

VEENA TEXTILES LIMITED

KOMARAPALAYAM - 638 183.



51st ANNUAL REPORT

2017 - 2018

VEENA TEXTILES LIMITED

KOMARAPALAYAM - 638 183

CIN : L17111TZ1968PLC000584

BOARD OF DIRECTORS

Shri K.S. Elavarashen
Shri R. Velmurugan
Shri A.Balasubramanian
Smt P. Selvamani

Chairman cum Managing Director
Independent Director
Independent Director
Independent Women Director

Bankers

The Karur Vysya Bank Ltd.,
Komarapalayam

Auditors

Shri. V. Ramesh B.Com., A.C.A.,
Chartered Accountant
Erode.

Audit Committee

Shri R. Velmurugan - Chairman
Shri K.S. Elavarashen
Shri A.Balasubramanian
Smt P. Selvamani

Nomination and Remuneration Committee

Shri R. Velmurugan - Chairman
Shri A.Balasubramanian
Smt P. Selvamani

Share Transfer Committee

Shri R. Velmurugan - Chairman
Shri A.Balasubramanian

Stake Holders Relationship Committee

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

Finance Committee

Shri K.S. Elavarashen - Chairman
Shri A.Balasubramanian

Marketing Committee

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

Registered Office

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

Phone : 04288 260815 E-mail ID : veena_vtl@yahoo.in Web : www.veenatextiles.com

CONTENTS	Page No.
Notice to Shareholders'	2
Directors' Report	7
Auditors' Report	29
Balance Sheet	34
Profit & Loss Account	35
Account Cash Flow Statement	36
Notes on Accounts	38

51st ANNUAL REPORT
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VEENA TEXTILES LIMITED
KOMARAPALAYAM - 638 183



NOTICE OF ANNUAL GENERAL MEETING

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Notice is hereby given that the 51st Annual General Meeting (GM 1 of 2018-19) of the Company will be held on Wednesday the 19th September 2018, 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 Financial Statment Viz., Balance Sheet as at 31st March 2018, Profit and Loss Account for the year ended on that date, Cash Flow Statement, the Reports of Directors and Auditors thereon.
2. To appoint a Director in the place of Sri K S Elavarshen who retires by rotation and being eligible offers himself for reappointment.

By order of the Board

Place : Komarapalayam
Date : 24.05.2018

K.S. Elavarashen
Chairman cum Managing Director
DIN No. 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.
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. As there is no special business the Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 does not arise.
4. The Register of Members and Share Transfer Books of the Company will remain closed from **13.09.2018 to 19.09.2018 (both days inclusive)** in connection with the Annual General Meeting.



VEENA TEXTILES LIMITED
KOMARAPALAYAM - 638 183



NOTICE OF ANNUAL GENERAL MEETING

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 as per the listing regulations 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 2018 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 2018 is being sent in the permitted mode.
8. Electronic copy of the Notice of the 51st Annual General Meeting of the Company inter alia indicating the process and manner of remote 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 51st Annual General Meeting of the Company inter alia indicating the process and manner of remote 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 51st Annual General Meeting and the Annual Report 2018 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

Pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the companies (Management and Administration) Rules 2014, and revised regulation 44 of the Listing Regulations the company is pleased to provide e-voting facility to its members to in respect of business to be transacted at the 51st Annual General Meeting (AGM). The business may be transacted through remote e-voting Services provided by Central Depository Services Limited (CDSL)
11. M/s. C Thirumurthy and Associates, Practising Company Secretary (Membership No. FCS 3454 CP No. 5179) has been appointed as Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner.
12. The voting through electronic means will be available from 16th September 2018, 9.00 A.M. to 18th September, 2018, 5.00 P.M. The Members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting system shall be disabled for voting thereafter.



VEENA TEXTILES LIMITED
KOMARAPALAYAM - 638 183



NOTICE OF ANNUAL GENERAL MEETING

13. The instructions for shareholders voting electronically are as under:-

- (i) The voting period begins on 16.09.2018 at 9.00 AM and ends on 18.09.2018 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 12.09.2018 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) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders tab.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) 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)
Demat	<div><div>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 8 digits of the sequence number in the PAN Field.</div><div>In case the sequence 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 sequence number 1 then enter RA00000001 in the PAN Field.</div></div>
Dividend Bank Details (OR) Date of Birth (DOB)	<div>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</div> <div>If both the details are not recorded with the depository or company please enter the member id / folio number in the Divident Bank details field as mentioned in instruction (v).</div>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach 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.



