

ANNUAL REPORT
2013-14
OF
THE DHAR TEXTILE
MILLS LIMITED

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Pankaj Jajoo

Chairman-cum-Managing Director

Mr. Manish Jajoo

Director

Mr. Pankaj Singhal

Independent Director

Mr. Sunil Choudhary

Independent Director

Mr. Vijay Bakliwal

Independent Director

REGISTERED OFFICE

C-1/A, Low Land Area,
Pologround Industrial Estate,
Indore – 452015

website:www.dhartextile.com

Auditors

M/s B. Bansal & Co.

Chartered Accountants

Firm Regn No. 000450C

E-2, Ratlam Kothi,

Indore-452001 (M.P.)

Registrars and Share Transfer Agent

Link Intime India Private Limited

C- 13, Kantilal Maganlal Estate,

Pannalal Silk Mills Compound,

L.B.S. Marg, Bhandup (West), Mumbai-400078

Tel No.:022-25946970

Fax No.:022-25946969

Email : rnt.helpdesk@linkintime.co.in

NOTICE

NOTICE is hereby given that the Annual General Meeting of the members of the Company will be held on 30th day of September, 2014 at 11.00 a.m. at the Registered Office of the Company to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet and the Profit & Loss account of the Company for the year ended on 31st March, 2014 and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Manish Jajoo who retires by rotation and being eligible offers himself for re-appointment.
3. To consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:-

“RESOLVED THAT pursuant to the provisions of Sections 139 of the Companies Act, 2013 (“Act”) and other applicable provisions of the Act, if any and the Rules framed thereunder, as amended from time to time, M/s B. Bansal & Co., Chartered Accountants (ICAI Firm Registration No. 000450C M/No. – 073533) be and is hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of next AGM of the Company, at such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors.”

SPECIAL BUSINESS:

4. Appointment of Mr. Pankaj Singhal as an Independent Director:

To consider and if thought fit, to pass, with or without modification, 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 (“Act”) and the Rules framed thereunder as read with Schedule IV to the Act, as amended from time to time, Mr. Pankaj Singhal (DIN: 02653656), a non-executive, Independent Director of the Company, who has submitted a declaration that he 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, with effect from 01st October, 2014 upto 30th September, 2019.”

5. Appointment of Mr. Sunil Choudhary as an Independent Director:

To consider and if thought fit, to pass, with or without modification, 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 (“Act”) and the Rules framed thereunder as read with Schedule IV to the Act, as amended from time to time, Mr. Sunil Choudhary (DIN: 03564274), a non-executive, Independent Director of the Company, who has submitted a declaration that he 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, with effect from 01st October, 2014 upto 30th September, 2019.”

6. Appointment of Mr. Vijay Bakliwal as an Independent Director:

To consider and if thought fit, to pass, with or without modification, 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 (“Act”) and the Rules framed thereunder as read with Schedule IV to the Act, as amended from time to time, Mr. Vijay Bakliwal (DIN: 05200699), a non-executive Independent Director of the Company, who has submitted a declaration that he 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, with effect from 01st October, 2014 upto 30th September, 2019.”

7. Authority to Board to Create Charge:

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

“RESOLVED THAT consent of the Company be and is hereby accorded in terms of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and other applicable provisions of Companies Act, 1956, if any, (including any statutory modifications, amendments or re-enactments thereto for the time being in force) to the Board of Directors of the Company (hereinafter referred to as “the Board”) to mortgaging and/hypothecation, pledge or charging by the Board of Directors of the Company of all or any of the immovable and movable properties of the Company, wherever situated, both present and future or the whole or substantially the whole of the undertaking or undertakings of the company in such form and in such manner as the Board of Directors may think fit for securing any loans and/or advances already obtained or that may be obtained from time to time any financial Institution/ bank/insurance companies, bodies corporate, firms or association or person or persons, and/or to secure any debentures issued, deposits and/or that may be issued and all interest, compounding interest,/ additional interest, commitment charge, cost, charges, expenses and all other moneys payable by the company to the concerned secured lenders within the overall borrowing limit of Rs. 500.00 Crore (Rupees Five Hundred Crores) at any point of time;

RESOLVED FURTHER THAT all the acts done by Board of Directors till the date in this regard be and is hereby ratified;

RESOLVED FURTHER THAT the securities created or to be created by the Company as aforesaid may rank prior/pari passu/subservient with/to the mortgages and/or charges already created or to be created by the company as may be agreed to between the Board of Directors of the Company and the concerned parties;

RESOLVED FURTHER THAT the Board be and is hereby authorized create or revise/renew the securities and/or release of the securities and to do all such acts, deeds and things and to sign all such documents and writings as may be necessary, expedient and incidental thereto to give effect to this resolution and for matter connected therewith or incidental thereto.”

