

VEENA TEXTILES LIMITED

KOMARAPALAYAM - 638 183.



48th ANNUAL REPORT
2014 - 2015

VEENA TEXTILES LIMITED

KOMARAPALAYAM - 638 183

CIN : L17111TZ1968PLC000584

BOARD OF DIRECTORS

Shri K.S. Elavarashen

Shri R. Velmurugan

Shri K. Varadharajan

Smt Pazhanisamy Selvamani

Chairman cum Managing Director

Director

Director

Women 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

Stake Holders Relationship Committee

Shri R. Velmurugan - Chairman

Shri K.S. Elavarashen

Shri K. Varadharajan

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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2014 - 2015**



VEENA TEXTILES LIMITED
KOMARAPALAYAM - 638 183



NOTICE OF ANNUAL GENERAL MEETING

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Forty Eighth Annual General Meeting of the Company will be held on 30th September 2015, at 10.00 A.M at 11-F, Gandhipuram, Komarapalayam, - 638 183, to transact the following business:

AGENDA

ORDINARY BUSINESS

1. To consider and adopt the Audited Balance Sheet as at 31st March 2015, Profit and Loss Account for the year ended on that date, the Reports of Directors and Auditors thereon.
2. To consider and if thought fit, to pass with or without modification, the following on as an Ordinary Resolution :

RESOLVED THAT pursuant to Section 139 and other applicable provisions, if any of the Companies Act 2013 (Act) an rules made there under, the appointment of M/s V.N.G.Nath Associates (Firm Reg No.7159S), Chartered Accountants, Chennai as Statutory Auditors until the conclusion of 50th Annual General Meeting, be and are hereby ratified and confirmed.

RESOLVED FURTHER THAT a remuneration of Rs.30,000 (including expenses, if any, incurred by them in connection with the said audit) be paid to the Statutory Auditors for the financial year 2015-16.

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, Smt.Pazhanisamy Selvamani (DIN : 07220990), Director of the Company who retires at the ensuing Annual General Meeting under the provisions of the Companies Act, 2013 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 her intention to propose Smt.Pazhanisamy Selvamani (DIN : 07220990) as a candidate for the office of Independent Director of the Company and who has submitted a declaration that she 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 24th September 2020.

Komarapalayam
27th June, 2015

By order of the Board
K.S. Elavarashen
Chairman cum Managing Director

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.
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.



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3. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of special business under item 3 is annexed hereto.
4. The Register of Members and Share Transfer Books of the Company will remain closed from **24.09.2015 to 30.09.2015 (both days inclusive)** in connection with the Annual General Meeting and for the purpose of payment of dividend, if approved by the Members.
5. 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.
6. 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.
7. Electronic copy of the Annual Report 2015 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 2015 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.
8. Electronic copy of the Notice of the 48th 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 48th 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.
9. Members may also note that the Notice of the 48th Annual General Meeting and the Annual Report 2015 will also be available on the Company's website 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.
10. 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 48th Annual General Meeting (AGM) by electronic means. The business may be transacted through e-voting Services provided by Central Depository Services Limited (CDSL)
11. M/s. C.Thirumurthy and Associates, Practising Company Secretary has been appointed as the Scrutinizer to Scrutinize the e-voting process in a fair and transparent manner.
12. The voting through electronic means will be available from 27th September 2015, 9.00 A.M. to 29th September, 2015, 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.
13. The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:



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- (I) The voting period begins on 27.09.2015 at 9.00 AM and ends on 30.09.2015 at 5.00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 24.09.2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (II) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (III) Log on to the e-voting website: www.evotingindia.co.in
- (IV) Click on "Shareholders" tab.
- (V) Now, select the "VEENA TEXTILES LIMITED" from the drop down menu and click on "SUBMIT"
- (VI) Click on Shareholders.
- (VII) Now Enter your User ID
- a) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (VIII) Next enter the Image Verification as displayed and Click on Login.
- (IX) If you are a first time user follow the steps given below :

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	<ul style="list-style-type: none">Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field.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.
Dividend Bank Details (OR) Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth in dd/mm/yyyy format as recorded in the company records in order to login. <ul style="list-style-type: none">If both the details are not recorded with the company please enter the member id / folio number in the Divident Bank details field as mentioned in instruction (V).

