



ASHOK
PIRAMAL
GROUP



MORARJEE TEXTILES LTD.

18th Annual Report

2012 - 2013



Winding Machine



Beam Warping



Zimmer



Loom



Laser Engraving

**BOARD OF DIRECTORS**

Ms. Urvi A. Piramal	<i>Chairperson</i>
Mr. Harsh A. Piramal	<i>Executive Vice Chairman</i>
Mr. Mahesh S. Gupta	
Mr. Ranjan Sanghi	
Mr. Shobhan Thakore	
Mr. Aditya Mangaldas	
Mr. Pradipta Mohapatra	

CEO & EXECUTIVE DIRECTOR

Mr. R. K. Rewari

HEAD - FINANCE & ACCOUNTS

Mr. S. C. Kashimpuria

DEPUTY COMPANY SECRETARY

Ms. Karina Vaz

STATUTORY AUDITORS

M/s. Shah & Co.
Chartered Accountants

BANKERS

Allahabad Bank
Export - Import Bank of India
AXIS Bank Limited
IDBI Bank Limited
Saraswat Co-op. Bank Limited

REGISTERED OFFICE

Peninsula Spenta,
Mathuradas Mills Compound,
Senapati Bapat Marg,
Lower Parel, Mumbai - 400 013.

SHARE TRANSFER AGENT**Freedom Registry Limited**
Registered Office

Plot No. 101/102, 19th Street, MIDC Area,
Satpur, Nasik - 422 007.

Email : amtrac_nsk@sancharnet.in

Mumbai Liaisoning Office

104, Bayside Mall,
35, C.M.M. Malviya Marg,
Tardeo Road, Haji Ali,
Mumbai 400 034.

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18th Annual General Meeting of the Company will be held on **Wednesday, 14th August 2013**, at 11.00 a.m. at M. C. Ghia Hall, 4th Floor, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Kala Goda, Mumbai - 400 001.

NOTICE

Notice is hereby given that the 18th Annual General Meeting of the members of Morarjee Textiles Limited will be held on Wednesday, 14th August, 2013, at 11.00 a.m. at M. C. Ghia Hall, 4th Floor, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Kala Goda, Mumbai-400 001 to transact the following business :

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To declare dividend on preference and equity shares of the Company.
3. To appoint a Director in place of Ms. Urvi A. Piramal, who retires by rotation and is eligible for re-appointment.
4. To appoint a Director in place of Mr. Ranjan Sanghi, who retires by rotation and is eligible for re-appointment.
5. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration .

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 Section 198, 269, 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (‘the Act’) (including any statutory modifications or re-enactment thereof for the time being in force), the relevant provisions of the Articles of Association of the Company, Mr. Harshvardhan A. Piramal be and is hereby appointed as Executive Vice Chairman for a period of 5 (five) years with effect from 1st April, 2013 upon the terms and conditions including payment of remuneration, perquisites and benefits as under with the liberty and powers to the Board of Directors (including its Committee

appointed for the purpose) (“the Board”) to grant increment/s and alter and vary from time to time, the amount and type of perquisites payable to Mr. Harshvardhan A. Piramal within the limits specified in Schedule XIII of the Act or any amendments thereto and subject to the approval of the Central Government, if and to the extent required :

a) Salary

Basic Salary: In the scale of ₹ 11,00,000/- to ₹ 18,00,000/- per month

*With authority to the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall also include any Committee thereof) to grant suitable increment within the aforesaid salary range.

b) Perquisites

- Reimbursement of Leave Travel Expenses once in a year for self and family as per the rules of the Company.
- Reimbursement of Medical Expenses including hospitalisation for self and family as per the rules of the Company.
- Insurance Premium for medical and hospitalization policy for self and family, as per the rules of the Company.
- Personal Accident Insurance Cover as per the rules of the Company.
- Use of Car, Telephone and Mobile phone as per the rules of the Company.
- Leave and encashment of Leave at the end of the tenure as per the rules of the Company.
- Gratuity on the basis of 15 days salary for each year of completed service as per the rules of the Company.
- Contribution to Provident Fund as per the rules of the Company.



