

# PBM Polytex Limited

96<sup>th</sup> ANNUAL REPORT  
2014-15



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## 96<sup>TH</sup> ANNUAL REPORT (2014 – 15)

<b>BOARD OF DIRECTORS</b>	Shri Krishan Kumar Patodia	Chairman
	Shri Gopal Patodia	Managing Director
	Shri Mohankumar Patodia	Managing Director cum CFO
	Shri Hariprasad Siotia	Director
	Shri Brijbhushanlal Kabra	Independent Director
	Shri Jugalkishore Todi	Independent Director
	Smt. Vinita Devi Modi	Independent Director (w.e.f 20.09.2014)
	Shri M L Bagaria	Independent Director (w.e.f. 09.02.2015)
<b>SENIOR EXECUTIVES</b>	Shri Amit Patodia	Senior President cum CEO
	Shri Vikash Patodia	Senior President
<b>REGISTERED OFFICE</b>	Opposite Railway Station, Petlad-388450 Dist. Anand, Gujarat	
<b>MUMBAI OFFICE</b>	12 <sup>th</sup> Floor, Raheja Chambers, 213, Nariman Point, Mumbai - 400 021	
<b>CORPORATE OFFICE</b>	8 <sup>th</sup> Floor, "Ramakrishna Chambers", Productivity Road, Alkapuri, Vadodara – 390 007	
<b>MANUFACTURING UNITS</b>	(1) Opposite Railway Station, Petlad 388450 Dist. Anand, Gujarat.	
	(2) Plot No. 16 to 19 Sector 'B' AKVN Industrial Area, Kheritaigaon, Borgaon, Dist. Chhindwara (MP)	
<b>WIND MILLS</b>	(1) Vill: Suthari, Revenue Survey No. 870/p, Abdasa Taluka, Dist. Kutch (Gujarat)	
	(2) Vill: Okha Madhi, Survey No. 24 Part, Taluka Dwarka, Dist. Jamnagar (Gujarat)	
	(3) Vill: Methan Survey No. 284, Taluka Jamjodhpur, Dist. Jamnagar (Gujarat)	
	(4) Vill: Methan Survey No. 284/3 paiki, Taluka Jamjodhpur, Dist. Jamnagar (Gujarat)	
<b>BANKERS</b>	State Bank of India IDBI Bank Limited	
<b>AUDITORS</b>	M/s. Mahendra N. Shah & Co. (FRN 105775W) Chartered Accountants, 3 <sup>rd</sup> Floor, 'E' Block, Capital Commercial Centre, Ashram Road, Ahmedabad 380009	
<b>SHARE TRANSFER REGISTRAR</b>	M/s. Sharepro Services (India) Pvt. Ltd. 416-420, 4 <sup>th</sup> Floor, Devnandan Mall, Opp. Sanyas Ashram, Ellisbridge, Ahmedabad – 380 006.	

## NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the NINETY SIXTH ANNUAL GENERAL MEETING of the Members of the Company will be held at the Registered Office of the Company situated at Opposite Railway Station, Petlad 388450 on **Thursday, the 24<sup>th</sup> September, 2015 at 11.00 A.M.** to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Directors' Report, Auditors' Report and Audited Balance Sheet as at 31<sup>st</sup> March, 2015 and Statement of Profit and Loss and Cash Flow Statement for the year ended on that date.
2. To declare dividend on equity shares for the Financial Year ended on 31<sup>st</sup> March, 2015.
3. To appoint a Director in place of Shri Hari Prasad Siotia (DIN : 00015103) as director who retires by rotation and being eligible, offers himself for re-appointment.
4. Appointment of Auditors

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** as per the provisions of Section 139 of the Companies Act, 2013 or any other applicable provisions or Rules/Regulations made thereunder, M/s. Mahendra N. Shah & Co., Chartered Accountants, Ahmedabad (Firm Registration No.: 105775W), be and are, hereby re-appointed as Auditors of the Company to hold office from the conclusion of the 96<sup>th</sup> Annual General Meeting (AGM) until the conclusion of the 98<sup>th</sup> Annual General Meeting i.e. for a period of 02 (two) years (subject to ratification of their appointment by the members at the 97<sup>th</sup> AGM), on such remuneration as may be approved by the Board of Directors of the Company, based on the recommendation of the Audit Committee and re-imbursment of travelling and other incidental expenses, if any, incurred in connection with the audit of Accounts of the Company."

