

23rd Annual Report 2012-13

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vijay
TEXTILES LIMITED

Furnishings Simply Incredible

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BOARD OF DIRECTORS



TEXTILES LIMITED

Vijay Kumar Gupta : Chairman and Managing Director

Susheel Kumar Gupta : Executive Director

R.Malhotra : Finance Director

M. Srikanth Reddy

K. Bhupal Reddy

Sanjeev Kumar Agarwal

Company Secretary

S. Nagarajan

Statutory Auditors

M/s. Laxminiwas Neeth & Co.,
Chartered Accountants,
402, 4th Floor, Moghul's Court,
Basheer Bagh, HYDERABAD - 500 001.

Internal Auditors

M/s.Sankaran & Krishnan,
Chartered Accountants, 3-6-203,
Himayatnagar, HYDERABAD - 500 029.

Cost Auditors

Nageswara Rao & Co.,
H.No:30-1569/2, Ananatanagar Colony,
Neredmet, SECUNDERABAD-500 056

Bankers

State Bank of India

Industrial Finance Branch,
Somajiguda, HYDERABAD - 500 082.

Axis Bank Limited

Begumpet, HYDERABAD - 500 016.

State Bank of Hyderabad

Industrial Finance Branch,
"Topaz", Amrutha Hills, Punjagutta,
HYDERABAD - 500 082.

Registrars & Transfer Agents

Aarthi Consultants Private Limited,
1-2-285, Domalguda,
HYDERABAD - 500 029.

Registered Office

Surya Towers, Ground Floor,
104, Sardar Patel Road,
SECUNDERABAD - 500 003.

Factory:

Survey No: 139 to 141 & 143,
Village Rajapoor, Mandal: Balanagar,
District: Mahaboobnagar,
Andhra Pradesh-509 202.

Wholesale Depot:

Plot No: 46, Road No: 12,
APIIC, Katedan,
Hyderabad - 500 077.

Retail Show Rooms:

1. Surya Towers,
Ground Floor,
104, Sardar Patel Road,
Secunderabad - 500 003.
2. D. No. 6-3-852/3,
Near Lal Bungalow,
Ameerpet,
Hyderabad - 500 016.
3. D. No. 2-22-306/A/2, Plot No: 6 & 7,
Survey No: 178 & 179,
Bhagyanagar Colony, Phase-II,
Kukatpally, Hyderabad - 500 072.
4. D. No. 23-27/A, Survey No.127 & 130/I,
Kothapet, Dilsukhnagar,
Hyderabad - 500 060.
5. D. No. 19-94/I, Survey No: 466,
Housing Colony, A.S.Rao Nagar,
Secunderabad - 500 062.

NOTICE



TEXTILES LIMITED

NOTICE is hereby given that the Twenty Third Annual General Meeting of the Members of **VIJAY TEXTILES LIMITED** will be held on **Friday, the 27th September, 2013 at 3.30 P.M** at Surana Udyog Auditorium, The Federation House, 11-9-841, Red Hills, Hyderabad-500 004 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 and the Statement of Profit & Loss for the year ended 31st March, 2013 along with the Auditors' Report and Director's Report thereon.
2. To appoint a Director in the place of Shri K.Bhupal Reddy, who retires by rotation and being eligible offers himself for re-appointment.

3. To consider re-appointment of M/s.Laxminiwas Neeth & Co., Chartered Accountants, as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

By Order of the Board
For **Vijay Textiles Limited**

Place : Secunderabad
Date : 30th May, 2013

S Nagarajan
Company Secretary

Registered Office :

Surya Towers, Ground Floor,
104, Sardar Patel Road,
Secunderabad - 500 003.

NOTES FOR MEMBERS ATTENTION:

1. A member entitled to attend and vote at the Annual General Meeting (the meeting) is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than 48 hours before commencement of the meeting.
2. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the Meeting.
3. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
4. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID Numbers and those who hold shares in physical form are requested to write their Folio Number in the Attendance slip for attending the Meeting.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of the names will be entitled to vote.
6. The Company has already notified Closure of the Register of Members and Transfer Books

from 23rd September, 2013 to 27th September, 2013 (both days inclusive) for the purpose of Annual General Meeting.

7. Members who hold shares in Physical form in multiple folios in identical names or joint accounts in the same order of names are requested to send the Shares Certificates to the Company's Registrars and Transfer Agents, M/s. Aarthi Consultants Pvt. Limited, for consolidation into a single folio.
8. Non-Resident Indian Members are requested to inform the Company's Registrars and Transfer Agents, M/s.Aarthi Consultants Pvt. Limited, immediately of :
 - a) The Change in the Residential status on return to India for permanent settlement.
 - b) The particulars of the Bank Account, maintained in India, with complete name, branch, account type, account number and address of Bank, with PIN Code Number, if not furnished earlier.