- (X) After entering these details appropriately, click on "SUBMIT" tab.
- (XI) Members holding shares in physical form will then directly reach the Company selection screen. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (XII) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (XIII) Click on the EVSN for the relevant "VEENA TEXTILES LIMITED" on which you choose to vote.
- (XIV) 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.



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- (XV) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (XVI) 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.
- (XVII) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (XVIII) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (XIX) Note for Non – Individual Shareholders and Custodians
- ▮ Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - ▮ A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - ▮ After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

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

- a) A Member desiring to exercise vote by Ballot should complete the Ballot Form and send it to the Scrutinizer. Members are requested to read the instructions contained on the reverse of the 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 48th Annual General Meeting in view of provisions of Sec 107 read with Sec 114 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 24th September 2015 (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 Ballot Form is annexed. A member desiring to exercise vote by Ballot shall complete the enclosed Ballot Form with assent (for) or dissent (against) and sent it to M/s. C.Thirumurthy and Associates, Practising Company Secretary, 309, Salem Main Road, Komarapalayam - 638183, so as to reach him on or before and 29th September, 2015. Any Ballot Form received after the said date shall be treated as if the reply from the Members has not been received.

15. The facility for voting through ballot paper shall also be made available at the meeting and members attending the meeting who have not already casted their vote may exercise their vote through ballot paper at the meeting.



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16. 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.
17. 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.
18. 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 veenatextiles.com and on the website of CDSL within three (3) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.
19. 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

Smt.Pazhanisamy Selvamani (DIN : 07220990), aged 38 years has more than a decade experience in textile trading.

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 Smt.Pazhanisamy Selvamani (DIN : 07220990 as Independent Director. Smt.Pazhanisamy Selvamani will hold office for a period of five years from the conclusion of this Annual General Meeting.

In the opinion of the Board, Smt.Pazhanisamy Selvamani 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.

Interest of Directors

None of the Directors, key managerial personnel or their relatives other than Smt.Pazhanisamy Selvamani is concerned or interested in the resolution.

Komarapalayam
27.06.2015

By order of the Board
K.S. Elavarashen
Chairman cum Managing Director



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DIRECTORS' REPORT TO THE SHAREHOLDERS

LADIES AND GENTLEMEN :

Your Directors have great pleasure in presenting their Forty Eighth Annual Report together with Audited Accounts of the Company for the year ended 31st March, 2015.

FINANCIAL RESULTS :

The financial results of the Company for the year under review are furnished below:

	(Rupees in lacs)	
	2014-2015	2013-2014
Sales	14.29	13.30
Other Income	1.05	0.28
Total Expenditure	30.63	19.57
Financial Charges	Nil	Nil
Gross Profit / (Loss)		
after interest before		
Depreciation and	-15.29	-5.99
Taxation		
Depreciation	6.20	8.24
Net Profit / (Loss)	-21.49	-14.23

DIVIDEND :

The Directors regretfully advise that no dividend is feasible this Year also, due to accumulated losses.

REVIEW OF OPERATION :

In view of frequent power cut and non availability of skilled man power, the Company carried on trading in textile products.

FIXED DEPOSITS :

The Company has not accepted any deposits from the public during the year.

DIRECTORS

During the year under review, Smt,E.Puspha was appointed as Additional Director (Women Director) on 30.03.2015 and subsequently she resigned on 27.06.2015. Smt. Pazhanisamy Selvamani was appointed as Additional Director (Women Director) as required under the provisions of Section 149 of the Companies Act 2013 and listing agreement on 27.06.2015.

KEY MANAGERIAL PERSONNEL :

Sri. K.S.Elavarashen, Managing Director is Key Managerial Personnel of the Company and the Company is taking necessary steps to appoint Company Secretary and Chief Financial Officer.

ANNUAL PERFORMANCE EVALUATION

In line with the criteria evolved by the Nomination and Remuneration Committee, the performance of all Directors, Committees, Chairman etc., have been evaluated pursuant to the provisions of the Act and the Listing Agreement.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has an internal Control System, commensurate with its size, scale and complexity of its operations. Audit Committee oversees the internal control system of the Company.

MEETINGS :

During the Financial Year 2014 -15 Six Board Meetings and Four Audit Committee Meetings were held. The details of which are given in Corporate Governance Report.

SIGNIFICANT & MATERIAL ORDER PASSED BY THE REGULATOR

No significant and material order was passed by any Regulator and that have any impact on the going concern status and the operations of the Company.

ISSUE OF SHARES

During the year under review the Company has not issued any shares.

