



**ANNUAL REPORT**  
**2013-2014**

**K G DENIM LIMITED**



## K G DENIM LIMITED

### BOARD OF DIRECTORS

**Executive Chairman** Shri KG Baal Krishnan

**Managing Directors** Shri B Sriramulu  
Shri B Srihari

**Directors** Shri G V S Desikan  
Shri G P Muniappan  
Shri K N V Ramani  
Shri V Jagadisan  
Smt T Anandhi  
Shri M J Vijayaraaghavan  
Shri Surinder Chhibber  
Shri A Velusamy  
Shri S Muthuswamy  
Director & Company Secretary

### Registered Office

Then Thirumalai  
Jadayampalayam, Coimbatore - 641 302  
Phone : (04254) 304300 / 235300  
Website : www.kgdenim.com  
E-mail : cskgdl@kgdenim.in  
CIN : L17115TZ1992PLC003798  
**Registrar and Share Transfer Agent**  
Cameo Corporate Services Ltd  
"Subramanian Building"  
No.1, Club House Road  
Chennai - 600 002  
Phone : (044) 28460390 (6 lines)

**Auditors** M/s Gopalaiyer and Subramanian  
Chartered Accountants  
Coimbatore

**Bankers** Indian Bank  
Bank of India  
Allahabad Bank  
State Bank of India  
State Bank of Hyderabad  
Indian Overseas Bank  
The South Indian Bank Limited

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# K G DENIM LIMITED

## DIRECTORS' REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

Dear Shareholders,

We have pleasure in presenting the Twenty-Second Annual Report of the Company together with the Audited Statement of Accounts for the year ended 31<sup>st</sup> March 2014.

### FINANCIAL RESULTS

(Rs. in lakhs)

PARTICULARS	For the year ended 31 <sup>st</sup> March 2014	For the year ended 31 <sup>st</sup> March 2013
Gross Profit	5149	6115
Less : Finance Cost	2805	2576
Profit prior to Depreciation and write off	2344	3539
Less : Depreciation	1335	1192
Net Profit	1009	2347
Current, Deferred & earlier year tax	350	794
Net Profit for the year	659	1553
Balance Brought forward	1762	433
Proposed Dividend & Tax thereon	224	224
Balance Carried Forward	2197	1762

### PERFORMANCE OF THE COMPANY

During the year ended 31.03.2014, the Company achieved an overall production of 316 lakh meters of fabrics against the previous year's production of 296 lakh meters. The revenue for the year was Rs.59186 lakhs as against revenue of Rs.51483 lakhs during the previous year, representing a growth of 15 %. The Company has three main product groups Denim and Apparel Fabrics, Home Textiles and Sale of Apparel. Denim Sales have increased marginally but profitability was affected on account of increase in input costs.

In the Home Textiles category, Company has registered significant growth rate in sales compared to the previous year.

In the Ready Made Garments group also the Company has registered significant growth in sales and profit.

The Board of Directors recommends a dividend of 7.50 % (i.e. Rs.0.75) per equity share of the Company for the year 2013-14. The Dividend tax payable amounts to Rs.31 lakhs.

### INDUSTRY STRUCTURE & DEVELOPMENT

The Indian denim industry is showing steady growth in domestic and international markets.

Our focus remains on sales to leading domestic and international brands in India and also to large exporters of readymade garments. We are concentrating on the Far East Countries of Vietnam, LaosPDR and China besides direct sales to North America. Products are being developed to cater to both retailers and fashion brands thereby gaining advantage in both segments and increasing volumes. Sale of home textiles and apparels improved during the year.

### OPPORTUNITIES AND THREATS

The Company is targeting higher production and sales volume for denim in the next year. Sale of Home Textiles and Apparel are also expected to achieve higher volumes.

The Company is subjected to risks of volatility in the prices of raw materials and fashion changes.

High interest rates and exchange rate volatility are areas of serious concern for the Company. The Company has taken steps to increase the exports and is actively managing the exchange risk by suitable forward cover.