### SPECIAL BUSINESS

5. **To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION :**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150,152 and any other applicable provisions of the Companies Act 2013 ("the Act"), and the rules made thereunder (including any statutory modification (s) or re – enactment thereof for the time being in force) read with Schedule IV of the Act and as per Clause 49 of the Listing Agreement, Smt. Vinita Devi Modi (holding DIN 06965473), who was appointed as an Additional cum Woman Director of the Company with effect from September 20, 2014 and whose period of office is liable to expire at the conclusion of the 96<sup>th</sup> Annual General Meeting of the Company and in respect of whom, the company has received notice in writing from a member under section 160 of the Act, proposing her candidature for the office of Independent cum Woman Director, be and is, hereby appointed as an Independent cum Woman Director of the Company, not liable to retire by rotation and to hold office for five consecutive years from 20<sup>th</sup> September, 2014.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors, be and are, hereby authorized to take such steps and do all other acts, deeds and things as may be necessary or desirable to give effect to this resolution."

6. **To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION :**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act 2013 ("the Act"), and the rules made thereunder (including any statutory modification (s) or re – enactment thereof for the time being in force) read with Schedule IV of the Act, Shri M L Bagaria (holding DIN 01213323), who was appointed as an Additional Director of the Company with effect from February 9, 2015, whose period of office is liable to expire at the conclusion of the 96<sup>th</sup> Annual General Meeting of the Company and in respect of whom, the company has received notice in writing from a member under section 160 of the Act, proposing his candidature for the office of Independent Director, be and is, hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for five consecutive years from 9<sup>th</sup> February, 2015.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors, be and are, hereby authorized to take such steps and do all other acts, deeds and things as may be necessary or desirable to give effect to this resolution."

7. **To consider and, if thought fit, to pass the following Resolution, with or without modifications, as an ORDINARY RESOLUTION :**

**"RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration payable to Shri B. C. Desai, Cost Auditor, Ahmedabad (Membership Number M-1077), whose appointment and remuneration has been recommended by the Audit Committee and approved by the Board to conduct the audit of the cost records maintained by the Company for the Financial year 2015 – 16 at total remuneration of Rs. 55,000/- (Rupees Fifty Five Thousand Only) plus service tax and reimbursement of travelling and out-of pocket expenses, be and is, hereby approved and ratified.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

8. **To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a SPECIAL RESOLUTION**

**"RESOLVED THAT** in supersession of the ordinary resolution adopted at the 94<sup>th</sup> Annual General Meeting held on 27<sup>th</sup> July, 2013 under the provisions of Section 293(1)(d) of the Companies Act, 1956, consent of the members, be and is, hereby accorded to the Board of Directors (which term shall include any committee thereof) to borrow monies in terms of Section 180(1)(c) of the Companies Act, 2013 and other applicable provisions of the said Act, if any, and the rules made thereunder, notwithstanding that the aggregate borrowings together with monies already borrowed by the Company, may exceed the aggregate of the Company's paid-up share capital and free reserves, i.e., reserves not set apart for any specific purpose, provided, however, that such excess amount of monies which may be borrowed shall not exceed Rs. 150 crores (Rupees One Hundred and Fifty Crores Only) over and above Company's paid up share capital and free reserves.

**RESOLVED FURTHER THAT** the Board, be and is, hereby authorized to do all such acts, things and deeds as may be required to give effect to this resolution."

## NOTES

- A. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON BEHALF OF HIMSELF / HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.

PROXY, IN ORDER TO BE VALID, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, DULY COMPLETED AND SIGNED NOT LESS THAN FORTY – EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A Proxy Form is annexed to this Report.

A person can act as a proxy on behalf of Members not exceeding fifty members and holding in aggregate not more than 10% of the total Share Capital of the Company carrying voting right. A Member holding more than 10% of the total Share Capital of the Company carrying voting right may appoint a single person as a proxy and such person shall not act as proxy for any other shareholder.

Pursuant to section 113 of the Companies Act, 2013, Institutional Shareholders (i.e. other than individuals, HUF, NRI, etc.), are required to send certified true copy of Board Resolution together with attested specimen signature of the duly authorized signatory who is authorised to attend and vote on behalf of the company at the meeting or any adjournment thereof.

- B. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID / Folio No.
- C. In case of Joint Holders attending the meeting, only the first named holder will be entitled to vote at the meeting.
- D. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
- E. The Register of Members and Share Transfer Books of the Company will remain closed from **19<sup>th</sup> September, 2015 to 24<sup>th</sup> September, 2015 (both days inclusive)**. Those Shareholders whose names appear on the Register of Members on **18<sup>th</sup> September, 2015** shall be eligible for dividend.

Members desiring to receive dividend through internet banking, should send all the required particulars about their Bank Account by a letter duly signed by them so as to reach at the Company's registered office latest by 05.09.2015.