- Contribution to Superannuation Fund or cash in lieu thereof as per the rules of the Company.

RESOLVED FURTHER THAT if in any financial year during the currency of the tenure of the Executive Vice Chairman, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites as specified above, subject to compliance with the applicable provisions of Schedule XIII of the Act, if and to the extent necessary with the approval of the Central Government;

RESOLVED FURTHER THAT the terms and conditions of Mr. Harshvardhan A. Piramal appointment as Executive Vice Chairman may be varied, altered, increased, enhanced or widened from time to time by the Board as it may in its discretion deem fit, within the maximum amounts payable in accordance with the provisions of the Act or any amendments made hereafter in this regard."

RESOLVED FURTHER THAT any one of the Directors of the Company or the Company Secretary be and is hereby authorized to do all such acts, deeds, matters and things, as may be required to be done to give effect to the aforementioned resolution"

NOTES :

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Proxies, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 relating to the Special Business to be transacted at the meeting is annexed hereto.
- The Register of Beneficial Owners, Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 6th August, 2013 to Wednesday, 14th August, 2013 (both days inclusive).
- Payment of Dividend as recommended by the Board of Directors, if approved at the meeting, will be made on or after 14th August, 2013 to those members whose names appear on the Company's Register of Members on 14th August, 2013 for shares held in physical form and in respect of shares held in electronic form, the dividend will be paid on the basis of particulars of beneficial ownership furnished by the Depositories for this purpose as on 5th August, 2013. After dispatch of dividend warrants, any request for change in the bank account will not be entertained by the Company or its Share Transfer Agent.
- Section 109A of the Companies Act, 1956 permits nomination by shareholders of the Company in prescribed Form No. 2B. Shareholders are requested to avail this facility. The duly filled in and signed Form No. 2B should be sent to the Share Transfer Agent of the Company at its Nasik address.
- In order to render better and efficient services, we request you to consolidate the multiple folios which are in the same names and in identical order. Consolidation of folios does not amount to transfer of shares and therefore no stamp duty or other expenses are payable by you. In case you decide to consolidate your folios, you are requested to forward your share certificates to the Share Transfer Agent of the Company at its Nasik address.
- To ensure against misappropriation of dividend warrants to be mailed to you, members holding shares in physical form who have not sent their bank details are requested to provide their bank account number, name and address of the bank branch to the Company's Share Transfer Agent for incorporating the same on the dividend warrants.
- Members whose shareholding is in electronic mode are requested to inform change of address and updates of bank account details to their respective depository participants. Members are requested to utilize Electronic Clearing Service (ECS) for receiving dividends.
- Members holding shares in physical form are requested to immediately intimate to the Company

/ Share Transfer Agent, changes, if any, in their registered address alongwith the pin code number. Members holding shares in dematerialized mode are requested to forward intimation for change of address, if any, to their respective Depository Participants.

10. The Ministry of Corporate Affairs (“MCA”) has, taken a Green initiative in Corporate Governance by allowing Paperless Compliances by the Companies for legal validity of compliances under the Companies Act, 1956 through Electronic Mode.

Henceforth, service of documents through electronic mode would be deemed to be an accepted mode of service in accordance with Section 53 of the Companies Act, 1956, provided the Company has obtained the email address of its members for sending the notice/ documents, etc. through e-mode.

The Company therefore requests its shareholders to register their e-mail address and changes therein from time to time with its Share Transfer Agent, so as to carry out this Green Drive of MCA.

11. Members wishing to claim dividends, which remain unclaimed, are requested to correspond with the Company Secretary, at the Company’s Registered Office. Members are requested to note that dividends not encashed or claimed within seven years from the date of transfer to the Company’s Unpaid Dividend Account, will, as per Section 205A of the Companies Act, 1956, be transferred to the Investor Education and Protection Fund.
12. Trading in the Company’s shares through Stock Exchanges is permitted only in dematerialized / electronic form. The equity shares of the Company have been inducted in both National Securities

Depository Limited and Central Depository Services (India) Limited to enable members to hold and trade the shares in dematerialized / electronic form. In view of the numerous advantages offered by the Depository System, members holding shares of the Company in physical form are requested to avail of the facility of dematerialization.

