

**VEENA TEXTILES LIMITED**  
**KOMARAPALAYAM - 638 183.**



**47<sup>th</sup> ANNUAL REPORT**  
**2013 - 2014**

# VEENA TEXTILES LIMITED

KOMARAPALAYAM - 638 183  
CIN : L17111TZ1968PLC000584

## **BOARD OF DIRECTORS**

Shri K.S. Elavarashen  
Shri R. Velmurugan  
Shri K. Varadharajan

Chairman cum Managing Director  
Director  
Director

## **Bankers**

The Karur Vysya Bank Ltd.,  
Komarapalayam

## **Auditors**

M/s. V.N.G. Nath Associates  
Chartered Accountants  
Chennai - 600 083.

## **Audit Committee**

Shri R. Velmurugan - Chairman  
Shri K. Varadharajan  
Shri K.S. Elavarashen

## **Finance Committee**

Shri K.S. Elavarashen - Chairman  
Shri K. Varadharajan

## **Share Transfer Committee**

Shri R. Velmurugan - Chairman  
Shri K. Varadharajan

## **Stakeholder Relationship Committee**

Shri K. Varadharajan - Chairman  
Shri K.S. Elavarashen

## **Marketing Committee**

Shri K.S. Elavarashen - Chairman  
Shri R. Velmurugan

## **Nomination and Remuneration Committee**

Shri R. Velmurugan - Chairman  
Shri K. Varadharajan

## **Registered Office**

309, Salem Main Road  
Komarapalayam - 638 183.  
Namakkal District.

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**NOTICE TO SHAREHOLDERS**

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NOTICE is hereby given that the 47<sup>th</sup> Annual General Meeting of the Members of VEENA TEXTILES LIMITED will be held on 30<sup>th</sup> September 2014 at 10.00 A.M. at 11-F GANDHIPURAM, KOMARAPALAYAM-638 183 to transact the following Business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Statements of Accounts and Cash Flow Statement as on 31<sup>st</sup> March 2014 and the report of the Board of Directors and Auditors there-on.
2. To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

**RESOLVED THAT** pursuant to Section 139 of the Companies Act, 2013 (Act) read with the Companies (Audit and Auditors) Rules 2014 or such other modifications/ clarifications if any from time to time in accordance with the Act and pursuant to the recommendations of the Audit Committee, the retiring Auditors M/s. V.N.G. Nath Associates (Firm Reg No.7159S), Chartered Accountants, Chennai – 600 083 be and are hereby appointed as Statutory Auditors of the Company to hold such office for a period of three years from the conclusion of this Annual General Meeting till the conclusion of the 50<sup>th</sup> Annual General Meeting subject to ratification by members at every Annual General Meeting on such remuneration plus service tax, out of pocket expenses as may be fixed by the Board of Directors of the Company as recommended by the Audit Committee thereof.

**SPECIAL BUSINESS**

3. To consider and if thought fit, to pass with or without modification, the following on as an Ordinary Resolution :

**RESOLVED THAT** pursuant to Sec.149, 152 and other applicable provisions if any, of the Companies Act, 2013 and the Rules made there under, read with Schedule-IV of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modifications or re-enactments thereof for the time being in force) and Clause 49 of the Listing agreement, Sri R.Velmurugan

(DIN : 00010341), Director of the Company who retires by rotation at the ensuing Annual General Meeting under the provisions of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Sri.R.Velmurugan as a candidate for the office of Independent Director of the Company and 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 to hold office for a period of five years upto 28<sup>th</sup> September 2019.

4. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution :

**RESOLVED THAT** pursuant to Sec.149, 150, 152 and other applicable provisions if any, of the Companies Act, 2013 and the Rules made there under, read with Schedule-IV of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modifications or re-enactments thereof for the time being in force) and Clause 49 of the Listing agreement, Sri.K.Varadharajan (DIN: 01243621) Director of the Company who retires by rotation at the ensuing Annual General Meeting under the provisions of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Sri.K.Varadharajan as a candidate for the office of Independent Director of the Company and 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 to hold office for a period of five years upto 28<sup>th</sup> September 2019.

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

**RESOLVED THAT** pursuant to Section 180 (1) (c ) and any other applicable provisions of the Companies Act, 2013 and the rules made there



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under (including any statutory modification (s) or re-enactment thereof for the time being in force) the consent of the Company be and is hereby accorded to the Board of Directors to borrow moneys in excess of the aggregate of the paid up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained /to be obtained from the Company's Bankers in the ordinary course of business, shall not be in excess of Rs. 300 Crores (Rupees Three hundred Crores) over and above the aggregate of the paid up share capital and free reserves of the Company.