- F. Members are informed that the Company's equity shares are compulsorily traded in demat form for all investors as effective from 1<sup>st</sup> April 2002. Members are requested to open Depository Account in their names with a Depository Participant to dematerialize their holdings.
- G. All businesses to be transacted at the meeting, may be transacted through electronic voting system. The Company is providing facility of voting by electronic means to all the shareholders of the Company whose names appear on the Company's Register of Members including Beneficial Owner on **18<sup>th</sup> September, 2015**.
- H. Pursuant to Section 205A(5) and 205C of the Companies Act 1956 as amended, dividend for the financial years ended upto 31<sup>st</sup> March 2007, which remained unpaid or unclaimed for the period of 07 (seven) years, have been transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. Such dividend stands forfeited by the Government as per rules.
- I. Members are requested to inform immediately any change in their address to the Company's Share Transfer Registrar.
- J. Members are further requested to register or update their email ID with the Company and Depository Participants to enable them to send any correspondence electronically.
- K. Members can avail of the nomination facility by filling Form SH. 13 with the Company. Blank forms will be supplied on request.
- L. Explanatory Statement pursuant to section 102 of the Companies Act 2013 in respect of Special Business at Item No. 5, 6, 7 and 8 is appended herewith.

In compliance with the provisions of section 108 of the Companies Act, 2013 and the Rules framed thereunder, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CSDL, on all resolutions set forth in this Notice.

### PROCESS FOR MEMBERS OPTING E – VOTING:

- I. **In case of members receiving e-mail:**

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) 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.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) 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> <p># Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number as printed in DEFAULT PAN field on the Postal Ballot Form for e-voting at Annual General Meeting.</p> <ul style="list-style-type: none"> <li>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.</li> </ul>
DOB	<p>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.</p>
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 member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).</li> </ul>

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) 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.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN of PBM POLYTEX LIMITED to vote.
- (xi) 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.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) 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.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Note for Non – Individual shareholders and Custodians:
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI, Custodians etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
  - 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 a 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.

**II. In case of members receiving the physical copy:**

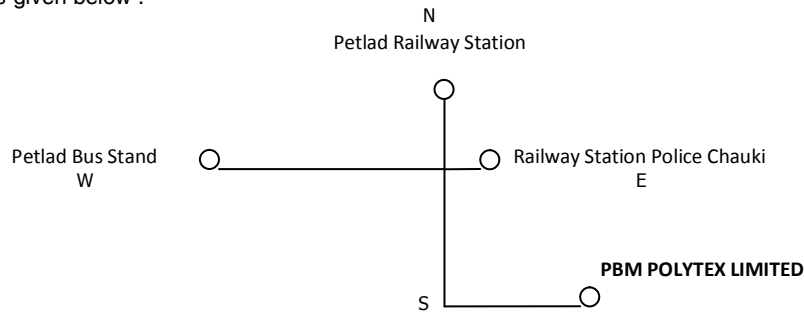
Use initial password as provided in the enclosed Form and follow all the steps from Sl. No. i to xvii to cast your vote.

**III. Other Instructions:**

- The e-voting period begins on Monday 21<sup>st</sup> September, 2015 at 09.00 AM and ends on Wednesday, 23<sup>rd</sup> September, 2015 at 05.00 PM. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date, Friday, 18<sup>th</sup> September, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 05.00 PM on 23.09.2015.
- The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. Friday, 18<sup>th</sup> September, 2015.
- M/s Samdani Shah & Associates, a firm of Practicing Company Secretary, Vadodara, has been appointed as the Scrutinizers to scrutinize the e-voting process (including the Polling Papers received from the Members who do not have access to the e-voting process) in a fair and transparent manner.

The Chairman shall, at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutiniser, by use of "Ballot Paper" for all those members who are present at the Annual General Meeting but have not cast their votes by availing the remote e-voting facility.

4. 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](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
5. Any person, who acquires shares of the Company and becomes member of the Company after the dispatch of the notice and holding shares as on the cut-off date i.e. Friday, 18<sup>th</sup> September, 2015, may follow all the steps from Sl. No. i to xvii to cast your vote.
6. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.pbmpolytex.com](http://www.pbmpolytex.com) and on the website of CSDL [www.evotingindia.com](http://www.evotingindia.com) immediately after the declaration of result by the Chairman or a person authorized by him in writing. and communicated to the BSE Limited and Ahmedabad Stock Exchange Limited, where the shares of the Company are listed.
7. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again. The route map of the registered office of the company where the Annual General Meeting of the Company will be held is given below :



By order of the Board  
For PBM Polytex Limited

Place : Petlad  
Dated : 6<sup>th</sup> August 2015

**GOPAL PATODIA**  
Managing Director  
(DIN : 00014247)

## ANNEXURE TO NOTICE

### EXPLANATORY STATEMENT

(Pursuant to section 102 of the Companies Act, 2013)

As required by section 102 of the Companies Act, 2013 ("the Act"), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 5 to 8 of the accompanying Notice.