13. Corporate members intending to send their authorized representative(s) to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the meeting.
14. Brief resume of the Directors seeking re-appointment and other details as stipulated under Clause 49 of the Listing Agreement, are provided in the Annexure to the Notice.
15. Queries on accounts of the Company if any, may be sent to the Company at least 7 days in advance of the meeting so as to enable the management to keep the information ready at the meeting.
16. Members / proxies are requested to bring the attendance slip duly filled in.

By Order of the Board

Karina Vaz

Dy. Company Secretary

Registered Office :

Peninsula Spenta
Mathuradas Mills Compound
Senapati Bapat Marg
Lower Parel, Mumbai 400 013

Mumbai : 28th May, 2013.



EXPLANATORY STATEMENT

Explanatory Statement under Section 173(2) of the Companies Act, 1956 ("the Act").

Item No. 6

Mr. Harshvardhan A. Piramal was appointed as Executive Vice Chairman of the Company for a period of 5 years from 1st June, 2007 to 31st May, 2012. The appointment and remuneration of Mr. Harshvardhan A. Piramal as Executive Vice Chairman was approved by the shareholders at the Annual General Meeting held on 26th July, 2007. The said term of appointment expired on 31st May, 2012

On 28th May, 2013, the Board of Directors at its meeting held on 28th May, 2013, upon the recommendation of the remuneration committee at its meeting held on 28th May, 2013 considered the appointment of Mr. Harshvardhan A. Piramal as Executive Vice Chairman of the Company, for a period of 5 years with effect from 1st April, 2013, not liable to retire by rotation, on the terms and conditions including the payment of perquisites and benefits as set out in the resolution at Item No. 6 of the accompanying Notice.

Brief resume of Mr. Harshvardhan A. Piramal, his experience and other directorships held by him is given in the Section concerning Corporate Governance in this Annual Report.

Pursuant to the provisions of the Companies Act, 1956, the aforesaid appointment and the terms of remuneration are subject to the approval of the members of the Company. The Board, therefore, recommends the resolution at Item No. 6 of the accompanying Notice for the approval of the members.

Mr. Harshvardhan A. Piramal satisfies all the conditions set out in part I of Schedule XIII of the Act for being eligible for appointment.

The draft of the agreement between the Company and Mr. Harshvardhan A. Piramal is available for inspection by the members of the Company at its Registered Office between 2.00 p.m to 5.00 p.m on any working day.

Brief particulars of Mr. Harshvardhan A. Piramal, as required under Clause 19 of the Listing Agreement is given as an Annexure to notice

Mr. Harshvardhan A. Piramal, as it concerns himself is deemed to be concerned or interested in this resolution. Ms. Urvi A. Piramal, Chairperson, being relative of Mr. Harshvardhan A. Piramal, is also deemed to be concerned or interested in the said resolution.

This may be treated as abstract of the terms and conditions of appointment as per the provisions of section 302 of the Companies Act, 1956.

Details of the Directors Seeking appointment / re-appointment at the forthcoming Annual General Meeting (in pursuance of Clause 49 of the Listing Agreement)

Ms. Urvi A. Piramal

Date of Birth

19th July, 1952

Date of Appointment

1st February, 2005

Professional and Educational Qualification

B. Sc.

Advanced Management Program from Harvard Business School, USA

Excellent managerial and leadership skills Spearheading the Group in its real estate, textiles, engineering, entertainment and sports activities

Profile and Experience

Ms. Urvi Piramal oversees a professionally managed business conglomerate with business interest in real estate, infrastructure, textiles, engineering, sports and renewable energy. She is the guiding force behind the Group's sustained and profitable growth; which is bringing the Group companies closer to realizing her vision of touching the lives of one in five people around the globe.

Ms. Piramal plays a leading role in envisioning and formulating the Group's strategies in the businesses.

Ms. Piramal has been a member of Technology and Quality Improvement Committee of IMC since its inception in 1994, and also the Chairperson of Supply Chain & Retail business (Internal Trade) Committee (04-05).

She has a Bachelor of Science degree and has attended the Advance Management Program at Harvard Business School.

