



**DAMODAR**  
**INDUSTRIES LIMITED**

TOMORROW'S  
CREATIVITY,  
BROUGHT TODAY

Annual Report | 2013-14



TM

**SCAFATI**

Woven with Passion



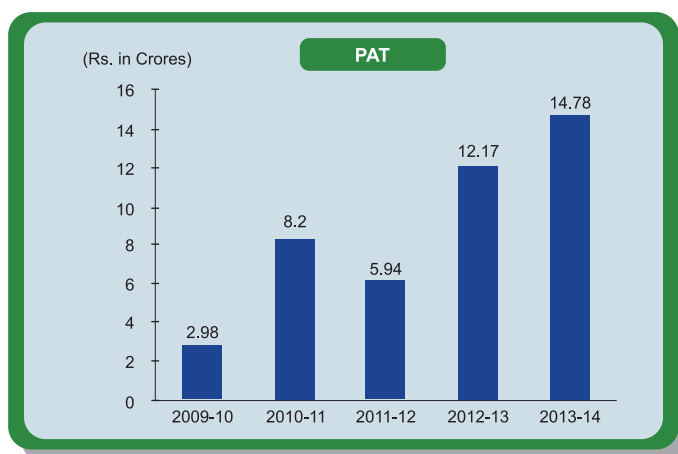
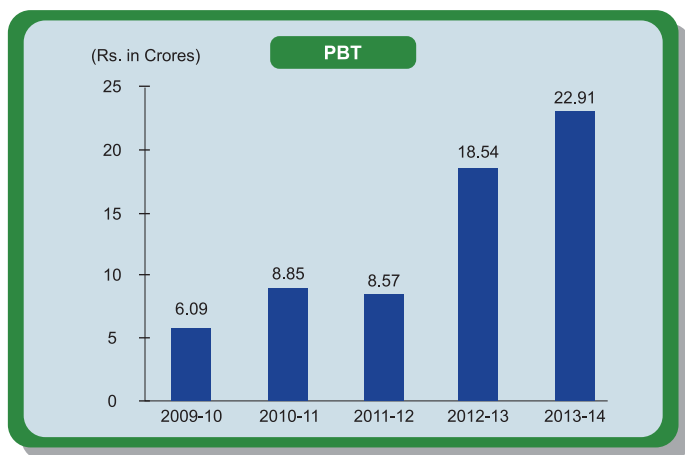
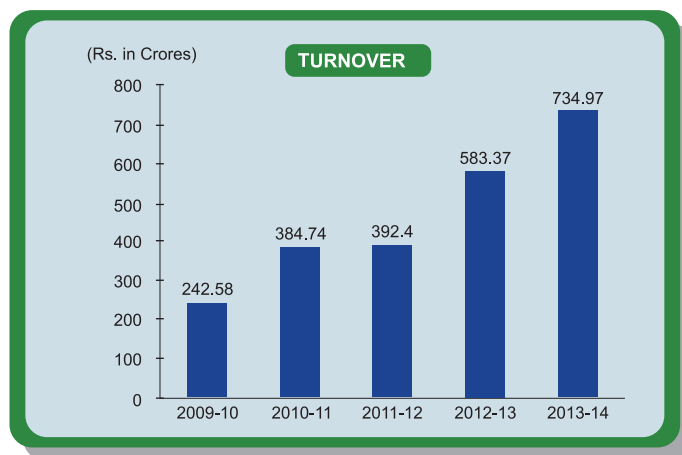
**IMP**  
**FABRICS**







## Performance at a Glance





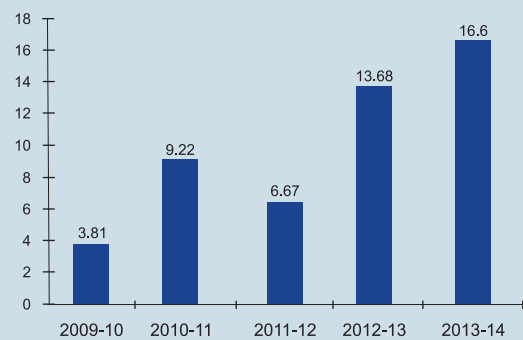
(Rs. in Crores)

