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<b>BOARD OF DIRECTORS</b>	Shri Sri Krishna Naik - Promoter Managing Director Smt. Meena Kerur - Promoter-Woman Director Shri K Suresh - Independent Director Shri Maqsood Ahmed - Independent Director
<b>REGISTERED OFFICE</b>	Flat # 8-2-596/5/B/1/A, Road No.10 Banjara Hills, Hyderabad-500 034 Opp. Karvy House Phone: 040-66771111 Email: goldencarpets@vsnl.net
<b>AUDITORS:</b>	M/s. Ramasamy Koteswara Rao & Co Chartered Accountants Plot No 238/A, MLA's Colony Road No.12, Banjara Hills Hyderabad – 500 034 Phone: 23545913/14
<b>FACTORY LOCATION</b>	Jeedipally Village, Toopran Mandal Medak District, Telangana
<b>BANKERS:</b>	Axis Bank Limited Road No. 1, Banjara Hills, Hyderabad.
<b>REGISTRARS AND SHARE TRANSFER AGENTS</b>	M/s. XL Softech Systems Limited Sagar Society Road, Road No.2, Banjara Hills, Hyderabad. E.mail: xlfield@gmail.com
<b>LISTING</b>	Bombay Stock Exchange Limited (BSE)-Mumbai.
<b>EVOTING</b>	Open on 10 am on 23.09.2014 and Closes on 6 pm on 26.09.2014

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## NOTICE

Notice is hereby given that the 20<sup>th</sup> Annual General Meeting of the members of M/s Golden Carpets Limited (CIN U17220TG1993PLC016672) will be held on Tuesday 30<sup>th</sup> day of September, 2014 at 11.00 AM at Hotel Marriot, Tankbund, Hyderabad to transact the following items of business:

### ORDINARY BUSINESS

1. To Receive, Consider and Adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2014 and the Profit and Loss Account for the year ended 31<sup>st</sup> March 2014, together with the Reports of the Directors' and Auditors' thereon.
2. To appoint a Director in the place of Sri Krishna Naik who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint M/s. Ramasamy Koteswara Rao & Co., Chartered Accountants as statutory auditors for the financial year 2014-15 by passing the following resolution as an Ordinary resolution.

**"RESOLVED THAT** the consent of the members be and is hereby accorded for the appointment M/s. Ramasamy Koteswara Rao & Co., Chartered Accountants, Firm Regd. No. 010396S Hyderabad as Statutory Auditors of the company for the financial year 2014-15 who shall hold office from conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at such remuneration as may be determined by the Board of Directors of the company."

### SPECIAL BUSINESS

4. To appoint Sri K. Suresh as Independent Director

**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 of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or reenactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013

Sri K Suresh (holding DIN 01440949), Director of the Company who retires by rotation at the Annual General Meeting and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 29<sup>th</sup> September, 2019."



5. To appoint Sri Maqsood Ahmed as Independent Director

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 of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or reenactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 **Sri Maqsood Ahmed**, Director of the Company who retires by rotation at the Annual General Meeting and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 29th September, 2019.”

6. Appointment of Sri Krishna Naik as a Director, liable to retire by rotation and also as a Managing Director

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 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), **Sri Krishna Naik** (holding DIN 01730236), Director of the Company and is hereby appointed as a Director of the Company whose period of office shall be liable to determination by retirement of directors by rotation.

**RESOLVED FURTHER** in suppression of the earlier resolution passed by the members of the company in the previous Annual General Meetings & in pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 (corresponding to Sections 198, 269, 309 and any other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956), the consent of the Company, be and is hereby accorded to the appointment of **Sri Krishna Naik** (holding DIN 01730236.) as Managing Director of the Company for a period of five years w.e.f. 01.10.2014 at a consolidated remuneration of **Rs. 1,00,000** per month. on the terms and conditions of appointment as contained in the draft agreement, a copy whereof initialed by the Chairman for the purpose of identification is placed before the meeting, and the Board of Directors be and is hereby authorized to alter and vary such terms of appointment and remuneration so as to not exceed the limits specified in Schedule V to the Companies Act, 2013 (corresponding to Schedule XIII to the Companies Act, 1956), as may be agreed to by the Board of Directors and Sri Krishna Naik.”

