10	2,34,84,359		2,50,45,770	
Other Non-Current Assets	11	-	91,94,27,312	18,71,863	100,79,13,207
Current Assets					
Inventories	12	86,48,87,913		103,61,63,469	
Trade Receivables	13	95,36,83,104		75,47,12,692	
Cash and Cash Equivalents	14	5,76,62,855		38,16,853	
Short Term Loans and Advances	15	21,30,41,990		21,50,23,297	
Other Current Assets	16	2,51,66,596	211,44,42,458	3,09,75,605	204,06,91,916
TOTAL			3,03,38,69,770		304,86,05,123
Significant Accounting Policies	25				
Notes to Accounts	26				

The Notes referred to above form an integral part of the accounts.

As per our Report of even date

for **LAXMINIWAS & CO**

Firm Registration Number:011168S

Chartered Accountants

Laxminiwas Sharma
Partner
Membership No.014244

Place : Hyderabad
Date : 25th May, 2015

For and on behalf of the Board

Vijay Kumar Gupta
Chairman & Managing Director

R. Malhotra
Finance Director

Susheel Kumar Gupta
Executive Director

S. Nagarajan
Company Secretary

**STATEMENT OF PROFIT & LOSS
FOR THE YEAR ENDED
31ST MARCH, 2015**



TEXTILES LIMITED

Particulars	Note No	For the Year ended 31.03.2015 ₹	For the Year ended 31.03.2014 ₹
REVENUE			
Revenue from Operations		89,25,62,065	106,02,52,939
Other Income	17	34,38,848	5,10,03,823
Total Revenue from Operations		89,60,00,913	111,12,56,762
EXPENSES:			
Cost of Materials Consumed	18	37,85,39,892	66,78,26,664
Purchase of Stock -in-Trade		3,72,97,573	3,99,69,672
Packing Material Consumed	19	81,77,195	99,24,103
Changes in Inventories of Finished Goods and Work-in-Progress	20	18,24,15,075	(9,73,52,509)
Manufacturing Expenses	21	5,58,30,763	8,01,86,478
Employee Benefits Expenses	22	5,34,44,453	5,64,00,919
Finance Costs	23	20,41,11,498	21,28,53,301
Depreciation and Amortization Expenses		8,79,76,865	6,02,84,998
Other Expenses	24	8,39,25,442	7,39,71,293
Total Expenses		1,09,17,18,756	110,40,64,919
Profit Before Extraordinary Items and Tax		(19,57,17,843)	71,91,843
Extraordinary Items		-	-
Profit before tax		(19,57,17,843)	71,91,843
Tax Expenses:			
a) Current tax		-	13,70,406
b) Deferred tax		(30,31,173)	(1,40,04,275)
Profit/(Loss) for the period from Continuing Operations		(19,26,86,670)	1,98,25,712
Profit/(Loss) for the period		(19,26,86,670)	1,98,25,712
Weighted Average Number of Equity Shares-Basic		1,15,00,000	1,15,00,000
Nominal value per share (₹)		10/-	10/-
Earnings per Equity Share			
1) Basic		(16.76)	1.72
2) Diluted		(16.76)	1.72
Significant Accounting Policies	25		
Notes to Accounts	26		

The Notes referred to above form an integral part of the accounts.

As per our Report of even date

for **LAXMINIWAS & CO**

Firm Registration Number:011168S

Chartered Accountants

Laxminiwas Sharma
Partner
Membership No.014244

Place : Hyderabad
Date : 25th May, 2015

For and on behalf of the Board

Vijay Kumar Gupta
Chairman & Managing Director

R. Malhotra
Finance Director

Susheel Kumar Gupta
Executive Director

S. Nagarajan
Company Secretary

**CASH FLOW STATEMENT FOR THE
YEAR ENDED 31ST MARCH, 2015**



TEXTILES LIMITED

Particulars	2014-2015		2013-2014	
	₹	₹	₹	₹
A. Cash Flow from Operating Activities:				
Net -Profit Before Tax and Extraordinary Items		(19,57,17,843)		71,91,843
Adjustment for				
- Depreciation	8,79,76,865		6,02,84,998	
- Interest	20,41,11,498		21,28,53,301	
- Loss on sale of fixed assets	65,184		7,746	
- Assets Written Off	61,668		-	
- Interest Received	(22,95,248)		(4,53,68,667)	
- Profit on Sale of Assets	-		(21,761)	
- Interest Subsidy Received	(5,15,366)		(41,53,290)	
- State Subsidy Received	-		(82,242)	
		28,94,04,601		22,35,20,085
Operating Profit Before Working Capital Changes		9,36,86,758		23,07,11,928
Adjustment for				
- Trade & Other Receivables	(18,77,32,657)		7,95,65,478	
- Inventories	17,12,75,556		(8,97,97,820)	
- Trade Payable	(7,18,24,887)		13,01,81,211	
		(8,82,81,988)		11,99,48,869
Cash generated from operations		54,04,770		35,06,60,797
- Direct Taxes Paid	(14,165)		(80,54,941)	
		(14,165)		(80,54,941)
CASH FLOW BEFORE EXTRAORDINARY ITEMS		53,90,605		34,26,05,856
Net Cash Flow From Operating Activities (A)		53,90,605		34,26,05,856
B. Cash Flow From Investing Activities				
Purchase of Fixed Assets	(4,28,19,593)		(39,28,493)	
Decrease in Capital work in Progress	3,25,66,808		(2,61,66,333)	
Sale of Fixed Assets	16,00,000		22,42,000	
Interest Received	22,95,248		4,53,68,667	
		(63,57,537)		1,75,15,841
Net Cash Used in Investing Activities (B)		(63,57,537)		1,75,15,841

**Cash Flow Statement For The Year
Ended 31st March, 2015 (Contd.)**



TEXTILES LIMITED

Particulars	2014-2015		2013-2014	
	₹	₹	₹	₹
C. Cash Flow From Financing Activities				
Decrease in Short Term Borrowings	(26,98,99,609)		(32,69,102)	
Increase in Long Term Borrowings	52,83,08,675		(15,05,95,310)	
Interest Subsidy Received	5,15,366		41,53,290	
Interest Paid	(20,41,11,498)		(21,28,53,301)	
State Subsidy Received	-		82,242	
	5,48,12,934		(36,24,82,181)	
Net Cash Flow From Financing Activities (C)	5,48,12,934		(36,24,82,181)	
Net Increase/Decrease in Cash and Cash Equivalents (A+B+C)	5,38,46,002		(23,60,484)	
Opening Cash and Cash Equivalents	38,16,853		61,77,337	
Closing Cash and Cash Equivalents	5,76,62,855		38,16,853	

The Notes referred to above form an integral part of the accounts.