### FINANCE

Your Directors acknowledge with gratitude, the valuable assistance and support extended by our Bankers for term loans and working capital i.e., Indian Bank, Bank of India, Allahabad Bank, State Bank of India, State Bank of Hyderabad, Indian Overseas Bank and The South Indian Bank Limited.

### PERSONNEL

The Directors wish to place on record their appreciation for the co-operation extended by all sections of the employees.

# K G DENIM LIMITED

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Your Directors confirm that:

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed.
- b) The Directors had selected such accounting policies and applied them consistently and made judgments 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.
- c) Company's Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and irregularities.
- d) The annual accounts have been prepared on a going concern basis.

## **CONSOLIDATED ACCOUNTS**

In accordance with the requirements of Accounting Standard (AS-21) prescribed by The Institute of Chartered Accountants of India, the Consolidated Accounts of the Company and its subsidiaries are annexed to this Report.

## **SUBSIDIARIES**

During the year, the gross turnover in Trigger Apparels Limited was to Rs.39.22 crores against Rs.38.20 crores during the previous year. The subsidiary has been able to register a profit of Rs.15.44 lakhs compared to profit of Rs.31.95 lakhs in the previous year. No activity has taken place at KG Denim (USA) Inc. during the year.

## **CEO/CFO CERTIFICATION**

The Managing Directors and Director & Company Secretary of the Company have submitted a Certificate to the Board as required under Clause 49 of the Listing Agreement for the year ended 31<sup>st</sup> March, 2014.

## **CORPORATE GOVERNANCE**

A separate section on Corporate Governance and a Certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange, forms part of the Annual Report.

## **LISTING**

The Company's shares are listed in the Bombay Stock Exchange Limited, Mumbai.

## **CAPITAL EXPENDITURE**

The Company incurred a Capital Expenditure of Rs.2202.75 lakhs during the year.

## **DIRECTORS**

Section 149 of the Companies Act, 2013 provides for the appointment of Independent Directors on non-rotational basis. Accordingly, Shri K N V Ramani, Shri V Jagadisan and Shri Surinder Chhibber, Independent Directors who are retiring at the ensuing Annual General Meeting are now being reappointed on non-rotational basis for a period of 5 years till 31<sup>st</sup> March, 2019.

Further, Shri G V S Desikan, Shri M J Vijayaraaghavan and Shri G P Muniappan, Independent Directors who are liable to retire by rotation are now being re-appointed on non-rotational basis for a period of 5 years till 31<sup>st</sup> March, 2019.

## **AUDITORS**

The present Auditors M/s Gopalaiyer and Subramanian retire at the ensuing Annual General Meeting and are eligible for re-appointment. Cost Audit Report for the financial year ending 31<sup>st</sup> March 2014 will be submitted to the Central Government in accordance with Cost Audit Report Rules, 2011.

## **CORPORATE SOCIAL RESPONSIBILITY**

The Company is fully aware of its Corporate Social Responsibilities to various stakeholders and has taken appropriate steps to meet the same. With the enactment of Companies Act, 2013, Corporate Social Responsibility has acquired statutory recognition. The Company had already initiated several steps to meet its Corporate Social Responsibilities.

## **ENVIRONMENT**

The Company holds due certification under ISO 14001 : 2004 which is primarily focused on environmental management system. It ensures that the manufacturing of products is carried on without affecting the environment in the working area and surroundings. The Company is a member of Sustainable Apparel Coalition (SAC). SAC provides credible, practical and industry wide guidelines and provides tools to define, measure and evaluate industry's product environmental and social performance support.

The Company has achieved one of the best scores in the apparel industry as verified by a leading brand assessor.

During the current year, the Company has implemented various environmental measures and reduction program like Green House Gas inventory measurement, replacement of fluoras gas air conditioners, increasing the area of plantation etc.

The Company has improved effluent water treatment system conforming to the Pollution Control Board parameters. A new plant has been added which has increased the Biological treatment capacity by 60%. An advanced technology of Biological Diffuser Aeration system has been introduced which has resulted in reduction in chemicals usage. Consequently, reduction in sludge, improvement in outlet water quality and consistence and improvement in RO recovery were achieved.