By order of the Board of Directors

Sd/-

**Sri Krishna Naik**

Managing Director

Place: Hyderabad

Date: 04/08/2014



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## NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND THE MEETING AND VOTE INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The instrument appointing proxy should however be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting.
3. Members holding shares in physical form are requested to lodge all valid transfers, transmission of shares, power of attorney and also notify change in address, if any to the Registrar and Transfer Agents (RTA), M/s. XL Softech Systems Limited Sagar Society Road, Road No.2, Banjara Hills, Hyderabad
4. Members / Proxies should bring the duly filled Attendance Slips enclosed herewith to attend the meeting.
5. The Register of Directors and Key Managerial personal and their shareholding, maintained under Section 170 of the Companies Act 2013, will be available for inspection by the Members at the AGM.
6. Register of members of the Company and Share Transfer Books will remain closed from 27<sup>th</sup> day September 2014 to 30<sup>th</sup> September 2014 (both days inclusive).
7. Members holding shares in the dematerialized mode are requested to intimate all changes with respect to their bank details, mandate, nomination, power of attorney, change of address, change in name etc., to their Depository Participants (DP).
8. Members desiring any information as regards accounts are requested to write to the Company at least seven days before the date of the meeting to enable the management to keep the information ready at the meeting.
9. Copies of Annual Report 2014 are being sent by electronic mode only to all the members whose email addresses are registered with the Company / Depository Participant(s) for communication purpose unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report 2014 are being sent by the permitted mode.
10. The notice of 20<sup>th</sup> AGM and instructions for e-voting, along with the Attendance slip and Proxy Form, is being sent by electronic mode to all members whose email addresses are registered with company / Depository Participant(s) unless a member has requested for the hard copy of the same.



11. For members who have not registered their email addresses, physical copies of the Annual Report 2014 are being sent by the permitted mode.
12. Members may also note that the Notice of the 20<sup>th</sup> AGM and Annual Report 2014 will be available on the Company's website [www.goldencarpets.com](http://www.goldencarpets.com). The physical copy of the 20<sup>th</sup> AGM will be available at the Registered office of the company on working hours from Monday to Friday.
13. The shares of the Company are listed at the Bombay Stock Exchange Limited, Mumbai. The Listing Fee for the year 2014-15 has been paid to Stock Exchange.
14. Information required under Listing Agreement entered into with the Stock Exchange(s) with respect to the Directors retiring by rotation and Directors who are retiring at this Annual General Meeting is given under the head "Corporate Governance".
15. Members who hold shares in dematerialized form are requested to bring their client ID and DP IDs for easier identification of attendance at the meeting.
16. Shareholders holding shares in physical form are invited to contribute to the cause of Green Initiative by registering their e-mail ID, by submitting the E-COMMUNICATION REGISTRATION FORM inserted in the Annual Report.
17. **The procedure and instructions for 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 "GOLDEN CARPETS LIMITED" from the drop down menu and click on "SUBMIT".
  - iv) Now fill up the details in appropriate boxes.

18 . The voting period commences at 10 AM on 23<sup>rd</sup> September 2014 and closes at 6 PM on 26<sup>th</sup> September 2014.

#### **EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.



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**Item No. 4**

Sri K Suresh is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company on 30<sup>th</sup> September 2002

Sri K Suresh is a Director in Sai Inspections Private Limited, RT Informatic Services Private Limited, Tirumalatirupati Properties Private Limited, Grandeur Educational Services Private Limited, Powell Adventures & Resorts Private Limited and Marvel Publications Private Limited. He does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

Sri K Suresh is a M.com Graduate has vast experience in Accounts, Finance and Business Administration.

Sri K Suresh retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Sri K Suresh being eligible and offering himself for reappointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto 29<sup>th</sup> September, 2019.

In the opinion of the Board, Sri K Suresh fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Sri K Suresh as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday & Sunday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Sri K Suresh as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Sri K Suresh as an Independent Director, for the approval by the shareholders of the Company.

Except Sri K Suresh, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4

This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

**Item No. 5**

Sri Maqsood Ahmed is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company on 25.01.2006

Sri Maqsood Ahmed is not holding any Directorship in any other company. He does not hold by himself or for any other person on a beneficial basis, any shares in the Company.



Sri Maqsood Ahmed is a Commerce Graduate has vast experience in finance and administration.