#### ITEM NO. 5

Smt. Vinita Devi Modi (DIN : 06965473), a graduate in Arts stream, aged 59 years is an Educator at Riverdale School and presently she is an Additional Director on our Board. Smt. Vinita Devi Modi is an Additional / Woman Director since 20<sup>th</sup> September, 2014, whose period of office is liable to expire at the conclusion of the 96<sup>th</sup> Annual General Meeting of the Company under applicable provisions of the Act and in respect of whom, the company has received notice in writing from a member under section 160 of the Act, proposing her candidature for the office of Independent cum Woman Director.

In the opinion of the Board, Smt. Vinita Devi Modi fulfills all the conditions specified in the Listing Agreement, the Act and rules made thereunder for her appointment as an Independent cum Woman Director of the Company. Copy of the draft letter for appointment of Smt. Vinita Devi Modi as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day. The Board recommends her appointment as an Independent cum Woman Director to hold office for five consecutive years from 20<sup>th</sup> September, 2014 which is in the interest of the Company.

None of the Directors, Key Managerial personnel and / or their relatives, except Smt. Vinita Devi Modi herself is concerned or interested in the resolution.

#### ITEM NO. 6

Shri M L Bagaria (DIN : 01213323), B.Sc. (Textiles), aged 72 years having long experience in Textile business, commercial activities and Textile Manufacturing process, is on the Board of M/s Eurotex Industries and Exports Limited since 2009 and presently he is an Additional Director since 9<sup>th</sup> February, 2015 on our Board. Shri M L Bagaria is an Additional Director, whose period of office is liable to expire at the conclusion of the 96<sup>th</sup> Annual General Meeting of the Company under applicable provisions of the Act and in respect of whom, the company has received notice in writing from a member under section 160 of the Act, proposing his candidature for the office of Independent Director.

In the opinion of the Board, Shri M L Bagaria fulfills all the conditions specified in the Listing Agreement, the Act and rules made thereunder for his appointment as an Independent Director of the Company. Having regard to his qualifications, knowledge and experience, his appointment as an Independent Director will be in the interest of the Company. Copy of the draft letter for appointment of Shri M L Bagaria as an



Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day. The Board recommends his appointment as an Independent Director to hold office for five consecutive years from 9<sup>th</sup> February, 2015 which is in the interest of the Company.

None of the Directors, Key Managerial personnel and / or their relatives, except Shri M L Bagaria himself is concerned or interested in the resolution.

#### ITEM NO. 7

The Cost Records and Statements of the Company are subject to Audit as provided under section 148 of the Companies Act, 2013 for which Mr. B C Desai, Qualified Cost Accountant, has been appointed by the Board of Directors of the Company for the year 2015 – 16 at fees of Rs. 55,000/- plus reimbursement of the actual expenses incurred. The consent of the Shareholders is sought for the remuneration of the Cost Auditor.

None of the Directors or Key Managerial Personnel or their relatives is, in any way, concerned or interested, financially or otherwise in the resolution.

#### ITEM NO. 8

In order to supplement long term resources for financing of ongoing capital expenditure and for general corporate purposes, it is proposed to enhance the limit upto which the Company can borrow Rs. 150 crores (over and above Company's paid up share capital and free reserves)". At the 94<sup>th</sup> Annual General Meeting of the Company held on 27<sup>th</sup> July 2013, the Members had, by way of Ordinary Resolution and in pursuance of the provisions of Section 293(1)(d) of the Companies Act, 1956, approved borrowing monies on behalf of the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) in excess of the aggregate of the paid-up capital of the Company and its free reserves, subject to the total outstanding amount so borrowed not exceeding a sum of Rs. 150 crores (Rupees One hundred and Fifty crores Only) at any point of time (over and above Company's paid up share capital and free reserves).

As per Section 180(1)(c) of the Companies Act, 2013, the aforesaid approval shall be taken by way of a Special Resolution. However, the corresponding resolution under Companies Act, 1956 viz. Section 293(1)(d) required such approval to be by way of an ordinary resolution.

The approval of the Members authorising the Board for the borrowings, as set out at item No. 8 of this Notice is therefore being sought, by way of Special Resolution.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in passing of the Resolution.

### Details of Directors seeking Re-appointment at the ensuing Annual General Meeting as required under Clause 49 (VIII) (E) of the Listing Agreement.