# K G DENIM LIMITED

## HEALTH AND SAFETY

The Company has obtained certification under OHSAS 18001 : 2007 (Occupational Health and Safety Management Assessment Standard) which is an Integrated Management System focusing on an organization's occupational health and safety management system. This standard guides us to identify and control the conditions and factors that affect the well-being of employees, contractors, visitors and any other person in the work place.

The Company is implementing various health and safety practices in continuous manner as per OHSAS-18001 standards and legal requirements.

## LEGAL REQUIREMENTS

The Company is conscious of improving the occupational and personal health of its employees. In addition to free medical camps, the Company also organizes employees' health check up in outside hospitals on an annual basis.

The Company provides a safer work environment for its employees, basic equipments are provided to ensure safety from fire. Awareness classes are being conducted periodically with the help of external agencies about the basic safety, fire fighting, mock drills, mass evacuation first aid etc.,

## SOCIAL RESPONSIBILITIES

The Company is maintaining a hospital for serving the community including supply of medicines at subsidised costs. As a part of social environmental protection, agro forestry has been developed with a demo plant with the technical support of Forest College, Coimbatore.

## CAUTIONARY STATEMENT

The statement in this Directors' Report & Management Discussion and Analysis contain forward looking statements regarding Company's projections & expectations and the actual results could differ materially from those expressed on account of various factors like raw material prices, change in demand, government regulation etc., and the readers are cautioned against placing undue reliance on the same.

## STATUTORY INFORMATION

During the year there were no employees in receipt of remuneration covered by Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended vide GSR 289 (E) dated March 31, 2011 [Companies (Particulars of Employees) Amendments Rules, 2011].

Information pursuant to sub-section 1 (e) of Section 217 of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is given in Annexure to this Report.

The Company has presented in this Report, the consolidated financial statements of the holding company and all its subsidiaries, duly audited by the Statutory Auditors. The Company has also disclosed in the Consolidated Balance Sheet the information required to be provided as per the aforesaid Notification dated February 8, 2011. The Company will make available the audited annual accounts and related information of its subsidiaries, upon request by any of its shareholders. The annual accounts of the subsidiary companies will also be kept for inspection by any member at the Registered Office of the Company and its subsidiary companies.

Our humble prayers to **Sri Venkateswaraswamy Vari of Then Thirumalai** for the continued prosperity of the Company.

Coimbatore  
24.05.2014

On behalf of the Board  
**KG Baal Krishnan**  
Executive Chairman

## ANNEXURE TO DIRECTORS' REPORT

Conservation of energy, technology absorption and foreign exchange earnings and outgo required under Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 for the year ended 31<sup>st</sup> March, 2014.

### CONSERVATION OF ENERGY :

a) Energy conservation measures taken :

The Company has set up a steam-driven co-generation power unit with use of biomass fuel. Other measures are :

- i) Installed a caustic recovery plant with heat exchanger for energy saving.
- ii) Installed a new singeing machine to reduce the gas consumption.
- iii) Replacement of copper choke fittings to electronic chokes on 300 tube light fittings resulting in 6 watts saving.
- iv) Instead of 3 Nos (500 CFM each) reciprocating compressors installed screw compressor of 1600 CFM to reduce power consumption.
- v) Installed energy monitoring systems for effective utilisation of electrical energy.

b) Additional Investments and proposals, if any, being implemented for reduction of consumption of energy: Energy audit has been done and various proposals are under implementation.

The Company is in the process of setting up a 9.9 MW cogeneration power plant to meet its increasing power and steam requirements.

c) Impact of the measures at (a) & (b) above for reduction of energy consumption and consequent impact on the cost of production of goods : During the year the fuel input costs had reduced. Hence there is a marginal decrease in costs.

d) Total energy consumption and energy consumption per unit of production:

