



ANNUAL
REPORT
2013-2014

CRAVATEX
LIMITED



BOARD OF DIRECTORS AND GENERAL INFORMATION

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1. Shareholders intending to require information about accounts to be explained in the Meeting are requested to inform the Company at least 7 days in advance of the Annual General Meeting.
2. Shareholders are requested to bring their copy of Annual Report to the Meeting as the practice of handing out copies of Annual Report at the Annual General Meeting has been discontinued.
3. Please address all correspondence regarding share transfer work to the Registrars and Share Transfer Agents and not to the Company's Registered Office.

Board of Directors

Rajesh Batra : *Chairman & Managing Director*
 Arjun Bulchandani
 H. K. Vakharia
 N. R. Mahalingam
 S. D. Israni
 Nabankur Gupta
 Rajiv Batra
 N. Santhanam

Bankers

Axis Bank Limited
 HDFC Bank Limited

Company Secretary

Sudhanshu Namdeo

Auditors

Messrs S. P. Chopra & Co.
Chartered Accountants
 15/A, Horniman Circle,
 Bharat Insurance Building,
 Mumbai - 400 001.

Registered Office

Sahas, 4th Floor,
 414/2, Veer Savarkar Marg,
 Prabhadevi, Mumbai - 400 025.

Registrars & Share Transfer Agents

M/s. Sharepro Services (India) Pvt. Ltd.

Registered Office:

13 AB, Samhita Warehousing Complex,
 2nd Floor, Sakinaka Telephone Exchange Lane,
 Off Andheri Kurla Road, Sakinaka,
 Andheri (East), Mumbai - 400 072.

Investor Relation Centre:

912, Raheja Centre,
 Free Press Journal Road, Nariman Point,
 Mumbai - 400 021.

FINANCIAL HIGHLIGHTS

(Rs. in Lacs)

	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05
Paid-up Capital	258.42	258.42	258.42	129.21	129.21	129.21	129.21	129.21	129.21	129.21
Reserves and Surplus	3783.68	3477.62	2827.19	2235.93	1665.70	1364.81	1210.16	1138.38	1054.38	1058.27
Net Worth	4042.10	3736.04	3085.60	2365.14	1794.91	1494.02	1339.37	1267.59	1183.59	1187.48
Fixed Assets	4208.86	4137.46	2245.45	2138.88	2053.74	2120.93	2149.61	2221.18	2194.99	2131.34
Depreciation	1378.43	1112.54	992.70	902.79	818.16	904.11	858.53	871.62	767.85	653.90
Net Block	2830.43	3024.92	1252.75	1236.09	1235.58	1216.81	1291.08	1349.56	1427.13	1477.43
Turnover	18514.53	16736.94	15657.98	9124.36	5844.95	4423.85	5061.56	4762.98	4268.78	4184.59
Earning before Taxes	570.22	1055.49	1199.08	926.51	702.61	266.45	216.22	159.95	110.50	155.82
Dividend	90.45 (35%)	90.45 (35%)	90.45 (35%)	64.60 (50%)	58.14 (45%)	45.22 (35%)	45.22 (35%)	45.22 (35%)	38.76 (30%)	38.76 (30%)
Earning Per Share	15.94	29.26	31.95	49.94	28.55	14.30	9.65	10.30	3.12	6.42

NOTICE OF ANNUAL GENERAL MEETING**NOTICE**

NOTICE is hereby given that the Sixty Second Annual General Meeting of the Members of **CRAVATEX LIMITED** will be held on Wednesday, August 13, 2014 at 10.30 a.m. at Rachana Sansad Auditorium, 278, Shankar Ghanekar Marg, Prabhadevi, Mumbai-400 025, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Financial Statements of the Company for the year ended March 31, 2014 including audited Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss for the year ended on that date together with Reports of the Directors and Auditors thereon.
2. To declare a dividend on the Equity Shares for the year ended March 31, 2014.
3. To appoint a Director in place of Mr. Rajiv Batra (DIN 00748729) who retires by rotation and, being eligible, offers himself for re-appointment.
4. To consider and, if thought fit, to pass, with or without modification/s, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, as amended from time to time, M/s. S. P. Chopra & Co., Chartered Accountants (Registration No.101911W), be and are hereby re-appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors of the Company.”