As per our Report of even date
for **LAXMINIWAS & CO**
Firm Registration Number:011168S
Chartered Accountants

For and on behalf of the Board

Laxminiwas Sharma
Partner
Membership No.014244

Vijay Kumar Gupta
Chairman & Managing Director

Susheel Kumar Gupta
Executive Director

Place : Hyderabad
Date : 25th May, 2015

R. Malhotra
Finance Director

S. Nagarajan
Company Secretary

**NOTES FORMING PART OF
BALANCE SHEET**



TEXTILES LIMITED

Particulars	As at 31.03.2015 ₹	As at 31.03.2014 ₹
NOTE : I		
SHARE CAPITAL:		
AUTHORISED		
2,00,00,000 Equity Shares of ₹ 10/- each (Previous Year: 2,00,00,000 Equity Shares of ₹ 10/- each)	20,00,00,000	20,00,00,000
50,00,000,10% Non-Convertible Cumulative Redeemable Preference Shares of ₹ 100/-each (Previous Year:50,00,000 10% Non-Convertible Cumulative Redeemable Preference Shares of ₹ 100/- each)	50,00,00,000	50,00,00,000
TOTAL	70,00,00,000	70,00,00,000
ISSUED, SUBSCRIBED AND PAID-UP CAPITAL		
1,15,00,000, Equity Shares of ₹ 10/- each (Previous Year : 1,15,00,000 Equity Shares of ₹ 10/-each)	11,50,00,000	11,50,00,000
50,00,000,10% Non-Convertible Cumulative Redeemable Preference Shares of ₹ 100/- each (Previous Year : 50,00,000 10% Non-Convertible Cumulative Redeemable Preference Shares of ₹ 100/- each)	50,00,00,000	50,00,00,000
Share Forfeiture	2,689	2,689
TOTAL	61,50,02,689	61,50,02,689

NOTES:

A) Reconciliation of Shares:

Particulars	2014-2015 No. of Shares	2013-2014 No. of Shares
Issued Subscribed and Paid-up Capital :		
Equity Shares :		
At the beginning of the period	1,15,00,000	1,15,00,000
At the closing of the period	1,15,00,000	1,15,00,000
Face value per Share	₹ 10/-	₹ 10/-
Total Paid Up Value	₹ 11,50,00,000	₹ 11,50,00,000
Preference Shares :		
At the beginning of the period	50,00,000	50,00,000
At the closing of the period	50,00,000	50,00,000
Face value per Share	₹ 100/-	₹ 100/-
Total Paid Up Value	₹ 50,00,00,000	₹ 50,00,00,000

- B)** The Non-Convertible Cumulative Redeemable Preference Shares (NCPS) of ₹ 100/- each allotted to Shri Vijay Kumar Gupta, Promoter of the Company shall be entitled to Cumulative Preference Dividend at 10% per annum of the NCPS Subscription Price. The Dividend shall accrue at the end of each financial year with effect from 1st April, 2012. The said shares are redeemable on the completion of a period of 20 years ("Redemption Period") from the date of issue i.e 24th March, 2012.
- C)** Equity Shareholders holding more than 5% of Equity Shares along with the number of shares held is as given below:

Name of the Shareholder	As at 31st March, 2015		As at 31st March, 2014	
	%	Number of Shares	%	Number of Shares
Face Value of Shares		₹ 10/-		₹ 10/-
Vijay Kumar Gupta	26.86	3088816	26.86	3088816
Susheel Kumar Gupta	17.49	2011699	17.49	2011699
State Bank of India	13.04	1500000	13.04	1500000

- D)** Preference Shareholders holding more than 5% of Preference Shares along with the number of shares held is as given below:

Name of the Shareholder	As at 31st March, 2015		As at 31st March, 2014	
	%	Number of Shares	%	Number of Shares
Face Value of Shares		₹ 100		₹ 100
Vijay Kumar Gupta	100	5000000	100	5000000

Particulars	As at 31.03.2015 ₹	As at 31.03.2014 ₹
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NOTE : 2

RESERVES & SURPLUS

SECURITIES PREMIUM RESERVE	19,43,12,510	19,43,12,510
GENERAL RESERVE	31,52,61,541	31,52,61,541
CAPITAL RESERVE	1,70,00,000	1,70,00,000

SURPLUS IN THE STATEMENT OF PROFIT & LOSS ACCOUNT:

Opening Balance	7,54,04,272	5,55,78,560
Add : Profit/(Loss) for the period	(19,26,86,670)	1,98,25,712
Less: Transfer to General Reserve	-	-
Less: Assets transfer to retained profit	56,01,689	-
Net Surplus in the Statement of Profit & Loss	(12,28,84,087)	7,54,04,272
TOTAL	40,36,89,964	60,19,78,323

Particulars	As at	As at
	31.03.2015	31.03.2014
	₹	₹
NOTE : 3		
NON-CURRENT LIABILITIES :		
Long-Term Borrowings:		
A. Secured		
Term Loan From Banks (Refer Note A)	83,24,60,877	39,82,21,949
Vehicle Loans (Refer Note B)	33,91,329	99,37,624
B. Unsecured		
Loans and Advances from other related parties (Refer Note: C)	17,37,84,652	7,31,68,610
TOTAL	100,96,36,858	48,13,28,183

Notes:

A Term Loans from banks namely Axis Bank Limited, State Bank of Hyderabad and State Bank of India are secured as under:

- First pari passu charge on the entire Fixed Assets of the Company, both present and future.
- Second pari passu charge on the entire current assets of the Company (excluding credit card receivables)

Further the term loans are collaterally secured by:

- Commercial space admeasuring 5108.75 sft, bearing shop Nos: 8,9,11 and 13, situated in Ground Floor, Surya Towers, 104, S.P.Road, Secunderabad-500 003,standing in the names of Shri Vijay Kumar Gupta, Shri Vijay Kumar Gupta (HUF), Shri Susheel Kumar Gupta and Smt.Shashikala Gupta.
- Pledge of entire shares held Promoters i.e Shri Vijay Kumar Gupta, Shri Susheel Kumar Gupta, Smt Shashikala Gupta.
- Personal Guarantees of Mr. Vijay Kumar Gupta, Vijay Kumar Gupta (HUF), Mr. Susheel Kumar Gupta and Mrs. Shashikala Gupta. Guarantee limited to the value of the security mortgaged.
- Term-II and FITL-II of State Bank of Hyderabad is secured by exclusive charge on credit card receivables and collateral security as pari passu first charge on the fixed assets of the Company present and future.