AUDITORS

M/s V N G Nath Associates, Chartered Accountants Chennai was appointed as Statutory Auditors of the Company for a period of three years from the conclusion of 47th Annual General Meeting(2014) to 50th Annual General Meeting (2017). A resolution seeking ratification of the appointment of Statutory Auditors and remuneration payable to them for the financial year 2015-16 is included in the AGM Notice dated 27th June 2015.



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DIRECTORS' REPORT TO THE SHAREHOLDERS

Sri.G.Soundararajan, Practising Company Secretary was appointed to undertake the Secretarial Audit of the Company. The Report of Secretarial Audit is annexed herewith as **Annexure -**

The appointment of Cost Auditor is not applicable for the Company as the Company is a trading company and not taking any manufacturing or processing activities.

AUDITORS REPORT

Notes are self explanatory to the qualification of the Statutory Auditors Report to the Share holders.

The Report of Secretarial Audit is annexed herewith as **Annexure -**

PARTICULARS OF EMPLOYEES:

There were no employees, who were in receipt of remuneration of Rs.60,00,000/- per annum or Rs.5,00,000/- per month when employed for part of a year In accordance with the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014,

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, the Board of Directors of the Company hereby stated and confirm that.

- in the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- that 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 Loss of the Company for that period;
- that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- that the Directors have arranged preparation of the accounts for the financial year ended March 31, 2015 on a going concern basis.
- The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTY :

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties.

Your Directors draw attention of the members to Note to the financial statement which sets out related party disclosures.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The details of vigil mechanism /Whistle Blower Policy is given in the Corporate Governance Report.

PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the standalone financial statement (Please refer to Note to the financial statement)

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year under review, the particulars required under Companies (Accounts) rules 2014, we report that there was neither energy conservation measures taken nor technology absorption was involved.

Foreign Exchange earned : Nil

Foreign Exchange used : Nil



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DIRECTORS' REPORT TO THE SHAREHOLDERS

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has always believed in providing a safe and harassment free workplace for every individual working in company premises through various interventions and practices. The Company always endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment. The Company strictly complying the provisions of the Sexual Harassment of Women at work place (Prevention, Prohibition and Redressal) Act, 2013.

The Company aims at prevention of harassment of employees and lays down the guidelines for identification, reporting and prevention of undesired behavior.

During the year ended 31st March 2015, the Company has not received any complaints pertaining to sexual harassment.

EXTRACT OF ANNUAL RETURN :

Pursuant to Section 92(3) of the Act and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 an extract of annual return in MGT 9 forms part of this report.

ACKNOWLEDGEMENT :

Your Directors wish to express their sincere thanks for the valuable co-operation and assistance extended by Government Authorities, Bankers, Shareholders and suppliers.

By order of the Board

Komarapalayam

K.S. Elavarashen

27.06.2015

Chairman cum Managing Director

REPORT ON CORPORATE GOVERNANCE :

1. PHILOSOPHY OF CORPORATE GOVERNANCE

Veena Textiles Limited is well-known for its highest standards of Corporate Governance in all its activities and processes.

The Company always looks for achieving the highest Standards in finance for all its shareholders and for instilling a pride of association to others. The entire process begins with the functioning of the Board of Directors, men with wide experience on production and sales and a compactness in harvesting the best available resources. Systematic and concerted efforts are nicely blended to achieve its goal in economy and avoiding incompetence.

The following is a report on the status and progress on major aspects of corporate governance.

2. BOARD OF DIRECTORS

The Board of Directors comprises a good mix of non-executive independent directors.

(a) The composition of the Board of Directors as at 31st March,2015 and the number of the directorship/ Committee memberships held by them are as under :

Sl No.	Name of Director	Executive / Non Executive Independent	Number of other directorship	Membership on other Board Committees
1.	Shri. K.S. Elavarashen	Executive	—	—
2.	Smt. E. Pushpa	Additional Director (Women Director)	—	—
3.	Shri. R. Velmurugan	Non-Executive & Independent	—	—
4.	Shri. K. Varadharajan	Non-Executive & Independent	—	—

The Number of Independent Directors is above half the total number of Directors. The composition of the Board is in conformity with Clause 49 of the Listing Agreement.

None of the Directors on the Company's Board is a member of more than ten committees and Chairman of more than five committees across all companies in which he is a Director. The necessary disclosures regarding committee positions have been made by the Directors.