**RESOLVED FURTHER** that for the purpose of giving effect to this resolution the Board or any Committee or person(s) authorized by the Board be and is/are hereby authorized to finalise settle and execute such documents / deeds / writings / papers / agreements and to do all acts deeds matters and things as may be required.

6. To consider and if thought fit to pass with or without modification(s) the following resolution as Special Resolutions

**RESOLVED THAT** pursuant to Section 180(1)(a) and other applicable provisions if any of the Companies Act 2013 and the Rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force) consent of the company be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any committee thereof) to create such charges mortgages pledges and hypothecations in addition to existing charges mortgages pledges and hypothecations created by the company on such movable and/or immovable tangible and/or intangible properties of the company both present and future in such form and manner and with such ranking as to priority and for such time and on such terms as the Board may deem fit together with the power to take over the management of the business and concern of the company in certain events of default in favour of the lender(s) agent(s) trustee(s) for securing the borrowings of the company availed/to be availed by way of loan(s) (in Indian rupee and/or foreign currency)and/or debentures bonds or any other debt instruments issued by the company from

time to time subject to the limits approved under Section 180(1)(c) of the Companies Act 2013 and temporary loans obtained / to be obtained from the company's bankers in the ordinary course of business together with interest at the respective agreed rates additional interest compound interest in case of default accumulated interest liquidated damages commitment charges premia on prepayment remuneration of agent(s)/ trustee(s) premium if any on redemption all other costs charges expenses and all other moneys payable by the company in terms of loan agreement(s) head of agreement(s) debenture trust deed(s) or any other document entered into/ to be entered into between the company and the lender(s)/agent(s)/trustee(s) in respect of the said loans/borrowings/debentures and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors or Committee thereof and the lender(s)/agent(s)/ trustees

**FURTHER RESOLVED THAT** for the purpose of giving effect to this resolution the Board or any Committee or person(s) authorized by the Board be and is/are hereby authorized to finalise settle and execute such documents / deeds writings / papers / agreements and to do all acts deeds matters and things as may be required.

By order of the Board  
Komarapalayam **K.S. Elavarashen**  
30th May, 2014 Chairman cum Managing Director  
DIN : 00007893

**Notes:**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. 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 cannot act as a proxy for any other person or shareholder.



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2. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A proxy form is sent herewith. Proxies submitted on behalf of the Companies, Societies etc must be supported by an appropriate resolution / authority, as applicable.

3. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of special business under item 3 to 6 is annexed hereto.

4. The Register of Members and Share Transfer Books of the Company will remain closed from 23.9.2014 to 30.9.2014 (both days inclusive) in connection with the Annual General Meeting and for the purpose of payment of dividend, if approved by the Members.

5. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address as soon as possible.

6. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market; Members holding shares in electronic form are therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts; Members holding shares in physical form can submit their PAN details to the Registrar and Transfer Agent/the Company.

7. The relevant details under Clause 49 of the listing agreement with the Stock Exchanges in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.

8. Electronic copy of the Annual Report 2014 is being sent to the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copies of the Annual Report 2014 is being sent in the permitted mode. Positive consent letter is attached to the Notice to the Members for giving consent to receive documents in electronic mode.

9. Electronic copy of the Notice of the 47<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copies of the Notice of the 47<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

10. Members may also note that the Notice of the 47<sup>th</sup> Annual General Meeting and the Annual Report 2014 will also be available on the Company's website [www.veenatextiles.com](http://www.veenatextiles.com) for download. The Physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [veena\\_vtl@yahoo.in](mailto:veena_vtl@yahoo.in).

11. Voting through electronic means

I. Pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the companies (Management and Administration) Rules 2014, and Clause 35B of the Listing Agreement the Company is pleased to provide its members the facility to exercise their right to vote at the 47<sup>th</sup> Annual General Meeting (AGM) by electronic means. The business may be transacted through e-voting Services provided by Central Depository Services Limited (CDSL)

12. Sri.C.Thirumurthy, Practising Company Secretary ((Membership No.3454 CP No.5179) has been appointed as the Scrutinizer to Scrutinize the e-voting process in a fair and transparent manner.