## EXPORTS



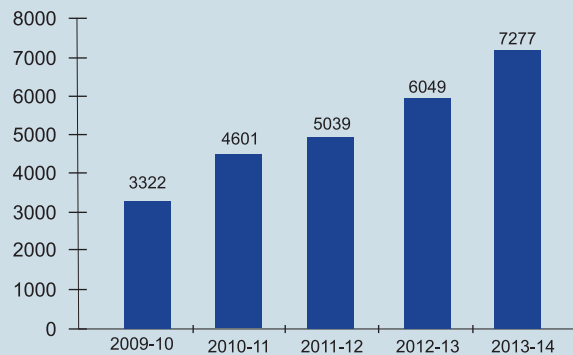
(In Rs.)

## EPS



(Rs. in Crores)

## NETWORTH



(%)

## DIVIDEND





**CORPORATE INFORMATION****Board of Directors**

Mr. Arun Kumar Biyani  
Chairman

Mr. Ajay D. Biyani  
Managing Director

Mr. Anil D. Biyani  
Executive Director

Mr. Girdharlal S. Daga  
Independent Director

Mr. S. P. Tulsian  
Independent Director

Mr. Ashok Kumar Damani  
Independent Director

**Chief Financial Officer**

Mr. Suresh C. Gattani

**Company Secretary & Compliance Officer**

Mr. Subodh Kumar Soni

**Auditors**

M/s A.J. Baliya & Associates  
Chartered Accountants, Mumbai

**Cost Auditors**

M/s Dilip M. Bathija

**Bankers**

State Bank of India  
Bank of Baroda  
Union Bank of India  
ING Vysya Bank Limited

**Registered Office**

A1/202, Centre Point,  
243-A, N. M. Joshi Marg,  
Lower Parel (E), Mumbai – 400 013,  
Maharashtra, India.  
Ph.: 022-66610301-2, Fax: 022-66610308  
E-mail: info@damodargroup.com  
Website: www.damodargroup.com

**Registrar & Share Transfer Agent**

Link Intime India Pvt. Limited,  
C-13, Pannalal Silk Mills Compund,  
L.B.S. Marg, Bhandup (W), Mumbai – 400078.  
Tel. No.: 022-25946970 –78,  
Fax No. 022-25946969  
E-mail: rnt.helpdesk@linkintime.co.in  
Website: www.linkintime.com

**Plant Location**

- Survey No. 265/10/1, 2 & 3  
Demni Road, Dadra Village,  
D. & N.H. (U.T.) – 396230  
Ph.: 0260-3264788, Fax: 0260-2668929
- Survey No. 288/1/1  
Old Dena Bank Road, Dadra Village,  
D. & N.H. (U.T.) – 396230  
Ph.: 0260-3294102
- Plot No. 165/67/68,  
Dabhel Ind. Co.-Op. Soc.  
Dabhel, Nani Daman - 396210
- Survey No. 174/2, Naroli Village,  
D. & N.H. (U.T.) – 396235

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## NOTICE

**NOTICE** is hereby given of the 26<sup>th</sup> Annual General Meeting of the Members of **DAMODAR INDUSTRIES LIMITED** to be held at Maheshwari Bhawan, 603, Chira Bazar (J. S. Road), Mumbai – 400 002 on Saturday, 9th August, 2014 at 11.30 A.M. for the following purposes:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2014 and the Profit & Loss Account, Cash Flow Statement for year ended on that date together with Report of the Board of Directors' and Auditors thereon.
2. To declare a dividend on equity shares.
3. To appoint a Director in place of Shri Arunkumar Biyani (DIN: 00016519), who retires by rotation at this meeting and being eligible, offers himself for re-appointment.
4. To appoint Auditor and fix their remuneration and in this regard to consider and if thought it, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** M/s. A. J. Baliya & Associates, Chartered Accountants (Registration No. 100948W) be and is hereby appointed as 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."