Sl. No.	Name of Director	Shri Hari Prasad Siotia, (Retiring by rotation)	Smt. Vinita Devi Modi, (Appointment as Independent cum Woman Director)	Shri M L Bagaria, (Appointment as Independent Director)
1	DIN	00015103	06965473	01213323
2	Date of Birth	3 <sup>rd</sup> May 1934	4 <sup>th</sup> April 1956	4 <sup>th</sup> April 1943
3	Age (in Years)	81	59	72
4	Date of Appointment	9 <sup>th</sup> August 1980	20 <sup>th</sup> September 2014	9 <sup>th</sup> February 2015
5	Qualifications	B Com	BA	B Sc (Textiles)
6	Expertise in specific functional area	Rich experience of more than Five Decades in the field of Cotton and Yam trading and manufacturing activity of Cotton Spinning.	Educator at Riverdale School, Ahmedabad	Rich knowledge and experience in the field of Textiles and of serving with many Corporates
7	Directorship of other Companies	Patodia Syntex Ltd. Eurotex Industries and Exports Ltd. Eurospin Industries Ltd. Shree Janardana Mills Ltd.	--	Eurotex Industries and Exports Ltd.
8	Chairman of Committees of other Companies	Stakeholders Relationship Committee and Risk Management Committee, Eurotex Industries and Exports Limited	--	Nomination & Remuneration Committee, Eurotex Industries and Exports Limited
9	Member of Committees of other Companies	Audit Committee and Nomination & Remuneration Committee, Eurotex Industries and Exports Limited	--	Audit Committee, Eurotex Industries and Exports Limited
10	Shareholding in the company	199280	NIL	NIL
11	Relationship with other Director, Manager & KMP	Not related	Not related	Not related
12	No. of meetings attended during the year.	3	3	--

By order of the Board  
For PBM Polytex Limited

Place : Petlad  
Dated : 6<sup>th</sup> August 2015

**GOPAL PATODIA**  
Managing Director  
(DIN : 00014247)

## DIRECTORS' REPORT

To,  
The Members,  
PBM Polytex Limited

Your Directors have pleasure in presenting the Ninety Sixth Annual Report of the Company with the Audited Statements of Accounts for the year ended 31<sup>st</sup> March 2015.

### 1. FINANCIAL RESULTS:

(Rs. in lacs)

		2014 – 15	2013 – 14
Earning Before Interest, Depreciation and Tax (EBIDITA)		2390.32	3899.70
Less: Interest and Financial Charges		324.23	365.26
Gross Profit		2066.09	3534.44
Less: Depreciation		388.80	562.22
<b>Profit before Tax</b>		<b>1677.29</b>	2972.22
Less: Provision for Taxation		616.26	1016.44
		<b>1061.03</b>	1955.78
Add / (Less): Deferred Tax Liability / (Asset)		1.82	(13.85)
<b>Profit for the year (PAT)</b>		<b>1059.21</b>	1969.63
Add: Surplus brought forward	3019.33		1487.47
Less: Transitional effect of depreciation of assets as on 01.04.2014	62.95	2956.38	0.00
<b>Amount available for Appropriation</b>		<b>4015.59</b>	3457.10
<b>Appropriation:</b>			
General Reserve	1400.00		200.00
Proposed Dividend	487.74		203.23
Corporate Dividend Tax	99.29		34.54
		<b>1987.03</b>	437.77
<b>Balance carried to Balance Sheet</b>		<b>2028.56</b>	3019.33

### 2. DIVIDEND

Your Directors are pleased to recommend a Dividend @ 60 % (i. e. Rs. 6/- per share) on the paid up equity share capital of the Company for the year ended 31<sup>st</sup> March 2015, which will absorb Rs. 587.03 lac including dividend distribution tax of Rs. 99.29 lac.

### 3. TRANSFER TO RESERVES

Your directors propose to transfer Rs. 14 Crore to General Reserve out of the profits of the Company.

### 4. CHANGE IN THE NATURE OF BUSINESS

There was no change in the nature of business of the Company during the Financial Year 2014-15.

### 5. STATE OF COMPANY'S AFFAIRS

The prices of cotton, the main raw material, had gone up steeply during the greater part of the year. However, on the contrary, the prices of cotton yarn came down on account of fall in exports which put pressure on domestic prices also. The Company exports about 40 % of its production and the rupee getting stronger in terms of US Dollar also resulted in lower realisation of export yarn.

The power cost also went up during the year mainly because of denial of permission by the Gujarat State Electricity Board for buying power from open market. All these factors, which were beyond the control of the management, were responsible for lower profitability during the year.

The working results of the Company during the first quarter of the current year are satisfactory.

### 6. DIRECTORS / KEY MANAGERIAL PERSONNEL

The Board of Directors has appointed Smt. Vinitadevi Modi and Shri M L Bagaria as additional directors of the Company in the category of Independent Directors with effect from 20.09.2014 and 09.02.2015 respectively. Proposals have been received from the shareholders for appointment of these directors as such at the ensuing Annual General Meeting for a period of consecutive five years.