Terms of Repayment:

- Axis Bank - Term Loan repayable in 78 monthly instalments. Repayable during the financial year 2015-2016 ₹ 32.00 Lakhs, 2016-2021 ₹ 43.00 Lakhs per annum, 2021 to 2022 ₹ 32.00 Lakhs per annum commencing from 31st July,2015,carrying interest @ 2.25% p.a. above the base rate of the bank.
- Axis Bank - Funded Interest Term Loan repayable in 78 monthly instalments. Repayable during the financial year 2015-2016 ₹ 5.50 Lakhs, 2016-2021 ₹ 7.80 Lakhs per annum, 2021 to 2022 ₹ 5.50 Lakhs per annum commencing from 31st July, 2015, carrying interest @2.25% p.a. above the base rate of the bank.
- Axis Bank - Working Capital Term Loan repayable in 66 monthly instalments. Repayable during the financial year 2015-2016 ₹ 84.00 Lakhs, 2016-2020 ₹ 111.00 Lakhs per annum, 2020 to 2021 ₹ 84.00 Lakhs per annum commencing from 31st July,2015,carrying interest @2.25% p.a. above the base rate of the bank.

4. Axis Bank - Priority Debt Loan repayable in 60 monthly instalments. Repayable during the financial year 2015-2016 ₹ 29.30 Lakhs, 2016-2020 ₹ 39.00 Lakhs per annum, 2020 to 2021 ₹ 9.80 Lakhs per annum commencing from 31st July, 2015, carrying an interest @2.25% above the base rate of the bank.
5. State Bank of Hyderabad - Term Loan -I,II,III and IV repayable in 78 monthly instalments. Repayable during the calendar year 2015 ₹ 384.00 Lakhs, 2016 ₹ 779.00 Lakhs, 2017 to 2021 ₹ 768.00 Lakhs per annum commencing from 31st July, 2015, carrying interest @2.50% p.a. above the base rate of the bank.
6. State Bank of Hyderabad - Funded Interest Term Loan repayable in 78 equal monthly instalments. Repayable during the calendar year 2015 ₹ 71.00 Lakhs, 2016 to 2017 ₹ 144.00 Lakhs per annum,, 2018 to 2021 ₹ 132.00 Lakhs per annum commencing from 31st July,2015,carrying interest @2.50% p.a. above the base rate of the bank.
7. State Bank of Hyderabad -Working Capital Term Loan repayable in 66 monthly instalments. Repayable during the calendar year 2015 ₹ 27.00 Lakhs, 2016 to 2017 ₹ 54.00 Lakhs per annum, 2018 to 2020 ₹ 55.00 Lakhs per annum commencing from 31st July,2015,carrying interest @2.50% p.a. above the base rate of the bank.
8. State Bank of Hyderabad - Priority Debt Loan repayable in 60 monthly instalments. Repayable during the calendar year 2015 ₹ 42.00 Lakhs, 2016 to 2019 ₹ 96.00 Lakhs per annum, 2020 ₹ 34.00 Lakhs per annum commencing from 31st July, 2015, carrying interest @2.50% p.a. above the base rate of the bank.
9. State Bank of India - Term Loan -I, II, III and IV repayable in 78 monthly instalments. Repayable during the calendar year 2015 ₹ 36.00 Lakhs, 2016 to 2021 ₹ 73.00 Lakhs per annum commencing from 31st July, 2015, carrying interest @2.50% p.a. above the base rate of the bank.
10. State Bank of India - Funded Interest Term Loan - repayable in 78 monthly instalments. Repayable during the calendar year 2015 ₹ 6.00 Lakhs, 2016 to 2021 ₹ 13.00 Lakhs per annum commencing from 31st July, 2015, carrying interest @2.50% p.a. above the base rate of the bank
11. State Bank of India - Working Capital Term Loan - repayable in 66 monthly instalments. Repayable during the calendar year 2015 ₹ 98.00 Lakhs, 2016 to 2020 ₹ 197.00 Lakhs per annum commencing from 31st July, 2015, carrying interest @2.50% p.a. above the base rate of the bank
12. State Bank of India - Priority Debt Term Loan - repayable in 60 monthly instalments. Repayable during the calendar year 2015 ₹ 34.00 Lakhs, 2016 to 2019 ₹ 69.00 Lakhs per annum, 2020 to 2021 ₹ 34.00 Lakhs per annum commencing from 31st July, 2015, carrying an interest rate 2.50% per annum above base rate of the bank.

B) Vehicle Loans is secured by way of hypothecation of specific vehicle financed.

Terms of Repayment:

1. Loan availed from HDFC Bank Ltd., under Loan Account No.21481962 is repayable in monthly installment of ₹ 1.30 Lakhs each inclusive of interest ending on 5th June, 2015.
2. Loan availed from HDFC Bank Ltd., under Loan Account No.22824580 is repayable in monthly installment of ₹ 0.88 Lakhs each inclusive of interest ending on 7th November, 2015.
3. Loan availed from HDFC Bank Ltd., under Loan Account No.27578920 is repayable in monthly installment of ₹ 2.29 Lakhs each inclusive of interest ending on 7th March, 2017.
4. Loan availed from HDFC Bank Ltd., under Loan Account No.27580816 is repayable in monthly installment of ₹ 0.75 Lakhs each inclusive of interest ending on 7th March, 2017.

C) Unsecured Loans are from Shri.Vijay Kumar Gupta, Chairman and Managing Director and Shri. Susheel Kumar Gupta, Executive Director of the Company repayable over a period of 7 years ending on 15th April, 2022.