Ms. Piramal has received a number of awards for her contribution to business. She was awarded the Qimpro Gold Standard Award for excellence in Managing Quality Improvement programmes across the Group. She has won the Outstanding Woman Industrialist Award presented by the Marinelines Junior Chamber and the Yami Woman Award for her outstanding contribution to business by The ITC Grand Central. She also has to her credit the Cheminor Award from the India Institute of Materials Management.

She is a Trustee of the Piramal Education Trust, Ashok G Piramal Trust and Urvi Ashok Piramal Foundation (UAPF) which has been set up for the underprivileged. Through these trusts, Mrs Piramal has initiated social projects within the Group.

UAPF operates a 25-bed maternity hospital at Bagar catering to over 30 villages in and around Bagar. The Foundation runs 6 mobile health vans at Bagar, Ankleshwar in Gujarat and Nagpur in Maharashtra, providing quality health-care at peoples' doorstep. Over 3 lakh people have benefited from this initiative.

She is on the board of Population First, an NGO working on creating awareness for the girl child.

Ms. Piramal is a wildlife enthusiast and spends her leisure time reading, listening to music and traveling extensively.

Shareholding in the Company

Ms. Urvi A. Piramal hold 49,566 equity shares of the Company.

Directorship and committee memberships (excluding Morarjee Textiles Limited)

- Ashok Piramal Management Corporation Limited
- Delta Magnets Limited
- Peninsula Land Limited
- Peninsula Trustee Limited
- Pune Football Club Limited
- Peninsula Crossroads Private Limited
- Pavurotti Finance and Investments Private Limited
- Peninsula Brookfield Capital Advisors Limited
- Peninsula Holdings and Investments Private Limited
- AGP Infra Private Limited
- AGP Education and Academy Private Limited
- APG Educational Consultants Private Limited
- APG Airports Infrastructure Private Limited
- APG Constructions and Infra Private Limited
- APG Infra Projects Private Limited
- APG Infrastructure Private Limited
- APG Ports Infrastructure Private Limited
- APG Renewable Energy Private Limited
- APG Roads Infrastructure Private Limited
- APG Road and Rail Transports Private Limited
- APG Transformers and Energy Private Limited
- Ashok Piramal Enterprises Private Limited
- Bridgepoint Learning Private Limited
- Crossroads Shoppertainment Private Limited
- CAMS Learning Private Limited
- Edustar Learning Private Limited
- Goldlife Mercantile Company Private Limited
- Highpoint Agro Star Private Limited
- Jammin Recreation Private Limited
- Lifestar Hospitality Private Limited
- Miranda Few Tools Private Limited
- Morarjee Goculdas Spg & Wvg Private Limited
- Onestar Trading Company Private Limited
- Piramyd Retail and Mechandising Private Limited
- Piramal Airports Infrastructure Private Limited



- Piramal Constructions & Infra Private Limited
- Piramal Energy Private Limited
- Piramal Education and Academy Private Limited
- Piramal Infrastructure Private Limited
- Piramal Renewable Energy Private Limited
- Piramal Roads Infra Private Limited
- Piramal Transportation Private Limited
- Piramal Road & Rail Transports Private Limited
- Piramal Land Private Limited
- PMP Auto Components Private Limited
- Rockfield Trading Private Limited
- Toptech Mercantile Company Private Limited
- Peninsula Brookfield Trustee Private Limited
- Miranda Ultra Tools Private Limited

Chairman of Board Committees

Nil

Member of Board Committees

- Peninsula Land Limited (Investor Grievance Committee)

Mr. Ranjan Sanghi

Date of Birth

6th May, 1944

Date of Appointment

1st February, 2005

Professional and Educational Qualification

B. Com. (Hon.)

Law Graduate

Experience of 27 years in the Automobile sector.

Leading the trading, manufacturing and investment operations of the Sah & Sanghi Group.