All Independent Directors have given declarations that they meet the criteria of Independence as laid down under section 149 (6) of the Companies Act, 2013 ("the Act") and Clause 49 of the Listing Agreement.

The Board of Directors has, on the recommendation of the Nomination and Remuneration Committee, redesignated Shri Mohan Kumar Patodia as Managing Director cum Chief Financial Officer and Shri Amit Patodia as Senior President cum Chief Executive Officer.

Shri Hari Prasad Sotia, retire by rotation at the 96<sup>th</sup> Annual General Meeting of the Company and being eligible, offers himself for re-appointment. The directors recommend their re-appointment as proposed in the notice of the Meeting.

None of the Directors is disqualified under Section 164(2) of the Companies Act, 2013.



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## 7. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance as well as the directors individually including Independent Directors, the Audit Committee, Nomination and Remuneration Committee, CSR Committee and Stakeholders Relationship Committee. The result of the evaluation is satisfactory, adequate and meets the requirement of the Company.

## 8. NUMBER OF BOARD MEETINGS

The details of Board Meetings are disclosed in Corporate Governance Report appended to Directors' Report. The Board of Directors have met five times and Independent Directors have met once during the year ended 31<sup>st</sup> March 2015.

## 9. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the Provisions of Section 134(3)(c) of the Act, your Directors confirm that –

1. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. the accounting policies adopted are consistently applied 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 profit of the company for the year;
3. proper and sufficient care is being taken 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;
4. annual accounts have been prepared on a going concern basis;
5. internal financial controls (as required by explanation to section 134(5)(e) of the Act) is being followed by the Company and that such internal financial controls are adequate and were operating effectively;
6. proper systems are being devised to ensure compliance with the provisions of applicable laws and that such systems are adequate and operating effectively.

## 10. SHARE CAPITAL

The paid up Equity Share Capital as on 31<sup>st</sup> March 2015 was Rs. 8,12,96,080/-. During the year under review, the Company has not issued any shares.

## 11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE ACT

The Company has not given any loans or guarantees to any party. Non - current investments amounting to Rs. 545.91 lac were made prior to the year 2014 – 15. Current investments amounting to Rs. 1899.37 Lac outstanding at the end of the year have been made in different mutual funds. These investments are exhibited in Note no. 13 and 15 respectively in the Balance Sheet. These investments are within the limits prescribed under section 186 of the Act.

## 12. INDUSTRIAL RELATIONS

Industrial relations continued to be cordial during the year under review at both the manufacturing units of the Company except due to workers' strike at Petlad Unit, there was interruption in production for about 10 days during the month of May, 2014.

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

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. During the year, no complaints of sexual harassment were received.

## 14. PARTICULARS OF EMPLOYEES (ANALYSIS OF REMUNERATION)

The information required pursuant to section 197 (12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of the employees of the Company are given in **Annexure "A"**.

## 15. SUBSIDIARY AND ASSOCIATE COMPANIES

There is no Subsidiary of the Company. However, M/s Eurotex Industries and Exports Limited (CIN : L70200MH1987PLC042598) is its Associate Company in the meaning of section 2(6) of the Act. Form AOC-1 as required under section 129(3) of the Act is attached as **Annexure "A(1)"**.

## 16. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on Arm's Length Basis and were in the ordinary course of business. No materially significant related party transactions were made by the Company with Promoters, Directors, Key Managerial Personnel, other designated persons or other related parties, which may have potential conflict with the interest of the Company at large.

All related party transactions were placed before the Audit Committee from time to time and also before the Board for approval.

The Policy on Related Party Transactions as approved and as adopted by the Board has been uploaded on the Company's Website at <http://www.pbmpolytex.com/attachments/article/47/related%20party.pdf>. Form AOC-2 as required under section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) rules, 2014 is attached as **Annexure "A(2)"**.

## 17. DISCLOSURE ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

In terms of Sub-section 3 (m) of Section 134 of Companies Act, 2013, particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo are given in **Annexure "B"** forming part of this report.

## 18. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of Annual Report in Form MGT – 9 is annexed herewith as **Annexure "C"**.

## 19. DIFFERENT POLICIES UNDER COMPANIES ACT, 2013 AND LISTING AGREEMENT

The Company has approved the following policies and the same have been placed on the Company's website:

### A. Corporate Social Responsibility (CSR) Policy

The details in respect of terms of reference, composition and meeting of CSR Committee is disclosed in Corporate Governance Report attached with Annual Report. A report on CSR activities, forming part of the Directors' Report, is attached as **Annexure "D"**.

**B. Vigil Mechanism / Whistle Blower Policy**

The details about this policy are disclosed in Corporate Governance Report appended with Annual Report.