9. Members desirous of obtaining any information concerning the accounts/operations of the Company are requested to send their queries at least seven days before the date of the meeting, to the Company so that information required may be made available at the meeting.
10. The Shares of the Company continue to be listed on the stock exchange (s) at Mumbai and Chennai, the Company has paid up to date all the listing fees to the exchanges.

By Order of the Board
For **Vijay Textiles Limited**

Place : Secunderabad
Date : 30th May, 2013

S Nagarajan
Company Secretary

Registered Office:
Surya Towers, Ground Floor
104, Sardar Patel Road,
Secunderabad - 500 003.

Dear Members,

Your Directors have pleasure in presenting the 23rd Annual Report and the Audited Statement of Accounts of the Company for the Financial Year ended 31st March, 2013.

I. FINANCIAL RESULTS

The performance of the Company during the year has been as under:

(₹ in Lakhs)

| Particulars | 2012-2013 | 2011-2012 |
|--|------------------|------------------|
| Total Revenue from operations | 9613.34 | 10073.63 |
| Profit Before Tax | 50.52 | 108.16 |
| Less: Taxation | | |
| a. Income Tax - Earlier Years | – | 0.04 |
| b. Provision for Taxation - Current Year | 9.63 | 21.64 |
| c. Deferred Tax | 122.26 | 35.03 |
| Profit / (Loss) After Tax | (81.37) | 51.45 |
| Add: Profit brought forward from last year | 637.15 | 610.70 |
| Total available for appropriations | 555.78 | 662.15 |
| Transfer to General Reserves | – | 25.00 |
| Balance carried forward to Balance Sheet | 555.78 | 637.15 |

2. OPERATIONS

The sales and other income for the year were ₹ 9613.34 Lakhs and the net profit of ₹ 50.52 Lakhs as compared to ₹ 10073.63 Lakhs of sales and other income and net profit of Rs 108.16 Lakhs achieved in the last financial year respectively.

General economic slowdown, acute power shortage coupled with heavier load restrictions and levy of VAT on textiles are the major factors that considerably affected the performance of the company resulting in lower turnover and profitability. The profitability was greatly impacted by higher cost of funds and rising costs overall as well.

3. TECH-PARK PROJECT

Pursuant to its decision to disinvest in the tech- park project the company, during the year, has entered into a Deed of Cancellation with the developer Company for withdrawing from the project. The developer company is in the process of refunding the amount paid by our company towards this project and is expected to complete the transaction including payment of compensation amount in the next one year.

4. TRANSFER OF AMOUNT TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of Section 205 A (5) of the Companies Act, 1956 the Company has transferred an amount of ₹ 71,806.80 pertaining to the year 2004-2005 and an amount of ₹1,37,217.15 towards interim dividend pertaining to the year 2005-2006 which had remained unpaid or unclaimed for a period of 7 years to the Investors Education and Protection Fund.

5. RESERVES

During the year your Company has not transferred any amount to General Reserves Account.

6. FIXED DEPOSITS

Your Company has not accepted or invited any Deposits and consequently no Deposits have matured/ become due for re-payment as on 31st March, 2013.

7. DIRECTORS

Pursuant to the provisions of the Companies Act, 1956 and Articles of Association of the Company, Shri K.Bhupal Reddy retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

The brief particulars of the Directors seeking re-appointment at the ensuing Annual General Meeting is being annexed to the Annual Report.

8. AUDITORS

M/s. Laxminiwas Neeth & Co., Chartered Accountants, Statutory Auditors of the Company, retires at the forthcoming Annual General Meeting and is eligible for re-appointment.

9. COST AUDITORS

The Cost Accounts records maintained by the Company for the products manufactured are subject to yearly audit by the qualified Cost Auditors. Your Company has appointed Nageswara Rao & Co., Cost Accountants as Cost Auditors for conducting the audit of Cost Account records for financial year 2012-2013. The Cost Audit Report shall be submitted to the Central Government within the stipulated period.

10. ENVIRONMENTS AND HUMAN RESOURCE DEVELOPMENT

Your Company always believes in keeping the environment pollution free and is fully committed to its social responsibility. The Company has been taking utmost care in complying with all pollution control measures from time to time strictly as per the directions of the government.

We would like to place on record our appreciation for the efforts made by the Management and the keen interest shown by the Employees of your Company in this regard.