### SPECIAL BUSINESS:

5. To appoint Shri S.P. Tulsian (DIN: 00018156) as an Independent Director and in this regard to consider and if thought it, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri S.P. Tulsian (DIN: 00018156), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 by the board of Directors of the company wef from April 25, 2014 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 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 April 24, 2019, not liable to retire by rotation.

6. To appoint Shri Ashok Kumar Damani (DIN:00069143) as an Independent Director and in this regard to consider and if thought it, to pass, with or without modification (s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Ashok Kumar Damani (DIN: 00069143), who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 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 upto March 31, 2019, not liable to retire by rotation."



7. To appoint Shri Girdharlal S. Daga (DIN:00115772) as an Independent Director and in this regard to consider and if thought it, to pass, with or without modification (s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Girdharlal S. Daga (DIN: 0000115772), who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 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 upto March 31, 2019, not liable to retire by rotation.”

By Order of the Board  
For **Damodar Industries Limited**

**Subodh Kumar Soni**  
Company Secretary

Place : Mumbai  
Date : May 26, 2014

**Registered Office**

A1/202, Centre Point,  
243-A, N. M. Joshi Marg,  
Lower Parel (E), Mumbai – 400 013,  
Maharashtra, INDIA.

**NOTES**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. Explanatory statement pursuant to Section 102 of the Companies Act, 2013 relating to the items of special business is annexed herewith.
3. The Share Transfer Books and Register of members of the Company will remain closed from Wednesday, 25th June, 2014 to Saturday, 28th June, 2014 (both days inclusive).
4. Members are requested to produce the attendance slip duly signed as per the specimen signature recorded with the Company/Depository Participant for admission to the meeting hall.
5. The dividend paid on 31st August, 2007 in respect of the financial year 2006-07 will be due for transfer to IEPF during the financial year 2013-14. Shareholders who have not yet claimed their dividends are requested to do so immediately.
6. A Member desirous of getting any information on the accounts or operations of the Company is requested to forward his/her queries to the Company at least seven working days prior to the meeting, so that the required information can be made available at the meeting.
7. Members holding shares in physical form can now avail the facility of nomination in respect of shares held by them pursuant to the to section 72 of the Companies Act, 2013 and rule 19(1) (Share Capital and Debentures) Rules 2014] of the Share Transfer Agents by quoting their respective Folio Numbers.
8. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-Voting facility as an alternative mode of voting which will enable the Members to cast their votes electronically. Necessary arrangements have been made by the Company with Central Depository Services (India) Limited (CDSL) to facilitate e-voting. E-voting is optional and members shall have the option to vote either through e-voting or in person at the general meeting.
9. The process and instructions for e-voting are as under:
  - i) Open your web browser during the voting period and log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
  - ii) Now click on "Shareholders" to cast your votes
  - iii) Now, select the Electronic Voting Sequence Number – "EVSN" along with "DAMODAR INDUSTRIES LIMITED" from the drop down menu and click on "SUBMIT"
  - iv) Now, fill up the following details in the appropriate boxes:

<b>For Members holding shares in Demat Form and Physical Form</b>	
User-ID	For Members holding shares in Demat Form:- a) For NSDL :- 8 Character DP ID followed by 8 Digits Client ID b) For CDSL :- 16 digits beneficiary ID For Members holding shares in Physical Form:- • Folio Number registered with the Company
Password	Existing Password / PAN / Date of Birth / Folio No.
PAN*	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department when prompted by the system while E voting





\* Members who have not updated their PAN with Company Depository Participant are requested to use default number 'DILEV1234Z' in the PAN field.