**C. Policy on Director's Appointment and Remuneration**

The Board has, on the recommendation of the Nomination & Remuneration Committee, framed a policy for selection and appointment of Directors, Senior Management Personnel and fixing their remuneration. The policy on Director's appointment and remuneration has been given in Corporate Governance Report which forms part of this report.

**D. Risk Management Policy**

The Company has a structured Risk Management Policy. The Risk management process is designed to safeguard the organisation from various risks through adequate and timely actions. It is designed to anticipate, evaluate and mitigate risks in order to minimize its impact on the business. The potential risks are inventoried and integrated with the management process such that they receive the necessary consideration during decision making. It is dealt with in greater details in the management discussion and analysis section.

**E. Review of operation of various Committees:**

The Company has already formed the following committees to ensure timely compliances of all the applicable rules and regulations: 1) Audit Committee, 2) Nomination & Remuneration Committee, 3) Corporate Social Responsibility Committee, and 4) Stakeholders Relationship Committee . The details about these committees are given in the Corporate Governance Report.

**20. INSURANCE**

All the properties of the Company including plant and machinery, stocks etc. have been adequately insured. The Company has also taken adequate insurance cover for Loss of Profit and Standing Charges.

**21. AUDITORS**

**A. Statutory Auditors**

M/s. Mahendra N. Shah & Co., Chartered Accountants (FRN 105775W) Ahmedabad, the retiring Auditors, are eligible for reappointment as such for the said period of two years (i. e. for the financial year 2015 – 16 and 2016 – 17) as per section 139 (2) of the Act. They have given their consent and certificate of eligibility for appointment as such for the said period of two years. The Board of Directors request you to re-appoint them for the said period of two years and fix their remuneration. The observation of the Auditors in their report, together with the notes on Accounts, are self-explanatory and therefore, in the opinion of the Directors, do not call for any further explanation.

**B. Secretarial Auditors**

Pursuant to the provisions of section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Samdani Shah and Associates, a firm of Practicing Company Secretaries, Vadodara, as Secretarial Auditors for the year 2014-15 and also for the year 2015-16 to undertake Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as **Annexure "E"**. The Company has appointed all the Key Managerial Personnel except Company Secretary. However, the Company has recruited one qualified member of the ICSI.

**C. Cost Auditor**

Shri B. C. Desai, the Cost Accountant (Membership No. M-1077), Ahmedabad has been appointed as Cost Auditor to audit cost records and statements of the Company for the year 2015-16.

**D. Internal Auditors**

M/s. Madanlal Sharma & Co. Chartered Accountants and M/s. Shah Baheti Chandak & Co., Chartered Accountants have been appointed as Internal Auditors to conduct the internal audit of the Company for the year 2015-16.

**22. REPORT ON CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT**

A Report on Corporate Governance and Management Discussion and Analysis as required under Clause 49 of the Listing Agreement and forms part of this Report, is annexed herewith as **Annexure "F"**.

**23. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year to which the financial statements relate and the date of this Directors' Report.

**24. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

No significant and/or material orders were passed by any regulator or court or tribunal impacting the going concern status and the Company's operations in future.

**25. INTERNAL CONTROL SYSTEMS**

The Company has adequate internal control systems, commensurate with the size and scale of the Company. Internal Auditors have been appointed for Petlad as well as Borgaon units of the Company who submit their periodical report to the Board and necessary advises are adopted and needful is done, if required for better control.

**26. DEPOSITS**

The Company has not accepted or continued any public deposits as contemplated under Chapter V of the Act.

**27. ACKNOWLEDGEMENTS**

All the employees of the Company, the bankers and financial institutions extended their full cooperation, support and valuable assistance to the Company. Your Directors place on record their appreciation for the same.

**For PBM POLYTEX LIMITED**

Place: Vadodara  
Date : 6<sup>th</sup> August 2015

**KRISHAN KUMAR PATODIA**  
Chairman  
(DIN : 00027335)

## ANNEXURE “A” TO THE DIRECTORS’ REPORT

### Disclosure under Section 197(12) and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Ratio of the remuneration of each Executive Director to the median remuneration of the Employees of the Company for the financial year 2014-15, the percentage increase in remuneration of each director, Chief Executive Officer and Chief Financial Officer during the financial year 2014-15:

Sl. No.	Name of Director / KMP	Designation	Ratio of remuneration of each Director to median remuneration of Employees	Percentage increase in Remuneration during 2014-15
1.	Shri Gopal Patodia	Managing Director	56.80	-02.45 %
2.	Shri Mohan Kumar Patodia	Managing Director cum CFO	44.33	-1.81 %
3.	Shri Amit Patodia	Chief Executive Officer	21.25	24.35%