Particulars	As at 31.03.2015 ₹	As at 31.03.2014 ₹
NOTE : 4		
DEFERRED TAX LIABILITIES:		
Opening Balance	9,88,35,206	11,28,39,481
Provision for the year	(30,31,173)	(1,40,04,275)
Closing Balance	<u>9,58,04,033</u>	<u>9,88,35,206</u>
NOTE : 5		
CURRENT LIABILITIES :		
Short Term Borrowings:		
Working Capital Borrowings from Banks	57,07,13,679	81,56,28,833
Axis Bank Corporate Credit Card	-	2,49,84,455
TOTAL	<u>57,07,13,679</u>	<u>84,06,13,288</u>

Note:

- 1) Working Capital facilities availed by the Company from State Bank of India, State Bank of Hyderabad and Axis Bank Limited are secured by:-
- a) Pari-Passu first charge on all chargeable current assets of the Company in favour of State Bank of India, State Bank of Hyderabad, Axis Bank Limited (excluding credit card receivables, which are charged to State Bank of Hyderabad alone and are separately dealt with herein).
 - b) Pari-Passu second charge on entire Fixed Assets of the Company, both present and future.
- Further the working capital facilities are collaterally secured by:**
- c) Commercial space admeasuring 5108.75 sft, bearing shop Nos: 8,9,11 and 13, situated in Ground Floor, Surya Towers, 104, S.P.Road, Secunderabad-500 003, standing in the names of Shri Vijay Kumar Gupta, Shri Vijay Kumar Gupta(HUF), Shri Susheel Kumar Gupta and Smt.Shashikala Gupta.
 - d) Pledge of entire shares held Promoters i.e Shri Vijay Kumar Gupta, Shri Susheel Kumar Gupta, Smt Shashikala Gupta.
 - e) Personal Guarantees of Mr. Vijay Kumar Gupta, Vijay Kumar Gupta (HUF), Mr. Susheel Kumar Gupta and Smt. Shashikala Gupta. Guarantee limited to the value of the security mortgaged.

Particulars	As at 31.03.2015 ₹	As at 31.03.2014 ₹
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NOTE :6

CURRENT LIABILITIES :

Trade payables:

Trade Payables	<u>14,99,01,978</u>	14,59,41,044
TOTAL	<u>14,99,01,978</u>	<u>14,59,41,044</u>

S.No	Particulars	As at March 31.03.2015	As at March 31.03.2014
1	Principal amount remaining overdue	Nil	Nil
2	Interest thereon	Nil	Nil
3	Interest Paid by the Company in terms of Section 16 of MSMED Act, 2006	Nil	Nil

NOTE : 7

OTHER CURRENT LIABILITIES :

Term Loan instalments due less than 12 months	12,01,65,000	18,93,71,644
Vehicle Loan instalments due less than 12 months	40,15,147	54,16,428
Interest Accrued and Due on Borrowings	48,24,079	1,49,88,030
Un claimed Dividend	8,61,846	12,34,971
Other Liabilities	<u>5,64,76,743</u>	<u>5,07,19,305</u>
TOTAL	<u>18,63,42,815</u>	<u>26,17,30,378</u>

Note: Please refer to notes under Note:3 for details of repayment of loans and securities charged to the lenders.

NOTE : 8

SHORT TERM PROVISIONS:

Provision for Bonus	12,33,170	10,78,411
Provision for Leave Encashment	12,90,264	13,26,591
Provision for Incentives	1,51,887	1,86,359
Provision for Gratuity	1,02,433	5,84,651
TOTAL	<u>27,77,754</u>	<u>31,76,012</u>

Particulars	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	As at 01.04.2014	Additions	Deletion/ Adjustment	Assets written off (Zero Net Value)	As at 31.03.2015	As at 01.04.2014	For Reserves	For P & L	Deletion/ Adjustment	Assets written off (Zero Net Value)	As at 31.03.2015	As at 31.03.2014
NOTE : 9												
Non-Current Assets:												
FIXED ASSETS												
TANGIBLE ASSETS:												
Land	7,62,54,798	-	-	-	7,62,54,798	-	-	-	-	-	-	7,62,54,798
Building	21,98,02,319	43,74,370	16,66,702	-	22,25,09,987	3,35,62,517	21,18,809	66,23,035	1,518	-	4,23,02,843	18,02,07,144
Lease Hold Property	9,51,43,860	-	-	-	9,51,43,860	2,22,05,039	-	38,97,318	-	-	2,61,02,357	6,90,41,503
Plant & Machinery	52,03,70,776	29,16,665	6,76,120	1,09,40,874	51,16,70,447	15,38,56,428	2,21,564	2,00,55,971	6,56,575	1,09,40,874	16,25,36,514	34,91,33,933
Electrical Installation	8,40,12,476	6,57,678	15,73,195	1,92,865	8,29,04,094	2,39,78,066	4,39,846	1,36,95,012	15,43,069	1,92,865	3,63,76,990	4,65,27,104
Furniture & Fixtures	25,27,29,858	3,48,43,017	14,480	26,54,844	28,49,03,551	9,49,37,621	13,01,086	3,89,62,119	14,209	26,54,844	13,25,31,773	15,23,71,778
Office Equipment	40,58,068	-	2,00,152	2,22,561	36,35,355	22,38,794	11,40,918	3,34,656	1,90,158	2,22,561	33,01,649	3,33,706
Vehicles	2,96,77,769	-	-	11,64,230	2,85,13,539	1,10,59,592	81,857	38,93,610	-	11,64,230	1,38,70,829	1,46,42,710
Computers	34,20,556	11,700	51,500	18,16,212	15,64,544	24,61,981	1,31,948	4,25,192	49,768	18,16,212	11,53,141	4,11,403
Sub Total (A)	1,28,54,70,480	4,28,03,430	41,82,149	1,69,91,586	1,30,71,00,175	34,43,00,038	54,36,028	8,78,86,913	24,55,297	1,69,91,586	41,81,76,096	88,89,24,079
INTANGIBLE ASSETS:												
Computer - Software	11,28,452	16,163	-	96,792	10,47,823	7,51,355	1,65,661	89,932	-	96,792	9,10,176	1,37,647
Sub Total (B)	11,28,452	16,163	-	96,792	10,47,823	7,51,355	1,65,661	89,932	-	96,792	9,10,176	1,37,647
TOTAL(A+B)	1,28,65,98,932	4,28,19,593	41,82,149	1,70,88,378	1,30,81,47,998	34,50,51,393	56,01,689	8,79,76,865	24,55,297	1,70,88,378	41,90,86,272	88,90,61,726
Previous Year	1,28,89,64,806	39,28,493	62,94,367	-	1,28,65,98,932	28,88,32,777	-	6,02,84,998	40,66,382	-	34,50,51,393	94,15,47,539
Capital Work-in-Progress												68,81,227
												3,94,48,035