Sri Maqsood Ahmed retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Sri Maqsood Ahmed being eligible and offering himself for reappointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto 29<sup>th</sup> September, 2019.

In the opinion of the Board, Sri Maqsood Ahmed fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Sri Maqsood Ahmed as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday & Sunday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Sri Maqsood Ahmed as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Sri Maqsood Ahmed as an Independent Director, for the approval by the shareholders of the Company.

Except Sri Maqsood Ahmed, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5.

This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

**Item No. 6**

The existing tenure of **Sri Krishna Naik**, Managing Director, will be expiring on 5<sup>th</sup> August 2015. The Board of Directors of the Company at their meeting held on 4<sup>th</sup> August 2014 appointed Sri Krishna Naik as a Director whose period of office is liable to determination by retirement of directors by rotation and as Managing Director for a period of five years w.e.f. 01.10.2014 with a remuneration of Rs.100,000/- per month and on such terms and conditions as provided in service agreement entered between company and Sri Krishna Naik.

Sri Krishna Naik is a B.com Graduate having nearly 19 years of experience in manufacture of Carpets and he holds directorship in Golden Harvest International Private Limited, Golden Avenues Private Limited Considering the efforts and time devoted by Sri Krishna Naik in achieving growth and success of the company and his long and rich experience also seeking in view to increase in the complexities of business, approval of members is sought for the balance tenure upto 05<sup>th</sup> august 2014.

**Minimum Remuneration:**

Notwithstanding anything herein contained, where in any financial year during the period of his office as a Whole-time Director, the Company has no profits or its profits are inadequate, the Company





may, subject to the requisite approvals, pay Sri. Krishna Naik, remuneration by way of salary, allowances, perquisites not exceeding the maximum limits laid down in Section II of Part II of Schedule V to the Companies Act, 2013 (corresponding to Para 1 of Section II of Part II of Schedule XIII to the Companies Act, 1956), as may be agreed to by the Board of Directors and Sri Krishna Naik.

The period of office of Sri Krishna Naik shall be liable to determination by retirement of directors by rotation.

Except to the extent of his shareholding of 1843540 equity shares in the Company, Sri Krishna Naik being an appointee and Smt. Meena Kerur, Director none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 6.

This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

By order of the Board of Directors

Sd/-

Place: Hyderabad

Date: 04/08/2014

**Sri Krishna Naik**  
**Managing Director**

**DIRECTORS' REPORT**

Dear Members,

Your Directors present herewith the 20<sup>th</sup> Annual Report on the business and operations of the Company and the audited accounts for the year ended 31<sup>st</sup> March 2014.

**Financial Results and Operations**

The summarized financial results for the year ended 31<sup>st</sup> March, 2014 as compared with the previous year are as under:

		Rs. In Lakhs.	
S.No	Particulars	Year ended 31.03.2014	Year ended 31.03.2013
1.	Sales	51.46	79.20
2.	Other Income	19.16	5.50
3.	Total Income (1+2)	70.62	84.70
4.	Total Expenses other than interest	(146.11)	(178.28)
5.	Financial Cost	0.06	0.42
6.	Total Expenses other than Depreciation	66.54	101.86
7.	Depreciation	79.51	76.00
8.	Miscellaneous Expenditure Written off	0.00	0.00
9.	Profit/ (Loss) for the before tax	(75.49)	(93.57)
10.	Provision for tax:MAT	0.00	0.00
11.	Deferred Tax(Liability)/ Asset	33.90	18.29
12.	Profit/(Loss) for the year after tax	(41.59)	(75.29)

The operational performance of the Company is discussed in detail under the Management Analysis and Discussion Report.

**Deposits**

The Company has not accepted any fixed deposits from the public

**Conservation of Energy, Technology Absorption, Foreign Exchange Earning and Outgo**

Particulars pursuant to the provisions of section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosures of Particulars in the report of Board of Directors) Rules, 1988 are given in the "Annexure – A"

**Particulars of Employees**

No employee of the Company was in receipt of remuneration, which requires disclosure under section 217(2A) of the Companies Act, 1956.

**Directors**

In accordance with the requirements of the Companies Act 1956, read with the Articles of Association of the company Sri.Krishna Naik, shall retire by rotation at this Annual General Meeting, and being