- v. After entering these details appropriately, click on "SUBMIT".
- vi. Members holding shares in Physical form will then reach directly to the voting screen.
- vii. Members holding shares in Demat form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of atleast one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- viii. 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 communication(s) regarding CDSL e-voting system in future. The same may be used in case the Member forgets the password and the same needs to be reset.
- ix. If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and casted your vote earlier for EVSN of any company, then your existing login id and password are to be used.
- x. For Members holding shares in physical form, the password and default number can be used only for e-voting on the resolutions contained in this Postal Ballot Notice.
- xi. On the voting page, you will see Resolution Description and against the same the option 'YES/NO' for voting. Enter the number of shares (which represents number of votes) under YES/NO or alternatively you may partially enter any number in YES and partially in NO, but the total number in YES and NO taken together should not exceed your total shareholding.
- xii. Click on the Resolution File Link if you wish to view the entire Postal Ballot Notice.
- xiii. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiv. Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.  
  
Corporate/Institutional Members (corporate/FIs/FILs/Trust/Mutual Funds/Banks, etc) are required to send scan (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and the Scrutinizer's email id [Vishal\\_manseta@rediffmail.com](mailto:Vishal_manseta@rediffmail.com)
- xv. The file scanned image of the Board Resolution should be in the naming format "Corporate Name \_EVSN".
- xvi. The e-voting period commence on 31st July, 2014 (9.00 a.m.) and ends on 2nd August, 2014 (5.00 P.M.).
- xvii. In case you have any queries or issues regarding e- voting, please contact [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
- xviii. The company has appointed Mr. Vishal Manseta, Practicing Company Secretaries as the Scrutinizer for conducting the e voting process in fair and transparent manner.
- xix. A copy of this notice placed has been placed on the website of the Company and the website of CDSL.

**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****Item 5.**

The Board of Directors of the Company appointed, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Shri S.P. Tulsian as an Additional Director of the Company with effect from 25th April, 2014 and hold the office up to the date of the ensuing Annual General Meeting. In terms of the provisions of Section 161(1) of the Act, Shri S.P. Tulsian would hold office up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Shri S.P. Tulsian for the office of Director of the Company. The Company has received from Shri S.P. Tulsian Consent in writing to act as director in form DIR – 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014 and intimation in form – 8 in terms of (Appointment & Qualification of Directors) Rules 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of Companies Act, 2013 and a declaration to the effect that he meets the criteria of independence as provided in sub section (6) of Section 149 of Companies Act, 2013. As per the said Section 149, an independent director can hold office for a term up to Five consecutive years on the Board of a company and he shall not be liable to retirement by rotation.

Shri S.P. Tulsian possesses appropriate skills, experience and knowledge, inter alia, in the field of Finance. In the opinion of the Board, Shri S.P. Tulsian full fills the conditions for his appointment as an Independent Director as specified in the Act and the Listing Agreement. Shri S.P. Tulsian is independent of the management.

Brief resume of Shri S.P. Tulsian, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

In the opinion of the Board of Directors, Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Shri S.P. Tulsian is appointed as an Independent Director. Copy of the draft letter for appointment of Shri S.P. Tulsian as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on working days up to the date of the AGM.

No director, key managerial personnel or their relatives, except Mr. S.P. Tulsian, to whom the resolution relates, is interested or concern in the resolution.

The Board recommends the resolution set forth in item no. 5 for the approval of the members.

**Item 6 & 7**

Shri Ashok Kumar Damani and Shri Girdharlal S.Daga are Independent Directors of the Company and have held the positions as such for more than Five years. It is proposed to appoint Shri Ashok Kumar Damani and Shri Girdharlal S.Daga as Independent Directors under Section 149 of the Act to hold office upto March 31, 2019. They are not liable to retire by rotation.

Shri Ashok Kumar Damani and Shri Girdharlal S.Daga are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors. The Company has received notices in writing from members along with the deposit of requisite amount under Section 160 of the Act proposing the candidatures of each of Shri Ashok Kumar Damani and Shri Girdharlal S.Daga for the office of Directors of the Company. The Company has also received declarations from Shri Ashok Kumar Damani and Shri Girdharlal S.Daga that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act.