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

“RESOLVED THAT pursuant to the provisions of Section 143(8) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, as amended from time to time, the accounts of the Company for the year ending March 31, 2015 in respect of the branch of the Company at Bangalore, be audited by M/s. M. R. Jayaprakash & Associates, Chartered Accountants (Registration No.007319S), on such terms and conditions as may be decided by the Board of Directors.”

SPECIAL BUSINESS

6. 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, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. N. Santhanam (holding DIN 00027724), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March, 2019.”

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, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or

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re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. N.R. Mahalingam (holding DIN 00035601), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March, 2019.”

8. 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, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Dr. S.D. Israni (holding DIN 00125532), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March, 2019.”

9. 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, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Arjun Bulchandani (holding DIN 00049092), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March, 2019.”

10. 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, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. H.K. Vakharia (holding DIN 00020966), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March, 2019.”

11. 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 73, 74 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder and subject to such conditions, approvals, permissions, as may be necessary, the consent of the Company be and is hereby accorded to renew the existing unsecured fixed deposits from its members or for the repayment of such deposits with interest, on such terms and conditions as may be decided by the Board of Directors from time to time.”

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

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“RESOLVED THAT in supersession of the ordinary resolution passed at the 61st Annual General Meeting of the Company held on 13th August, 2013 and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, the consent of the Company be and is hereby accorded for mortgaging and/or charging by the Board of Directors, of the Company of all or any part of immovable and movable properties of the Company, wheresoever situated, present and future, and/or conferring power to enter upon and to take possession of the assets of the Company in certain events, to or in favour of the Company’s bankers or financial institutions to secure the amounts borrowed together with interest thereon and other monies payable by the Company provided that the total amount borrowed and outstanding any time shall not exceed a sum of Rs.150 Crores (Rupees One Hundred Fifty Crores only).”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to finalise with Company’s Bankers or Financial Institutions the documents for creating aforesaid mortgage and/or charge and to do all such acts, deeds, matters and things as may be necessary to give effect to this resolution.”

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

“RESOLVED THAT in supersession of the ordinary resolution passed at the 59th Annual General Meeting of the Company held on 8th July, 2011 and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, the consent of the Company be and is hereby accorded to the Board of Directors for borrowing such sum or sums of money from time to time from any one or more of the Company’s Bankers and from any one or more person(s), firms, bodies, corporate or financial institutions whether by way of cash credit advances or deposits or bills discounting or otherwise whether unsecured or secured by mortgage, charge, hypothecation, lien or pledge of the Company’s assets and properties whether moveable or immovable notwithstanding that the moneys so borrowed together with the moneys already borrowed by the Company (apart from the temporary loans obtained from the Company’s Bankers in the ordinary course of business) will or may exceed the aggregate of the paid-up capital of the Company and its free reserves but however the total upto which the moneys can be borrowed by the Board of Directors and outstanding any time shall not exceed a sum of Rs.150 Crores (Rupees One Hundred Fifty Crores only).”

By Order of the Board of Directors

Place : Mumbai
Dated : May 30, 2014

Sudhanshu Namdeo
Company Secretary

CIN : L93010MH1951PLC008546

Registered Office:

Sahas, 4th Floor, 414/2, Veer Savarkar Marg,
Prabhadevi, Mumbai-400 025.
Tel. No.: +91 22 66667474, Fax No.: +91 22 24313210
E-mail: investors@cravatex.com
Website: www.cravatex.com

NOTES

1. A member entitled to attend and vote at the meeting shall be entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than

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ten percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

The instrument appointing a proxy should be deposited at the registered office of the Company duly completed and signed, not less than forty-eight hours before the commencement of the meeting.