11. CORPORATE GOVERNANCE

Your Company has implemented the procedures and adopted practices in conformity with the Code of Corporate Governance enunciated in Clause 49 of the Listing Agreement with the Stock Exchanges. A separate report on Corporate Governance is annexed herewith, forming part of the Annual Report along

with the Auditors' Certificate on its compliance. The Company shares are listed at Bombay Stock Exchange Limited and Madras Stock Exchange Limited.

12. MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

Management Discussion and Analysis Report, pursuant to Clause 49 of the Listing Agreement, forms part of this Report and is annexed hereto.

13. CORPORATE SOCIAL RESPONSIBILITY

The Company fully acknowledges its social responsibilities being a conscientious corporate citizen and fully believes in discharging its obligations to the society at large. The company sees this as an opportunity that shall play a pivotal role in helping the society and thus it continues to make concerted efforts in its work towards transformation of communities surrounding its work place as its humble contribution to the society.

14. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirements of Section 217(2 AA) of the Companies Act, 1956 and on the basis of explanation given by the executives of the Company and subject to disclosures in the Annual Accounts and also on the basis of discussions with the Statutory Auditors of the Company from time to time, we state as under:

- i. That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. That the Directors have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- iii. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. That the Directors have prepared the annual accounts on a going concern basis;

15. STATUTORY INFORMATION

A. Particulars of Employees:

In terms of the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended the names and other particulars of the employees are given in Annexure (2) to the Director's Report.

B. Conservation of Energy, Foreign Exchange etc.

Information on Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required to be disclosed under Section 217(1)(e) of the Companies Act, 1956, read with Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 are provided in a separate statement attached hereto and forming part of this report.

16. INFORMATION UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

This information as required to be disclosed has been determined to the extent such parties have been identified on the basis of information available with the Company as stated under Note 7 on notes forming part of the Balance Sheet.

17. EMPLOYEE RELATIONS

Your Directors are pleased to record the appreciation for the sincere and dedicated services of the employees and workmen at all levels.

18. ACKNOWLEDGEMENTS

The Directors wish to acknowledge and record their appreciation of the continued support and assistance received by your Company from its Bankers viz., State Bank of India, State bank of Hyderabad and Axis Bank Limited and Officials of the concerned Departments of the State and Central Governments. The Directors also wish to thank all the employees for their contribution and continued support throughout the year and the Members for the confidence reposed by them in the Management.

For and on behalf of the Board

Place : Secunderabad
Date : 30th May, 2013

Vijay Kumar Gupta
Chairman & Managing Director

FORM A
[Forming part of Annexure (I)]
Disclosure of Particulars with respect to conservation of Energy:

| I. Energy Conservation: | 31.03.2013 | 31.03.2012 |
|---|---|--------------------|
| A. 1. Power & Fuel Consumption | | |
| Electricity : | | |
| a) Purchased: | | |
| Units | 22,46,334 | 29,50,720 |
| Total amount (₹) | 1,36,78,116 | 1,29,00,860 |
| Units Rate (₹) | 6.09 | 4.37 |
| b) Own Generation : | | |
| Through Diesel Generator | 1,00,480 | 38,288 |
| Units | 3.20 | 3.20 |
| Units per ltr. of Diesel oil | 15.69 | 13.94 |
| Cost/Unit (₹) | | |
| 2. Coal used in Boiler : | | |
| Quantity (Tonnes) | Nil | Nil |
| Cost (₹) | Nil | Nil |
| Average Rate (₹) | Nil | Nil |
| 3. Furnace Oil (HSD): | | |
| Quantity (K. Liter) | Nil | Nil |
| Total Amount (₹) | Nil | Nil |
| Average Unit/Liters | Nil | Nil |
| 4. Others/Internal generation : | | |
| Quantity (Tonnes) | 7,893 | 7,471 |
| Total Cost | 1,85,94,615 | 1,47,73,341 |
| Average Rate (₹) | 2,356 | 1,977 |
| B. Consumption per unit of production (Linear meter) | | |
| Electricity | 0.31 | 0.32 |
| Furnace Oil | Nil | Nil |
| Coal (Kgs.) | Nil | 0.01 |
| Others (Firewood) (Kgs.) | 1.07 | 0.80 |
| 2. Technology Absorption: | The Company has its In - house Design and Development Department continuously develop innovative designs and select the most suitable raw fabrics for dyeing/printing/processing. | |
| 3. Foreign Exchange earnings and outgo : | | |
| Earnings (₹) | 80,23,890 | 1,45,22,531 |
| Outgo (₹) | 3,16,267 | 1,79,323 |