Particulars	As at 31.03.2015 ₹	As at 31.03.2014 ₹
NOTE : 10		
LONG TERM LOANS AND ADVANCES:		
(Un Secured, Considered Good)		
Capital Advance	13,00,000	28,28,702
Security Deposits:		
Rental Deposit	1,69,81,000	1,69,81,000
Deposits with suppliers and for Services	4,70,133	5,03,842
Deposits with Government Bodies	47,33,226	47,32,226
TOTAL	2,34,84,359	2,50,45,770
NOTE :11		
OTHER NON-CURRENT ASSETS:		
Power Subsidy Receivable	-	18,71,863
TOTAL	-	18,71,863
NOTE :12		
INVENTORIES:		
(At lower of cost or net realizable value)		
Raw-Material	6,27,72,001	5,06,30,878
Work- in- Progress	2,49,97,190	1,18,32,165
Finished Goods	74,84,94,775	94,40,74,875
Stores & Consumables	2,86,23,947	2,96,25,551
TOTAL	86,48,87,913	103,61,63,469
NOTE:13		
TRADE RECEIVABLES :		
(Un Secured, Considered Good)		
Outstanding for a period exceeding six months	68,45,61,075	16,17,96,012
Others	26,91,22,029	59,29,16,680
TOTAL	95,36,83,104	75,47,12,692

Particulars	As at 31.03.2015 ₹	As at 31.03.2014 ₹
NOTE:14		
CASH AND CASH EQUIVALENTS :		
Cash on Hand	9,60,749	7,86,310
Bank Balance with Scheduled Banks		
- In Current Accounts	5,49,50,512	9,69,678
- In Un Claimed Dividend Accounts (Refer Note a)	8,65,598	12,38,723
- In Term Deposit Account (Refer Note b)	8,85,996	8,22,142
TOTAL	5,76,62,855	38,16,853

Notes:

- a) Section 125 of Companies Act, 2013 mandates that companies transfer dividend that has been unclaimed for a period of seven years from unpaid dividend account to the Investor Education and Protection Fund (IEPF). Accordingly, if dividend is unclaimed for a period of seven years, it will be transferred to IEPF.
- b) Term deposits are held as margins for issue of Bank Guarantees.

NOTE:15

SHORT TERM LOANS AND ADVANCES:

(Un Secured and Considered Good)

Advances for Supplies and Services	9,37,290	3,51,134
Pre Paid Expenses	20,27,686	61,68,535
Receivable against cancellation of Tech-Park Project	20,79,91,933	20,79,91,933
Loans and Advances to Employees	4,34,581	4,65,553
Other Advances	16,50,500	46,142
TOTAL	21,30,41,990	21,50,23,297

NOTE:16

OTHER CURRENT ASSETS:

Income Tax Receivable	1,91,54,326	1,91,40,161
Service Tax Receivable	2,80,182	-
Interest Receivable	-	3,58,363
Interest Subsidy Receivable	5,15,366	30,23,538
Other Current Assets	52,16,722	84,53,543
TOTAL	2,51,66,596	3,09,75,605

**NOTES FORMING PART OF
STATEMENT OF PROFIT AND LOSS**



TEXTILES LIMITED

Particulars	For the Year ended 31.03.2015 ₹	For the Year ended 31.03.2014 ₹
NOTE:17		
OTHER INCOME:		
Interest Received	22,95,248	4,53,68,667
Interest Subsidy Received	5,15,366	41,53,290
State Subsidy Received	-	82,242
Excess Provision written back	-	4,71,356
Miscellaneous Income	6,28,234	9,28,268
TOTAL	34,38,848	5,10,03,823
NOTE:18		
COST OF RAW MATERIALS CONSUMED:		
Opening Stock	5,06,30,878	5,94,58,308
Add: Purchases	39,06,81,015	65,89,99,234
	44,13,11,893	71,84,57,542
Less: Closing Stock	6,27,72,001	5,06,30,878
Consumption	37,85,39,892	66,78,26,664
NOTE:19		
PACKING MATERIAL CONSUMED :		
Opening Stock	33,36,520	46,48,186
Add: Purchases	55,87,103	86,12,437
	89,23,623	1,32,60,623
Less: Closing Stock	7,46,428	33,36,520
Consumption	81,77,195	99,24,103
NOTE:20		
CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS :		
OPENING STOCK		
Finished Goods	94,40,74,875	84,73,79,961
Stock in Process	1,18,32,165	1,11,74,570
TOTAL (A)	95,59,07,040	85,85,54,531
CLOSING STOCK		
Finished Goods	74,84,94,775	94,40,74,875
Stock in Process	2,49,97,190	1,18,32,165
TOTAL (B)	77,34,91,965	95,59,07,040
Net Increase/(Decrease) in Stocks (A-B)	(18,24,15,075)	9,73,52,509

Particulars	For the Year ended 31.03.2015 ₹	For the Year ended 31.03.2014 ₹
NOTE: 21		
MANUFACTURING EXPENSES:		
Carriage & Freight	39,24,803	55,10,197
Consumption of Firewood	1,73,87,844	2,40,31,051
Power & Fuel	1,56,03,916	2,09,96,124
Consumption of Design & Development	17,16,456	50,80,802
Consumption of Stores & Consumables	39,71,138	48,29,321
Other Manufacturing Expenses	57,11,409	1,20,08,657
Repairs to Plant & Machinery	14,90,974	17,94,945
Effluent Treatment Plant Expenses	60,24,223	59,35,381
TOTAL	5,58,30,763	8,01,86,478
NOTE : 22		
EMPLOYEE BENEFITS EXPENSES :		
Managerial Remuneration	45,00,000	64,44,000
Office Staff Salaries	1,37,49,240	1,36,48,523
Factory Wages & Salaries	2,46,29,098	2,50,76,926
Employee's Benefits	37,10,396	36,65,214
Incentives	23,68,184	26,89,338
Gratuity	2,00,273	7,51,807
Contribution to PF and E.S.I	42,87,262	41,25,111
TOTAL	5,34,44,453	5,64,00,919
NOTE:23		
FINANCE COSTS:		
Interest Charges	19,30,13,338	20,91,58,356
Other borrowing Charges	1,06,06,883	33,95,573
Bank and Finance Charges	4,91,277	2,99,372
TOTAL	20,41,11,498	21,28,53,301