# K G DENIM LIMITED

## FORM - A

### A. POWER AND FUEL CONSUMPTION

	31.03.2014	31.03.2013
<b>I Electricity</b>		
(a) Purchased		
Units in lakhs	<b>88.17</b>	54.84
Value in lakhs (Rs.)	<b>713.00</b>	350.98
Cost/Unit (Rs.)	<b>8.09</b>	6.40
Excludes fixed demand charges		
(b) Own Generation		
(i) Through Diesel Generator		
Units in lakhs	<b>22.77</b>	31.71
Units / Ltr.	<b>3.20</b>	3.01
Cost/Unit (Rs.)	<b>16.55</b>	15.16
(ii) Through steam turbine/generator		
Units in lakhs	<b>181.56</b>	176.45
Units/Ton of fuel mix	<b>385.00</b>	397.00
Cost/Unit (Rs.)	<b>7.48</b>	7.31
<b>II Coal</b>		
Quantity (Tonnes)	<b>34580</b>	28743
Total Cost (Rs. in lakhs)	<b>1633.00</b>	1420.00
Average Rate (Rs.)	<b>4724.00</b>	4940.00
<b>III Saw Dust etc.,</b>		
Quantity (Tonnes)	<b>28130</b>	33685
Total Cost (Rs. in lakhs)	<b>735.00</b>	936.00
Average Rate (Rs.)	<b>2613.00</b>	2777.00
<b>IV LPG</b>		
LPG - Qty kg in lakhs	<b>2.58</b>	2.31
LPG - Value in lakhs	<b>188.34</b>	156.58
<b>B. CONSUMPTION / UNIT OF PRODUCTION</b>		
Electricity Unit/ Mtr. of Fabric	<b>1.34</b>	1.38

## FORM - B

### C. TECHNOLOGY ABSORPTION

#### I. Research and Development (R & D) :

1. Specific areas where R&D is carried out by the Company.

The R&D efforts of the Company are directed towards quality control improvement of existing methods and product developments/diversifications.

2. Benefits derived as a result of the above R&D :

Cost reduction and improved quality and new product development enhanced performance in Export and Domestic Market.

3. Future plan and action :

The R&D efforts will continue to meet the present and future needs of the end-users.

4. Expenditure on R & D :

	Rs.Lakhs
a) Capital	-
b) Recurring	70.00
c) <b>Total</b>	<b>70.00</b>
d) R & D Expenditure as % of Total Turnover	0.09

#### II. Technology absorption, adaptation and innovation :

Continuous efforts are made towards technology innovation.

### D. FOREIGN EXCHANGE EARNINGS AND OUTGO

- a) Efforts : The Company will continue to push up its volume of exports and maintain its price realization.

- b) Total Foreign exchange used and earned :

Foreign Exchange : Used	Rs. 3087 Lakhs
Earned	Rs. 23154 Lakhs

Coimbatore  
24.05.2014

On behalf of the Board  
**KG Baalakrishnan**  
Executive Chairman

# K G DENIM LIMITED

## CORPORATE GOVERNANCE

### 1. COMPANY'S PHILOSOPHY

Your Company is committed to building long term shareholders' value with full emphasis on Corporate Governance. Your Company communicates corporate, financial and product information on line on its website - www.kgdenim.com. Your Company believes that all its operations and actions must serve the goal of enhancing overall shareholder value, over a sustained period of time. Company's philosophy envisages transparency, accountability and equitable benefits of highest level in its maximum possible operating fields, interaction with all its related stake holders including esteemed Shareholders, Workmen, Officers, Governments, Banks and other lenders.

### 2. BOARD OF DIRECTORS

The current financial year of the Company covers a period of 12 months from 1<sup>st</sup> April 2013 to 31<sup>st</sup> March 2014. The present strength of the Board is 12 Directors, out of which 6 are independent directors.

4 (Four) Board Meetings were held during the year, as against the minimum requirement of 4 meetings. The dates on which the meetings held were as follows: 29<sup>th</sup> May 2013, 05<sup>th</sup> August 2013, 05<sup>th</sup> November 2013 and 13<sup>th</sup> February 2014. The Annual General Meeting was held on 11<sup>th</sup> September 2013. The table below gives the particulars of attendance of each Director at the Board Meetings held during the financial year and during their respective tenure of Directorship and at the last AGM, as also the number of Directorships in other Companies and membership in other Board Committees.