Profile and Experience

Mr. Ranjan Sanghi, Independent Director of the Company is 69 years of age. Mr. Sanghi has a Honours

Degree in B.Com and has also studied Law, and has been associated with the automobile industry since over 25 years. Mr. Sanghi has been trained in the automobile field at the Vauxhall Motors, Luton, England, U.K., which was subsidiary of General Motors Limited, U.S.A. in 1970. Mr. Sanghi was the President of the Western India Automobile Association, Mumbai in 1990-91. He is the Director of Sah & Sanghi Group of Companies and manages the trading, manufacturing and investment operations of the Sah & Sanghi Group. He was the President of the Bombay Gymkhana Limited between 1995-1997.

Shareholding in the Company

Mr. Ranjan Sanghi hold 4000 equity shares of the Company.

Directorship and committee memberships (excluding Morarjee Textiles Limited)

- Bajaj Auto Finance Limited
- Borax Morarjee Limited
- HDFC Trustee Company Limited
- Kemp & Company Limited
- Suraj Sanghi Finance Limited
- Rajesh Sanghi Auto Traders Private Limited
- Sah & Sanghi Auto Agencies Private Limited
- Tyresoles Concessionaires Private Limited
- Spirax Marshall Private Limited

Chairman of Board Committees

Kemp & Company Limited (Audit Committee)

Member of Board Committees

Bajaj Auto Finance Limited (Audit Committee and Investor Grievance Committee)

HDFC Trustee Company Limited (Audit Committee)

Borax Morarjee Limited (Shareholders' / Investor Grievance Committee)

Mr. Harshvardhan A. Piramal**Date of Birth**

27th October, 1973

Date of Appointment

1st June, 2004

Professional and Educational Qualification

Bachelor of Science (Physics)

MBA in Finance and strategy, from London Business School

Profile and Experience

Mr. Harshvardhan A. Piramal, Executive Vice Chairman of the Company is 39 years of age and holds a Bachelor of Science (Physics) degree from Kings College, London. Mr. Piramal completed his MBA, specializing in finance and strategy, from the London Business School, United Kingdom in 1999.

Mr. Piramal began his career at venture capital firm Indocean Chase Capital Partners (now part of JP Morgan Chase). After his MBA, Mr. Piramal founded Thundercloud Technologies (India) Private Limited, an IT Company, in May 2000. In August 2001, Mr. Piramal became COO - Allied Pharma Businesses at Nicholas Piramal India Limited (now Piramal Healthcare Limited), where he was responsible for robust growth in all divisions under his leadership.

In 2004, Mr. Harshvardhan A. Piramal took over Morarjee Textiles and has taken the company from manufacturing to retail and also changed the product portfolio which opened up the global market for the company's products.

He is also the Vice Chairman of PMP Auto Components Private Limited. Under his stewardship, PMP Auto Component Private Limited acquired two European companies to scale up and internationalize its operations.

Mr. Piramal plays competitive polo at the national level and is a keen football player. He co-founded Pune Football Club. He enjoys travel and photography in his spare time.

Shareholding in the Company

Mr. Harshvardhan A. Piramal hold 16,522 equity shares of the Company.

Directorship and committee memberships (excluding Morarjee Textiles Limited)

- Ashok Piramal Management Corporation Limited
- Arrow Textiles Limited
- Camphor & Allied Products Limited
- City Parks Private Limited
- HEM Infrastructure and Developers Private Limited
- Integra Garments and Textiles Limited
- Peninsula Facility Management Services Limited
- Peninsula Mega Properties Private Limited
- Pune Football Club Limited
- Peninsula Crossroads Private Limited
- Peninsula Integrated Land Developers Private Limited
- Rockfirst Real Estate Limited
- AGP Education and Academy Private Limited
- AGP Infra Private Limited
- APG Airports Infrastructure Private Limited
- APG Constructions and Infra Private Limited
- APG Educational Consultants Private Limited
- APG Infra Projects Private Limited
- APG Infrastructure Private Limited
- APG Ports Infrastructure Private Limited
- APG Roads Infrastructure Private Limited
- APG Renewable Energy Private Limited
- APG Road & Rail Transports Private Limited
- APG Transformers And Energy Private Limited
- Ashok Piramal Enterprises Private Limited
- Ashok Piramal Mega Properties Private Limited
- Ashok Piramal Mega- City Development Private Limited
- Ashok Piramal Township Development Private limited