Particulars	For the Year ended 31.03.2015 ₹	For the Year ended 31.03.2014 ₹
NOTE:24		
OTHER EXPENSES:		
Rent	27,03,708	27,03,708
Lease Rental Charges	2,37,05,339	2,33,95,678
Donations	-	50,000
Rates, Taxes, Licences & Fees	43,88,824	25,24,534
Printing & Stationery	8,47,748	10,01,022
Postage & Telephone Charges	20,90,654	17,26,536
Office Electricity & Water	1,28,42,323	1,12,44,815
Travelling & Conveyance	21,21,696	16,14,350
Advertisement & Publicity	84,95,196	38,12,319
Agents Commission	59,75,726	90,85,628
Selling Expenses	37,27,612	41,19,928
Insurance	35,14,286	32,69,088
Remuneration to Auditors :		
Audit Fees	4,04,496	4,04,496
Tax Audit Fees	89,888	89,888
Certification Fees/Taxation matters	11,236	11,236
Directors' Sitting Fees	90,000	48,000
Legal & Professional Charges	39,61,375	7,06,745
Security Service Charges	-	3,30,466
Repairs to Buildings	17,58,262	7,31,025
Repairs to Other Assets	21,28,848	47,03,442
Vehicle Maintenance	14,06,177	12,11,235
Miscellaneous Expenses	35,18,688	11,79,408
Loss on Sale of Fixed Assets	81,692	7,746
Assets Written Off	61,668	-
TOTAL	8,39,25,442	7,39,71,293

NOTE : 25**A. SIGNIFICANT ACCOUNTING POLICIES****1. BASIS OF ACCOUNTING**

The financial statements of Vijay Textiles Limited (VTL) or Company have been prepared with Generally Accepted Accounting Principles (GAAP) in India under the historical cost convention on the basis of a going concern with revenues recognized and expenses accounted on their accrual.

2. FIXED ASSETS

Fixed Assets are stated at cost, less accumulated depreciation. All expenditure of capital nature is capitalized. Such expenditure comprises of purchase price, import duties, levies (other than refundable) and any directly attributable cost of bringing the assets to their working condition for intended use. All assets costing individually ₹ 5,000/- and below are depreciated fully in the year of purchase.

3. DEPRECIATION

Depreciation is provided under straight line method on the basis of life of the assets as prescribed under Schedule II to the Companies Act, 2013.

4. GOVERNMENT GRANTS

Grants and subsidies are recognized when there is a reasonable assurance that the grant or subsidy will be received and that all the underlying conditions will be complied with. Grants and subsidies received during the year related to specific fixed assets are shown as deduction from the gross value of the asset concerned.

5. REVENUE RECOGNITION

Revenue recognised only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operation includes sale of goods and the same is recognised on transfer of significant risk and rewards.

6. LEASES

- a) Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits as per the terms of the lease agreement over the lease period.
- b) Assets created on the leasehold property are depreciated over the period of the lease.

7. INVENTORIES

Raw Materials, Stores & Spares and Work in Process are valued at cost or net realizable value whichever is lower using FIFO cost method. Finished Goods are valued at cost or net realizable Value, whichever is lower. Net realizable value is the estimated selling value in the ordinary course of business less estimated cost of completion and estimated cost necessary to make sale and cost comprises cost of material purchased and expenditure incurred in the normal course of business in bringing such inventories to its location and includes, where applicable, appropriate overheads based on normal level of activity.

8. RETIREMENT BENEFITS

a) Defined Contribution Plan:

Contribution as per the Employee's Provident Fund and Miscellaneous Provisions Act, 1952 towards Provident Fund and Family Pension Fund are provided for and payments in respect thereof are made to the relevant authorities on actual basis.

b) Defined Benefit Plan:

Gratuity: In accordance with applicable Indian laws, the Company provides gratuity, a defined benefit retirement plan (Gratuity Plan) covering all employees. The gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn salary and the years of employment with the Company. Liability with regard to Gratuity Plan is accrued based on actuarial valuation at the balance Sheet date. Liability for Leave Encashment is treated as a Short-term liability and is accounted for as per the rules of the Company in force.

9. FOREIGN CURRENCY TRANSACTIONS

Revenue transactions in foreign currency are recorded at the exchange rates prevailing on the dates when the relevant transactions take place. The Company recognizes gains/losses on foreign exchange rate fluctuations relating to current assets and current liabilities at the end of the year.

10. BORROWING COSTS

Borrowing costs, which are directly attributable to the acquisition/construction of fixed assets, till the time such assets are ready for intended use, are capitalized as part of the costs of such assets. Other Borrowing costs are recognized as expenses in the year in which they are incurred.

11. TAXATION

a) Current year Charge:

The provision for taxation is based on assessable profits of the Company as determined under the Income Tax Act, 1961.

b) Deferred Tax:

The Company is providing and recognizing deferred tax on timing differences between taxable income and accounting income subject to consideration of prudence.

12. IMPAIRMENT OF ASSETS

The carrying amounts of assets are reviewed at each balance sheet date to determine whether there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use. In assessing value in use, estimated future cash flows are discounted to their present value.

13. CONTINGENT LIABILITIES-PROVISIONS AND CONTINGENT ASSETS:

Contingent liabilities arising from claims, litigation, assessment, etc., are provided for when it is probable that a liability may be incurred and the amount can be reliably estimated.

NOTE: 26

NOTES ON ACCOUNTS

1. Contingent Liability and Commitments (to the extent not provided for)

a) Contingent Liability not provided for in respect of claims against the Company not acknowledge as debts:

- Counter Guarantee given to Bankers towards the Bank Guarantee ₹ 62.80 Lakhs. (Previous year ₹ 62.80 Lakhs).
- Export Obligation of ₹ 9,39,30,216/- over a period of 8 years ending on 07.04.2016 for concessional duty availed for import of machinery.
- Export Obligation of ₹ 5,87,13,076/- over a period of 6 years ending on 09.08.2016 for concessional duty availed for import of machinery.
- Export Obligation of ₹ 11,36,33,520/- over a period of 8 years ending on 28.11.2019 for concessional duty availed for import of machinery.
- Income Tax:

Nature of Dues	Assessment year	Amount Outstanding as on 31.03.2015	Amount Outstanding as on 31.03.2014	Appeal Pending with
Income Tax	2009-10	16.34	16.34	Appeal decided by ITAT in favour of the Company and await AO to pass consequential Order
Income Tax	2010-11	105.54	105.54	Appeal decided by CIT (A) IV in favour of the Company and await AO to pass consequential Order.
Income Tax	2011-12	2.70	2.70	CIT (A) - IV

- b) Estimated amount of liability on account of Capital Commitments of ₹ 78.62 Lakhs. (Previous year ₹ 80.89 Lakhs).
2. In the opinion of the management current assets, loans & advances and other assets have the value at which they are stated in the Balance Sheet and are realizable in the ordinary course of business.
 3. Capital Work in Progress is ₹ 0.69 Crores. (Previous year ₹ 3.94 Crores).
 4. The Company has not provided for the preference dividend of 10% amounting to ₹ 5.00 Crores due to inadequacy of profit.
 5. Vehicle loan is secured by way of hypothecation of specific vehicle financed
 6. Loans and advances include advances for Capital Assets ₹ 13.00 Lakhs (Previous Year ₹ 28.29 Lakhs).