Name of the Director	No. of Board Meetings held during the tenure of Directorship	No. of Board Meetings attended	Attendance of Last AGM	No. of Directorship in other Companies	No. of Membership in Board Committees of other Companies as	
					Chairman	Member
Shri KG Baalakrishnan	4	4	Present	8	-	-
Shri B Sriramulu	4	4	Present	10	-	2
Shri B Srihari	4	3	Present	11	-	1
Shri G V S Desikan	4	4	Present	6	-	2
Shri V Jagadisan	4	4	Present	2	-	5
Shri K N V Ramani	4	4	Not Present	8	5	2
Shri G P Muniappan	4	4	Present	1	-	1
Smt T Anandhi	4	3	Present	3	-	-
Shri M J Vijayaraaghavan	4	3	Present	1	1	1
Shri Surinder Chhibber	4	2	Not Present	1	-	-
Shri A Velusamy	4	4	Present	8	-	4
Shri S Muthuswamy	4	4	Present	-	-	-

Shri B Sriramulu and Shri B Srihari are sons of and Smt T Anandhi, daughter of Shri KG Baalakrishnan. None of the other directors is related to any other.

### Profile of Directors to be reappointed as Independent Directors on non-rotational basis

Shri K N V Ramani, M.A., B.L., aged 82 years is a leading Advocate specializing in Corporate Laws. He has rich experience in Corporate Laws of more than four decades and has been on the Board of several Companies. M/s Ramani & Shankar, firm of Advocates headed by him consists of panel of Advocates specialized in different fields of law.

Shri V Jagadisan, B.Com., FCA., aged 81 years is Senior Partner of M/s V Jagadisan & Co., Chennai, one of the leading CA firms in South India. He was elected as Central Council Member of the Institute of Chartered Accountants of India for 3 terms (1976 to 1985) and is a Director on the Board of two other companies.

Shri Surinder Chhibber, aged 63 years is a post graduate in industrial engineering and operations research and has over 36 years of work experience in various capacities in foreign and Indian companies dealing in textiles and apparels.

Shri G V S Desikan, a B.Sc., B.Sc.(Tech) graduate, aged 81 years has rich experience in the management of textile industry. He was formerly Technical Advisor for National Textile Corporation, New Delhi, Chairman and Managing Director of Kerala State Textile Corporation Ltd., Trivandrum and Managing Director of Binny Limited.

Shri M J Vijayaraaghavan, aged 81 years is a practicing Chartered Accountant and a Fellow Member of the Institute of Chartered Accountants of India having over 5 decades of rich and varied experience in Auditing, Taxation and Finance.

Shri G P Muniappan, aged 73 years is a post graduate in Economics, is former Deputy Governor of the Reserve Bank of India.

### **Code of Conduct**

In pursuance of Clause 49 of the listing agreement, the Board has approved the Code of Conduct for Board of Directors and Senior Management and the same has been circulated and posted on the Company's website. The Board of Directors and the Senior Management staff have given their declarations confirming compliance of the provisions of the above code of conduct.

# K G DENIM LIMITED

## 3. COMMITTEES OF THE BOARD

### a. Audit Committee

The terms of reference of the Audit Committee include the matters specified in Clause 49 of the Listing Agreement with the Stock Exchange and in Section 292A of the Companies Act, 1956 as follows:-

- ♣ Oversight of the Company's financial reporting process and the disclosure of its financial information.
- ♣ Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- ♣ Reviewing with management the quarterly, half-yearly and annual financial statements before submission to the Board, focussing primarily on (i) any changes in accounting policies and practices, (ii) major accounting entries based on exercise of judgment by management, (iii) qualifications in draft audit report, (iv) significant adjustments arising out of audit, (v) the going concern assumption, (vi) compliance with accounting standards, (vii) compliance with Stock Exchange and legal requirements concerning financial statements and (viii) related party transactions i.e., transactions of the Company of material nature, with promoters or with the management, their subsidiaries or relatives etc., that may have potential conflict with the interests of Company at large.
- ♣ Reviewing with the management, external and internal auditors, the adequacy and compliance of internal control systems.
- ♣ Reviewing the adequacy of internal audit functions.
- ♣ Discussion with internal auditors any significant findings and follow up thereon.
- ♣ Reviewing the findings of internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- ♣ Discussion with external auditors before the audit commences, nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.
- ♣ Reviewing the Company's financial and risk management policies.