VEENA TEXTILES LIMITED
KOMARAPALAYAM - 638 183



NOTICE OF ANNUAL GENERAL MEETING

- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN relevant to Veena Textiles Limited on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can also download the said app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xx) **Note for Non – Individual Shareholders and Custodians**
 - ┆ Non-Individual shareholders (i.e. other than Individuals, HUF, and 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.
 - ┆ The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - ┆ A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xxi) 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.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

As the Company, being a Listed Company and having more than 1000 Shareholders, it is compulsorily required to provide remote e-voting facility to its members in terms of Section 108 of the Companies Act, 2013 read with the Rules made there under and the Regulation 44 of the Listing Regulations voting by show of hands will not be available to the members at the 51st Annual General Meeting in view of



VEENA TEXTILES LIMITED
KOMARAPALAYAM - 638 183



NOTICE OF ANNUAL GENERAL MEETING

provisions of Section 107 read with Section 114 of the said Act. Hence the items of Business given in this notice are proposed to be transacted through electronic voting at the meeting poll. The voting rights are available to the members who are the members as on 12th September 2017 (cut off date for the purpose of exercising voting rights).

14. 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.
15. Kindly note that members can opt for only one mode of voting i.e., either poll at the Meeting or through remote e-voting. If members are opting for remote e-voting then do not vote by poll Ballot at AGM or vice versa. However, in case of Members casting their vote both by poll at the Meeting and remote e-voting, then voting done through remote e-voting shall prevail and voting done by poll at AGM will be treated as invalid.
16. The Scrutinizer shall immediately after the conclusion of Annual General Meeting first count the votes cast at the meeting and through Ballot Forms and thereafter 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 within 24 hours of conclusion of Annual General Meeting, forthwith to the Chairman of the Company.
17. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.veenatextiles.com and on the website of CDSL within 48 hours of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.
18. All documents referred to in the accompanying Notice 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.

By order of the Board

Place : Komarapalayam
Date : 24.05.2018

K.S. Elavarashen
Chairman cum Managing Director
DIN No. 00007893

DETAILS AS PER LISTING REGULATION / COMPANIES ACT 2013 OF THE APPOINTEE

Name of the Director	Sri. K.S. Elavarashen, B.Com.,
Date of Birth	01.01.1949
Date of Appointment	09.08.1991
Expertise in specific functional area	He is commerce graduate having more than 42 years experience in textile industry and he is well suited for proposed appointment.
Qualification	B.Com.,
Directorship held in other Public Companies (Excluding foreign and private companies)	NIL
Chairmanship / Membership of Committees in other Indian Public Companies	NIL
Shares in the Company - No. of Shares	3,75,460 Equity Shares of Rs.10/- each
Relationship between Directors inter-se	NIL



VEENA TEXTILES LIMITED

KOMARAPALAYAM - 638 183



DIRECTORS' REPORT TO THE SHAREHOLDERS

LADIES AND GENTLEMEN :

Your Directors have great pleasure in presenting their 51st Annual Report together with Audited Accounts of the Company for the year ended 31st March, 2018.

FINANCIAL RESULTS :

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

	(Rupees in lacs)	
	2017-2018	2016-2017
Sales	169.40	19.95
Other Income	-	-
Total Expenditure	181.35	24.67
Financial Charges	-	-
Gross Profit / (Loss)		
after interest before		
Depreciation and	-11.95	-4.72
Taxation		
Depreciation	3.61	4.10
Net Profit / (Loss)	-15.56	-8.82

DIVIDEND :

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

REVIEW OF OPERATION:

As stated in last year in view of tough competition from unorganized sector, the Company carried on trading in textile products. The amount carried over to Reserves for the year in NIL. There is no changes in the nature of the business of the company.

FIXED DEPOSITS:

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

FINANCE:

Your Company has been regular in meeting its obligations towards payment of Principal and Interest wherever applicable except pending disputed term loan of IIBI before Debt Recovery Tribunal Chennai.