7. Additional Information pursuant to the provisions of Schedule VI of the Companies Act, 1956. (In ₹)

S. No.	Particulars	2014-2015	2013-2014
1.	Value of Imports (CIF Basis): Capital Goods	-	-
2.	Expenditure in Foreign Currency on account of Travelling Expenses	2,81,855	-
3.	Earnings of Foreign Currency FOB value of Exports	44,50,865	75,15,071

8. Employee Benefits:

As per Accounting Standard 15 "Employee Benefits", the disclosures of Employee Benefits in the Accounting Standard are given below:

Defined Contribution Plan:

(In ₹)

Particulars	2014-2015	2013-2014
Employer's Contribution to Provident Fund	29,78,908	27,63,176
Employer's Contribution to ESI	13,08,354	13,61,935

Defined Benefit Plan:

The employees gratuity fund scheme managed by a Trust is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognized each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit to build up the final obligation. Reconciliation of opening and closing balances of Defined benefit obligation as below:

(In ₹)

Particulars	2014-2015	2013-2014
I. Assumptions:		
Discount Rate	6.00%	8.06%
Rate of Return on Plan Assets	11.00%	11.00%
Salary Escalation Average for next seven years	6.00%	6.00%
II. Table Showing Change in Benefit Obligation :		
Liability at the beginning of the year	72,83,542	67,82,855
Interest Cost	5,46,377	5,31,348
Current Service Cost	10,23,885	11,00,631
Benefit Paid	(10,09,344)	(3,80,888)
Actuarial (gain)/loss on obligations	(4,67,734)	(7,50,404)
Liability at the end of the year	73,76,726	72,83,542

(Contd.)

(In ₹)

Particulars	2014-2015	2013-2014
III. Tables of Fair value of Plan Assets:		
Fair Value of Plan Assets at the beginning of the period	66,98,891	54,66,746
Adjustment to Opening Balance	7,280	-
Expected Return on Plan Assets	7,19,301	7,94,989
Contributions	6,75,211	6,88,276
Benefit Paid	(10,09,344)	(3,80,888)
Actuarial gain/(loss) on Plan Assets	1,82,954	(5,75,929)
Fair Value of Plan Assets at the end of the year	72,74,293	66,98,891
Total Actuarial Gain/(Loss) to be Recognized	1,82,954	1,74,475
IV. Actual Return on Plan Assets:		
Expected Return on Plan Assets	7,19,301	(7,05,697)
Actuarial gain/(loss) on Plan Assets	1,82,954	(5,75,929)
Actual Return on Plan Assets	9,02,255	1,74,475
V. Amount Recognized in the Balance Sheet:		
Liability at the end of the year	73,76,726	72,83,542
Fair Value of Plan Assets at the end of the year	72,74,293	66,98,891
Difference	(1,02,433)	5,84,651
Net Assets/(Liabilities) Recognized in the Balance Sheet	1,02,433	5,84,651
VI. Expenses Recognized in the Income Statement:		
Current Service Cost	10,23,886	11,00,631
Interest Cost	5,46,377	5,31,651
Expected Return on Plan Assets	(7,19,301)	(7,05,697)
Net Actuarial (Gain)/Loss To Be Recognized	(6,50,688)	(13,16,109)
Expense Recognized in P & L	2,00,273	7,51,807
VII. Balance Sheet Reconciliation:		
Opening Net Liability	5,84,651	13,16,109
Adjustment to opening balance	(7,280)	-
Expense as above	2,00,273	7,51,807
Employer's Contribution	6,75,211	(6,88,276)
Amount Recognized in Balance Sheet	1,02,433	5,84,651

9. Borrowing cost capitalized during the year on various assets is ₹ Nil. (Previous year Nil).
10. The Company's operations mainly consist of only one segment-Textile Fabrics and therefore the figures as above relate to that segment.

11. Related Parties Disclosures:

Related parties disclosures as required by AS 18 "Related Party Disclosure" are below:

(In ₹)

Name of the Party	Nature of Transaction	Amount
Vijay Kumar Gupta	Rent	9,78,216
	Remuneration	6,00,000
	Interest	1,09,12,404
Vijay Kumar Gupta (HUF)	Rent	6,98,676
Susheel Kumar Gupta	Rent	4,67,724
	Remuneration	24,00,000
	Interest	1,14,805
Shashikala Gupta	Rent	5,59,092

Unsecured loans received and paid during the year as under:

(₹ in Lakhs)

Name	Loans Taken	Loan Paid	Balance
Vijay Kumar Gupta	2590.29	1594.13	1722.85
Susheel Kumar Gupta	15.00	5.00	15.00

12. The Company's Lease Agreement is in respect of Building at Ameerpet, Kukatpally, Dilsukhnagar and A.S. Rao Nagar show rooms. Lease rentals payable are charged as "Lease Rental charges" under "Other Expenses" in Note-24. The Leasing arrangement is for a longer period and renewable by mutual consent on mutually agreeable terms. Future lease rental payable are as under:

(₹ in Lakhs)

Particulars	As at 31.03.2015*	As at 31.03.2014
Payable:		
Not Later than one year	239.90	219.40
Later than one year but not later than 5 years	1098.47	1085.52
Later than five years	1090.70	1313.10

* The above figures are given without discounting at present value

13. The breakup of Deferred Tax Liability as on 31st March, 2015 is as follows:

(₹ in Lakhs)

Sl. No.	Particulars	As at 31.03.2015	As at 31.03.2014
a)	Deferred Tax Liability:		
	Opening Deferred Tax Liability	988.35	1128.39
	Reversal/Recognition during the year	46.26	21.96
	Closing Deferred Tax Liability	1034.61	1150.35
b)	Deferred Tax Asset:		
	Deferred Tax Asset during the year on account of Depreciation	(76.57)	(162.00)
	Net Deferred Tax Liability there on (a-b)	958.04	988.35

14. In accordance with the Accounting Standard (AS-28) on "Impairment of Assets" the management during the year carried out exercise of identifying the assets that might have been impaired in respect of each cash-generating unit. On the basis of this review carried out by the management there was no impairment loss on the fixed assets during the year ended 31st March 2015.
15. The Company has not provided for cess u/s 44IA of The Companies Act 1956, as the Central Government has not specified the rules and manner of depositing the same.
16. Previous year's figures have been regrouped and rearranged wherever necessary so as to make them comparable with the current year.