2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the special business proposed to be transacted at the meeting is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, August 6, 2014 to Wednesday, August 13, 2014 (both days inclusive) for the purpose of payment of dividend, if approved by the members.
4. Members holding shares in demat form are requested to notify immediately any change in their registered address or bank mandate to their Depository Participant (DP) quoting their Client IDs. Members holding shares in physical form are requested to notify immediately any change in their registered address or bank mandate to the Registrars and Share Transfer Agents of the Company quoting their Folio Number.
5. Unclaimed dividends for the financial year ended March 31, 2007 shall be transferred to the Investor Education and Protection Fund of the Central Government in terms of the provisions of Section 125 of the Companies Act, 2013. Those members who have so far not encashed the dividend(s) from the year ended March 31, 2007, till the year ended March 31, 2013 are requested to approach the Registrars and Share Transfer Agents of the Company for payment.

The Ministry of Corporate Affairs (MCA) on 10th May, 2012 notified the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 (IEPF Rules), which are applicable to the Company. The objective of the IEPF Rules is to help the members ascertain status of the unclaimed amounts and overcome the problems due to misplacement of intimation thereof by post etc. In terms of the said IEPF Rules, the Company has uploaded the information in respect of the unclaimed dividends as on the date of the 61st Annual General Meeting (AGM) held on 13th August, 2013, on the website of the IEPF viz. www.iepf.gov.in and also under the "Investors Section" on the website of the Company viz. www.cravatex.com.

6. Members holding shares in physical form may nominate a person in respect of all the shares held by them whether singly or jointly. Members who hold shares singly are advised to avail of nomination facility in their own interest. Members holding shares in demat form may contact their respective Depository Participants for recording of nomination.
7. In respect of shares held in physical form, the bank account particulars viz. name and address of the branch of the bank, MICR code of the branch, account number with blank cancelled cheque should be sent to the Registrar & Share Transfer Agents of the Company for making payment of dividend through approved electronic mode.

Members holding shares in demat form are requested to provide the particulars of their bank account to their Depository Participant. The Registrar & Share Transfer Agents of the Company will not act on any such request received from the members for change in their bank account particulars. Further, instruction given by members for shares held in physical form would not be applicable to the dividend paid on shares held in demat form.

8. The Securities and Exchange Board of India (SEBI) has made it mandatory to furnish Permanent Account Number (PAN) by participants in securities market. Members are requested to submit the PAN to their Depository Participant (DP)/Registrar & Share Transfer Agents respectively.
9. Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.

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10. Electronic copy of the annual report is being sent to the members whose email address are registered with the company/depository participants for communication purposes unless any member has requested for a physical copy of the same. Members who have not registered their email address so far are requested to register their e-mail address with the Registrar & Share Transfer Agents of the Company for receiving all communications from the Company electronically.

11. Voting through electronic means

I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 62nd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL):

The instructions for e-voting are as under:

A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:

- (i) Open email and open PDF file viz; "Cravatex e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
- (ii) Open the internet browser and type the following URL: <https://www.evoting.nsdl.com>.
- (iii) Click on Shareholder – Login.
- (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
- (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Open the e-voting home page, click on e-voting> Active Voting Cycles.
- (vii) Select "EVEN" (E-Voting Event Number) of Cravatex Limited.
- (viii) Now you are ready for e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to evoting@cravatex.com with a copy marked to evoting@nsdl.co.in

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :

- (i) E-voting particulars are provided with the annual report as follows:
EVEN (E-voting Event Number) USER ID PASSWORD/PIN
- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

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Other Instructions:

- II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com
- III. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
- IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- V. The e-voting period commences on Thursday, August 7, 2014 (9:00 am) and ends on Saturday, August 9, 2014 (6:00 pm). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of July 11, 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- VI. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of July 11, 2014.
- VII. Mrs. Jayshree S. Joshi Proprietress of Jayshree Dagli & Associates, Practicing Company Secretaries, Mumbai has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VIII. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- IX. The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.cravatex.com and on the website of NSDL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to BSE Limited.

By Order of the Board of Directors

Sudhanshu Namdeo
Company Secretary

Place : Mumbai

Dated : May 30, 2014

CIN : L93010MH1951PLC008546

Registered Office:

Sahas, 4th Floor, 414/2, Veer Savarkar Marg,
Prabhadevi, Mumbai-400 025.

Tel. No.: +91 22 66667474, Fax No.: +91 22 24313210

E-mail: investors@cravatex.com

Website: www.cravatex.com