During the year, the Committee has met four times, as against the minimum requirement of 3 meetings and the Audit Committee meetings were held on 29.05.2013, 05.08.2013, 05.11.2013 and 13.02.2014.

Composition of the Audit Committee as on 31<sup>st</sup> March, 2014 and the attendance during the year are as under:

Name of the Director	Position	Category	No. of Meetings held	No. of Meetings Attended
Shri V Jagadisan	Chairman	Independent, Non - Executive	4	4
Shri G V S Desikan	Member	Independent, Non - Executive	4	4
Shri K N V Ramani	Member	Independent, Non - Executive	4	4

All the members of the Audit Committee are financially literate with knowledge in finance and accounts.

The head of finance function, head of internal audit and the representative of the Statutory Auditors were invited to be present at the Audit Committee meetings.

The Cost Auditors appointed by the Company under Section 233B of the Companies Act, 1956 were also invited to attend the Audit Committee Meetings.

The Director and Company Secretary acts as the Secretary to the Committee.

### b. Nomination and Remuneration Committee

Arising out of enactment of Companies Act, 2013 the Remuneration Committee constituted earlier is hereby renamed as Nomination and Remuneration Committee.

The said Committee comprises of 3 Independent, Non-Executive Directors namely Shri K N V Ramani, Chairman with Shri G V S Desikan and Shri V Jagadisan as members.

The details of remuneration to Directors for the year is furnished in paragraph 7.



# K G DENIM LIMITED

## c. Stakeholders Relationship Committee

Arising out of enactment of Companies Act, 2013 the Shareholders'/Investors' Grievance Committee constituted earlier is hereby renamed as Stakeholders Relationship Committee.

The said Committee comprises of Shri G P Muniappan, Chairman with Shri G V S Desikan and Shri K N V Ramani as members. The Committee look into redressal of Shareholders' complaints like transfer of shares, non-receipt of balance sheet, etc.

The Committee oversees the performance of the Registrar and Transfer Agents and recommend measures for overall improvement in the quality of investor services.

During the year, the Stakeholders Relationship Committee met four times and meetings were held on 27.05.2013, 02.08.2013, 01.11.2013 and 11.02.2014.

Shri R K Sridhar, Asst. General Manager is the Compliance Officer for complying with the requirements of the Securities and Exchange Board of India and requirements of the Listing Agreement with the Stock Exchange.

The total number of complaints received and replied to the satisfaction of Shareholders during the year under review was 21. Outstanding complaints as on 31<sup>st</sup> March 2014 were 'Nil'.

## 4. GENERAL MEETINGS

Location and date/time of the last three Annual General Meetings.

21 <sup>st</sup> AGM	11 <sup>th</sup> September 2013	9.30 a.m.	Registered Office premises, Then Thirumalai, Jadayampalayam, Coimbatore 641 302
20 <sup>th</sup> AGM	28 <sup>th</sup> September 2012	9.30 a.m.	- do -
19 <sup>th</sup> AGM	12 <sup>th</sup> August 2011	9.30 a.m.	- do -

No postal ballots were required to be used for voting at these meetings.

## 5. DISCLOSURES

There are no materially significant related party transactions that would have potential conflict with the interest of the Company at large. Details of related party transactions are given elsewhere in the Annual Report. The Register of Contracts containing the transactions in which the Directors are interested is placed before the Board regularly.

No penalty or strictures has been imposed on the Company by any regulatory authority for non-compliance of any laws.

The Company has complied with the Accounting Standards prescribed by the Institute of Chartered Accountants of India and as referred u/s 211 (3C) of the Companies Act, 1956.

## 6. MEANS OF COMMUNICATION

The Quarterly and Half yearly results are published in local dailies such as "Dinamani" and "The Financial Express" and on the Company's website.