DIRECTORS:

Sri K S Elavarashen, Director of the Company retires by rotation at the ensuing Annual General Meeting and are being eligible and offer himself for re-appointment.

KEY MANAGERIAL PERSONNEL:

The Company has to appoint the Whole Time Company Secretary as required under the Section 203 of the present Companies Act, 2013. The mandatory appointment of Company Secretary as KMP is applicable under the Companies Act, 2013. The Company has made necessary advertisement in News Papers. In spite of its best efforts the Company could not get a Company Secretary. The Company is also again giving advertisement in the news paper for its requirement of appointment of Company Secretary.

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 Regulations.

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 2017-18 Five 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.

COMMITTEES:

The Company has already formed the following Committees and the details are disclosed in the Report of the Corporate Governance forming part of the Report.



VEENA TEXTILES LIMITED

KOMARAPALAYAM - 638 183



DIRECTORS' REPORT TO THE SHAREHOLDERS

Audit Committee
Nomination and Remuneration Committee
Stakeholders Relationship Committee
Share Transfer Committee
Finance Committee
Marketing Committee

POLICIES:

The Company has placed the following policies on its website: www.veenatextiles.com

Nomination and Remuneration Policy
Related Party Transaction Policy
Whistle Blower Policy
Risk Management Policy

RISK MANAGEMENT:

The Company has framed Risk Management Policy and in the opinion of the Board there appears to be no element of risk which may threaten the existence of the Company.

AUDITORS:

Mr V Ramesh, B Com ACA Chartered Accountant, Erode (Membership Number 234812) was appointed as the Statutory Auditors of the Company at the 49th Annual General Meeting held on 30.09.2016 for a period of 5 years and he shall hold office till the conclusion of 51st Annual General Meeting In accordance with the amended provisions of Section 139, ratification at every subsequent Annual General Meeting is not required.

A Practising Company Secretary was appointed to undertake the Secretarial Audit of the Company.

The Company has appointed Sri R.S. Inian, Chartered Accountant, Komarapalayam as an Internal Auditor to hold office for a period of 5 years upto the financial year ended 31.03.2022.

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:

The Statutory Auditors Report to the Share holders does not contain any qualification. Except point No.12 of Annexure Report.

Reply: Due to pending disputed Term Loan of IIBI before Debt Recovery Tribunal, Chennai, the Company has not repaid the same.

The Report of Secretarial Auditors is annexed herewith.

REPLY TO SECRETARIAL AUDITORS REPORT:

The Company is taking effective steps to comply the matters qualified by the Secretarial Auditor.

PARTICULARS OF EMPLOYEES:

There were no employees, who were in receipt of remuneration of Rs.1,02,00,000/- per annum or Rs.8,50,000/- 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 confirms 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, 2018 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.



VEENA TEXTILES LIMITED
KOMARAPALAYAM - 638 183



DIRECTORS' REPORT TO THE SHAREHOLDERS

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.

VIGIL MECHANISM/WHISTLE BLOWER POLICY:

The detail of vigil mechanism / Whistle Blower Policy is given in the Corporate Governance Report. Any reportable matters are informed to the Chairman of the Audit Committee to the E Mail ID provided.

RATIO OF REMUNERATION TO EACH DIRECTOR:

The Directors are entitled for sitting fees only and the details are provided in the Corporate Governance Report. The Managing Director has waived his remuneration and hence he was not paid any remuneration during the year.

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 is NIL.

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

The particulars relating to energy conservation, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act read with the Companies (Accounts) Rules 2014 are provided in the Annexure to the Report.

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 endeavors 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 2018, 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 and extract of annual return in MGT 9 forms part of this report.

DISCLOSURE:

The company as complied the applicable Provisions of Secretarial Standards.

ACKNOWLEDGEMENT:

Your Directors wish to express their sincere thanks for the valuable co-operation and assistance extended by Government Authorities, Bankers, Shareholders and suppliers. They also wish to place on record their appreciation for the hard work and dedicated service put in by the employees at all levels.

By order of the Board

K.S. Elavarashen

Place : Komarapalayam

Chairman cum Managing Director

Date : 24.05.2018

DIN No. 00007893