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13. The voting through electronic means will be available from 23<sup>rd</sup> September 2014, 9.00 A.M. to 25<sup>th</sup> September 2014, 5.00 P.M. The Members will not be able to cast their vote electronically beyond the date and time mentioned above and the e-voting system shall be disabled for voting thereafter.

14. 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.co.in](http://www.evotingindia.co.in)

(II) Click on "Shareholders" tab.

(III) Now, select the "VEENA TEXTILES LIMITED" from the drop down menu and click on "SUBMIT"

(IV) Now Enter your User ID

- For CDSL: 16 digits beneficiary ID,
- For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- 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.co.in](http://www.evotingindia.co.in) 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"> <li>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 last 8 digits of the demat account/folio number in the PAN field.</li> </ul> |

|                       |  |
|-----------------------|--|
|                       | <ul style="list-style-type: none"> <li>In case the folio 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 folio number 100 then enter RA00000100 in the PAN field.</li> </ul>  |
| DOB                   | 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.  |
| 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"> <li>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 <b>member ID/ Folio No./ number of shares held by you as on the cutoff date</b> in the Dividend Bank details field.</li> </ul> |

(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.



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(XI) Click on the EVSN for the relevant "VEENA TEXTILES LIMITED" 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 password/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 Corporate.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details they have to create an 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](mailto: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.

15. 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 will be available from 23<sup>rd</sup> September 2014, 9.00 A.M. to 25<sup>th</sup> September 2014, 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in the dematerialized form, as on 22<sup>nd</sup> August 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- c) 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](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

16. In case of members desiring to exercise vote by Postal Ballot:

- a) A Member desiring to exercise vote by Postal Ballot should complete the Postal Ballot Form and send it to the Scrutinizer. Members are requested to read the instructions contained on the reverse of the Postal Ballot Form and follow the same.
- b) As the Company, being a Listed Company and having more than 1000 Shareholders, is compulsorily required to provide e-voting facility to its members in terms of Section 108 of the Companies Act, 2013 read with the Rules made thereunder and Clause 35 B of the Listing Agreement, voting by show of hands will not be available to the members at the 47<sup>th</sup> Annual General Meeting in view of provisions of Sec 107 read with Sec 114



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of the said Act. Hence the items of Business given in this notice are proposed to be transacted through electronic voting/ postal ballot system/poll. The voting rights are available to the members who are the th members as on 22<sup>nd</sup> August 2014 (cut off date for the purpose of exercising voting rights).

- c) In terms of Clause 35B of the Listing Agreement, in order to enable its members, who do not have access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, a Postal Ballot Form is annexed. A member desiring to exercise vote by Postal Ballot shall complete the enclosed Postal Ballot Form with assent (for) or dissent (against) and sent it to Sri.C.Thirumurthy, Practicing Company Secretary (Membership No.3454 CP No.5179), 69-1, LML Colony, 3<sup>rd</sup> Street, Ammankulam Road, Pappanaickenpalayam, Coimbatore - 641037, so as to reach him on or before and 25<sup>th</sup> September, 2014. Any Postal Ballot Form received after the said date shall be treated as if the reply from the Members has not been received.

17. Kindly note that members can opt for only one mode of voting i.e., either by physical ballot or through e-voting. If members are opting for e-voting then do not vote by Physical Ballot or vice versa. However, in case of Members casting their vote both by Physical Ballot and e-voting, then voting done through e-voting shall prevail and voting done by Physical Ballot will be treated as invalid.

18. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of atleast two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any forthwith to the Chairman of the Company.

19. The Results shall be declared at the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.veenatextiles.com](http://www.veenatextiles.com) and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.

20. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 A.M to 5.00 P.M.) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

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

**Item No.3**

Sri.R.Velmurgan, aged 54 years has more than 27 years of experience in Cotton and Textile Trading. He is an Independent Director on the Board of Directors of the Company for over 12 years.

The Company has received a nomination under Sec.160 of the Companies Act, 2013 from a member of the Company with requisite deposit signifying his intention to propose the appointment of Sri. R.Velmurugan as Independent Director. Sri. R.Velmurugan will hold office for a period of five years from the conclusion of this Annual General Meeting.

In the opinion of the Board, Sri. R.Velmurugan, proposed to be appointed as an Independent Director fulfills the conditions specified in the Section 149(6) and other applicable provisions of the Companies Act, 2013 and the rules made thereunder and that the proposed director is independent of the management.