## 7. REMUNERATION TO DIRECTORS

For the financial year ended 31<sup>st</sup> March 2014, the remuneration paid to the Directors is as indicated below:-

Name of the Director & Designation	Salary Amount (Rs.)	Perquisites and other benefits (Rs.)	Total (Rs.)
Shri KG Baal Krishnan, Executive Chairman	27,97,706	-	27,97,706
Shri B Sriramulu, Managing Director	35,87,706	-	35,87,706
Shri B Srihari, Managing Director	35,87,706	-	35,87,706
Smt T Anandhi, Non-Executive Director	11,95,902	-	11,95,902
Shri A Velusamy, Director	10,17,500	82,500	11,00,000
Shri S Muthuswamy, Director & Company Secretary	11,17,500	82,500	12,00,000

The details of sitting fees paid to Non-Executive Directors for attending the Board or Committee Meetings during the financial year ended 31<sup>st</sup> March 2014 were as follows :-

Name of the Directors	Sitting Fee (Rs.)	No. of Shares held
Shri G V S Desikan	100000	200
Shri V Jagadisan	100000	Nil
Shri K N V Ramani	100000	10000
Shri G P Muniappan	20000	Nil
Shri M J Vijayaraaghavan	15000	Nil

# K G DENIM LIMITED

## 8. GENERAL SHAREHOLDER INFORMATION

1. 22 <sup>nd</sup> AGM to be held on :	08.09.2014
at :	3.00 p.m.
venue :	Registered Office Premises, Then Thirumalai, Jadayampalayam, Coimbatore 641 302
2. Financial Calendar-Board Meetings (Tentative)	First Quarter - Second week of August 2014 Second Quarter - Second week of November 2014 Third Quarter - Second week of February 2015 Results for the year ending 31 <sup>st</sup> March 2015 last week of May 2015
3. Date of Book Closure	02.09.2014 to 08.09.2014 (Both days inclusive)
4. Listing of Equity Shares	Listed in Bombay Stock Exchange. The Company has paid the listing fees for the year 2014 - 2015.
5. Registrar and Share Transfer Agents	In accordance with SEBI's Circular dated 4th January 2003 directing that the work related to share registry, in physical & electronic modes, be maintained at a single point, as from 1st April 2003, both the above segments of share registry operations are now being handled by the SEBI Registered R & T Agent M/s Cameo Corporate Services Limited, at 'Subramanian Building', No.1 Club House Road, Chennai 600 002
6. Stock Code	Bombay Stock Exchange Limited - 500239
7. Demat ISIN No. for NSDL & CDSL	INE104A01012
8. Share Transfer System	The Company's shares are traded in the stock exchange compulsorily in demat mode. Both the physical and demat modes of share transfers are being handled by company's Share Transfer Agent M/s Cameo Corporate Services Limited, 'Subramanian Building', No.1 Club House Road, Chennai 600 002  The share transfer committee, which is a Board Committee, approves the transfer of shares.
9. Dematerialisation of Shares	92.41% of the total equity shares (23706341 Shares) were held in the dematerialised form as on 31 <sup>st</sup> March 2014. Trading in equity shares of the company is permitted only in dematerialised form w.e.f 26.06.2000, as per the notification of SEBI.
10. i. Details of Public Funding obtained in the last three years.	No capital from public was raised during the last three years.
ii. Outstanding GDRS/ADRS/Warrants or any convertible instrument	None
11. Plant Location	K G DENIM LIMITED, Then Thirumalai, Jadayampalayam, Coimbatore 641 302
12. Address for communication	K G DENIM LIMITED, Then Thirumalai, Jadayampalayam, Coimbatore 641 302
13. Website	www.kgdenim.com

## 9. DISTRIBUTION OF SHAREHOLDING AS ON 31<sup>ST</sup> MARCH 2014

Category	No. of Shareholders	%	No. of Shares	%
Upto 5,000	13640	84.80	2486309	9.69
5,001 - 10,000	1218	7.57	1063620	4.15
10,001 - 20,000	517	3.21	837783	3.27
20,001 - 30,000	212	1.32	552498	2.15
30,001 - 40,000	82	0.51	305181	1.19
40,001 - 50,000	114	0.71	550417	2.15
50,001 - 1,00,000	156	0.97	1187296	4.63
1,00,001 and above	146	0.91	18670801	72.77
<b>Total</b>	<b>16085</b>	<b>100.00</b>	<b>25653905</b>	<b>100.00</b>