The Notes referred to above form an integral part of the accounts.

As per our Report of even date
for **LAXMINIWAS & CO**
Firm Registration Number:011168S
Chartered Accountants

For and on behalf of the Board

Laxminiwas Sharma
Partner
Membership No.014244

Vijay Kumar Gupta
Chairman & Managing Director

Susheel Kumar Gupta
Executive Director

Place : Secunderabad
Date : 25th May, 2015

R. Malhotra
Finance Director

S. Nagarajan
Company Secretary

Vijay Textiles Limited

ATTENDANCE SLIP

Registered Office: Surya Towers, Ground Floor, 104, Sardar Patel Road, Secunderabad - 500 003.
CIN : L18100TG1990PLC010973. Tel No:040-27848479, E-mail ID: info@vijaytextiles.in

25th Annual General Meeting Wednesday, the 30th September, 2015 at 11.00 A.M

DP ID* :
Client ID* :

Reg. Folio No :
No. of Shares :

Name and address of the Shareholder:

I certify that I am a member/proxy for a member of the Company. I hereby record my presence at the 25th Annual General Meeting of the Company, at Surana Udyog Auditorium, The Federation of Telangana and Andhra Pradesh Chamber of Commerce & Industry, Federation House, 11-6-841, Red Hills, Hyderabad - 500 004. at 11.00 A.M. on Wednesday, the 30th September, 2015.

** Member's/Proxy's name in Block Letters

**Member's/Proxy's Signature

Note: Member/Proxy must bring the Attendance Slip to the Meeting and hand it over, duly signed at the registration counter.

* Applicable for Investors holding shares in electronic form.

** Strike out whichever is not applicable.

Vijay Textiles Limited

PROXY FORM

Registered Office: Surya Towers, Ground Floor, 104, Sardar Patel Road, Secunderabad - 500 003.
CIN : L18100TG1990PLC010973. Tel No:040-27848479, E-mail ID: info@vijaytextiles.in

FORM NO: MGT-11

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

Name of the Company	Vijay Textiles Limited (CIN : L18100TG1990PLC010973)	
Registered Office	Surya Towers, Ground Floor, 104, S.P. Road, Secunderabad - 500 003	
Name of the Member(s)		
Registered Address		
Folio No./DP ID-Client ID		E-mail ID

I/We, being the member(s) holding _____ equity shares of the above named Company, hereby appoint.

- Name : _____ Address: _____
E.mail ID: _____ Signature: _____
or failing him/her
- Name : _____ Address: _____
E.mail ID: _____ Signature: _____
or failing him/her
- Name : _____ Address: _____
E.mail ID: _____ Signature: _____

As my/our proxy to attend and vote(on a poll) for me/us and on my/our behalf at the 25th Annual General Meeting of the Company, to be held on the Wednesday, 30th day of September, 2015, 11.00 A.M, at Surana Udyog Auditorium, The Federation of Telangana and Andhra Pradesh Chamber of Commerce & Industry, Federation House, 11-6-841, Red Hills, Hyderabad - 500 004 and at any adjournment there of.

Signed this day of , 2015.

Please
Affix ₹ 1/-
Revenue
Stamp

- Note: 1. Proxy need not be a member.
2. Proxy Form, complete in all respects, should reach the Registered Office of the Company on or not later than 48 hours before commencement of the Meeting.

Signature

NO GIFTS WILL BE DISTRIBUTED AS PER GOVERNMENT NOTIFICATION

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Vijay Textiles Limited

Registered Office: Surya Towers, Ground Floor, 104, Sardar Patel Road, Secunderabad - 500 003.

CIN : L18100TG1990PLC010973. Tel No:040-27848479,E-mail ID: info@vijaytextiles.in

25th Annual General Meeting Wednesday, the 30th September, 2015 at 11.00 A.M

VOTING BY BALLOT

DP. ID* :
Client ID* :

Reg. Folio No :
No. of Shares :

Name and address of the Shareholder:

.....

Please indicate (✓) in the appropriate column against the Resolutions indicated in the box below:

SI No	Resolutions	For	Against
	Ordinary Business		
1.	Approval of Audited Financial Statements for the financial year 2014-2015		
2.	Re-appointment of Shri R.Malhotra, Director		
3	Re-appointment of M/s.Laxminiwas & Co as Statutory Auditors		
	Special Business:		
4	Increase of Authorized Share Capital and Alteration of Memorandum of Association of the Company.		
5	Alteration of Articles of Association of the Company		
6	Issue of Redeemable, Non-Convertible & Cumulative Preference Shares to Promoters.		
7	Appointment of Smt Kamini Gupta , as the Independent Director of the Company for the period of 4 years.		

Member's/Proxy's Signature



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Printed Matter

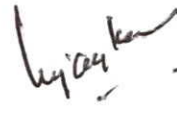


if undelivered, please return to :



CORPORATE OFFICE
Surya Towers, Ground Floor,
104, Sardar Patel Road,
Secunderabad - 500003
Telephone : 27848479/27844086
Facsimile : + 91-40-2784 6849
Email : info@vijaytextiles.in
Website : www.vijaytextiles.in

FORM -A

Submission of Annual Audit Report as per Clause 31 of Listing Agreement
 for the financial year ended 31st March,2015

1.	Name of the Company	Vijay Textiles Limited
2.	Annual Financial Statements for the year ended	31.03.2015
3.	Type of Audit Observation	Un-Qualified
4.	Frequency of Observation	Not Applicable
5.	Signatures:	
	Shri Vijay Kumar Gupta Chairman & Managing Director	
	Shri R Malhotra Chief Financial Officer	
	Shri Laxminiwas Sharma Partner Laxminiwas & Co	
	Shri M.Srikanth Reddy Audit Committee Chairman	