8. Authority to Borrow funds:

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

“**RESOLVED THAT** consent of the Company be and is hereby accorded in terms of Section 180(1)(c) and (2) and other applicable provisions, if any, of the Companies Act, 2013 and/or Companies Act, 1956 as may be applicable (including any statutory modifications, amendments or re-enactments thereto for the time being in force) to the Board of Directors of the Company (hereinafter referred to as “ the Board”) for borrowing any sum or sums of monies from time to time for the purpose of the Company’s business on such terms and conditions and with or without security from any bank, financial institutions or any other lending institutions, firms, bodies corporate or persons, of India or otherwise from the foreign parties/entities subject to the provisions of the FDI and/or FEMA, as my be considered appropriate and suitable by the Board notwithstanding that the sum or sums of monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business), may exceed the aggregate of the paid-up capital of the Company and its free-reserves, provided that the total amount so borrowed by the Board shall not at any time exceed the limit of Rs. 500.00 Crores (Rupees Five Hundred Crores) over and above the paid up capital of the Company and its free reserves;

RESOLVED FURTHER THAT all the acts done by Board of Directors till the date in this regard be and is hereby ratified;

RESOLVED FURTHER THAT Board of Directors and the Director(s) or the person authorized by the be and is hereby jointly/or severally authorized to as they may think fit and for that purpose to execute such documents, papers, deeds, and writings containing such conditions and covenants as the Board may think fit and to take all such steps as may be necessary or desirable to give effect to this Resolution.”

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

“**RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with rules framed thereunder (including any statutory modification(s) or re- enactment thereof, for the time being in force), the draft regulations contained in the Articles of

Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company;

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

DATE: 03.09.2014

PLACE: INDORE

**FOR AND ON BEHALF OF THE BOARD
THE DHAR TEXTILE MILLS LIMITED**

**PANKAJ JAJOO
MANAGING DIRECTOR
DIN: 00017748**

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.** The instrument appointing Proxy as per the format included in the Annual Report should be returned to the Registered office of the Company not less than FORTY-EIGHT HOURS before the time for holding the Meeting. Proxies submitted on behalf of limited companies, societies, partnership firms, etc. must be supported by appropriate resolution/authority, as applicable, issued by the member organization. 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 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 a Member.
2. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) in respect of the business under Item Nos. 4 to 9 set out above and details as required under Clause 49 of the Listing Agreement entered into with the Stock Exchanges in respect of Directors seeking appointment/re-appointment at this Annual General Meeting are annexed hereto.
3. The register of members and transfer books of the Company shall remain closed from 24th day of September, 2014 to 30th day of September, 2014 (both days inclusive) for the purpose of Annual General Meeting.
4. As an austerity measure, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring copies to the meeting.

5. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days, except Saturdays between 11.00 A.M. to 1.00 P.M.
6. Any query relating to accounts or any other items of business set out in the Agenda of the meeting must be sent to the Company's Registered Office at C-1/A Low Land Area, Pologround Industrial Estate, Indore-M.P. at least seven days before the date of the Meeting.
7. Corporate members intending to send their authorized representatives to attend the meeting are requested to lodge a certified true copy of the resolution of the Board of Directors or other governing body of the body corporate not later than 48 (forty eight) hours before commencement of the meeting authorizing such person to attend and vote on its behalf at the meeting.
8. The Notice is being sent to all the Members, whose names appear in the Register of Members/list of Beneficial Owners as received from National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL).
9. Members who are holding Company's shares in dematerialized form are required to bring details of their Depository Account Number for identification.
10. Members / Proxies should bring their attendance slip duly filled in for attending the meeting. Members are also requested to inform company of any change in their address immediately so as to enable the company to dispatch any further communication at their correct address.
11. To support the 'Green Initiative', an Abridged Annual Report is being sent to the Members. In respect of Members whose e-mail ids are registered with the Company/the Depositories the Annual Report is sent in electronic mode. The Members who have not registered their e-mail ID are requested to register the same with Company's Registrars and Transfer Agents/Depositories. The Members who are desirous of receiving the full Annual Report may write to the Company's Registrar for a copy of the same.
12. In compliance with provisions of Clause 35B of the Listing Agreement entered into with the Stock Exchange(s), the Company is pleased to offer e-voting facility to enable members to cast their votes electronically. The Company has agreement with CENTRAL DEPOSITORY SERVICES LIMITED (CDSL) for facilitating e-voting to enable the shareholders to cast their votes electronically.
13. Mr. Pratik Tripathi, Partner of P.S. Tripathi & Associates, Company Secretaries shall be act as Scrutinizer for conducting the E-voting process in a fair and transparent manner.
14. The voting rights of Members shall be in proportion to their shares of the Paid up Equity Share Capital of the Company.

Procedure for E-voting:-

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

In case of members receiving e-mail:

- (i) 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
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (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	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none">• 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	<p>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.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none">• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - 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 favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
 - (B) The voting period begins on < From 10.00 A.M. (IST) on September, 24, 2014> and ends on < upto 05.00 P.M. (IST) on September, 25, 2014>. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <29th August, 2014 >, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
1. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
 2. Institutional members (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 at scrutinizer.ptripathi@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com.
 3. In case you have any queries or issues regarding e-voting, please contact helpdesk.evoting@cdslindia.com.

DATE: 03.09.2014

PLACE: INDORE

**FOR AND ON BEHALF OF THE BOARD
THE DHAR TEXTILE MILLS LIMITED**

**PANKAJ JAJOO
MANAGING DIRECTOR
DIN: 00017748**