**Note :**

- a. The Non-Executive Directors of the Company are entitled for sitting fee as per the statutory provisions. The details of remuneration of Non-Executive Directors are provided in the Corporate Governance Report and is governed by the Remuneration Policy. The ratio of remuneration and percentage increase for Non-Executive Directors Remuneration is therefore, not considered for the above purpose.
  - b. Percentage increase in remuneration indicates annual target total compensation increases, as approved by the Nomination & Remuneration Committee of the Company during the financial year 2014- 15.
2. The percentage increase in the median remuneration of Employees for the financial year was 5.26%.
3. The Company has 1207 permanent Employees on the rolls of Company as on 31st March 2015.
4. **Relationship between average increase in remuneration and Company’s performance:**  
The remuneration policy of the Company is to provide market competitive total reward opportunity that has a linkage to and drives performance culture. Every year, the salary increases for the Company are decided on the basis of a benchmarking exercise that is undertaken with similar profile organizations. The final salary increases given are a function of Company’s market competitiveness in this comparator group as well as overall business affordability. During the year, similar approach was followed to establish the remuneration increases to the Employees. Variable compensation is an integral part of our total reward package and is directly linked to an individual performance rating and business performance. Salary increases during the year were in line with Company’s performance as well as per Company’s market competitiveness.
5. **Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:**  
In line with Company’s remuneration policy, pay-outs of its Employees including Key Managerial Personnel are directly linked to individual performance as well as that of the business. Given the superior business performance and the performance rating of the Key Managerial Personnel, appropriate reward by way of merit increase or variable pay have been awarded to the Key Managerial Personnel for the current year. This was duly reviewed and approved by the Nomination & Remuneration Committee of the Company. During the year, the profit before interest and tax (PBIT) declined by 38.71%. Profit after tax but before exceptional items, PAT, declined by 46.22%. The remuneration of Key Managerial Personnel is within the limits prescribed under the Companies Act.
6. The Market Capitalisation of the Company as on 31st March, 2015 was Rs. 50.04 crores as compared to Rs. 43.33 crore as on 31st March, 2014. The price earnings ratio of the Company was 4.72 as at 31st March, 2015 and was 2.20 as at 31st March, 2014. The closing share price of the Company at BSE Limited on 31st March, 2015 being Rs. 61.55/- per equity share of face value of Rs. 10/- each has grown 512.92 times since the last public offer made in the year 1987 (Offer Price was Rs. 12/- per equity share of face value of Rs. 10/- each).
7. Average percentage increase made in the salaries of Employees other than the managerial personnel in the financial year was 5.26% whereas there is decrease of 2.17% in the managerial remuneration. The average increases every year is an outcome of Company’s market competitiveness as against its peer group companies. In keeping with our reward philosophy and benchmarking results, the increases this year reflect the market practice.
8. **The key parameters for any variable component of remuneration:**  
Variable compensation is an integral part of our total remuneration package for all Employees including Executive Directors. Every Employee (including Executive Directors), have key targets assigned for the year in addition to their job fundamentals. These are drawn from the organizational strategic plan and are then reviewed for consistency and strength. Business targets are a combination of goals such as Underlying Volume Growth, Underlying Sales Growth, Core Operating Margin etc.
9. **The ratio of the remuneration of the highest paid Director to that of the Employees who are not Directors but receive remuneration in excess of the highest paid Director during the year :** Not Applicable
10. It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

### Disclosure under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- A.) None of the employee was employed throughout the year who was in receipt of remuneration of more than Rs. 60 lacs per annum except the two Managing Directors whose remuneration details are given in Corporate Governance Report.
- B.) None of the employee employed for part of the year who was in receipt of remuneration of more than Rs. 5 lacs per month.
- C.) No employee was in receipt of remuneration in the financial year which, in the aggregate, of as the case may be was at a rate which, in the aggregate, is in excess of that drawn by the managing director and holds by himself or along with his spouse and dependent children, two percent of the equity shares of the Company.

For PBM POLYTEX LIMITED

Place: Vadodara  
Date : 6<sup>th</sup> August 2015

KRISHAN KUMAR PATODIA  
Chairman  
(DIN : 00027335)

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**ANNEXURE “A(1)” TO THE DIRECTORS’ REPORT****Form AOC-I****Part “B”: Associates and Joint Ventures**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies:

Name of Associates		M/s Eurotex Industries and Exports Ltd
1.	Latest audited Balance Sheet Date	31.03.2015
2.	Shares of Associate held by the company on the year end	
	No.	2231980
	Amount of Investment in Associates (Rs. in Lac)	545.91
	Extent of Holding %	25.51
3.	Description of how there is significant influence	By virtue of 25.51% shareholding
4.	Reason why the associate is not consolidated	Not applicable
5.	Net worth attributable to Shareholding as per latest audited Balance Sheet (Rs. in Lac)	1642.64
6.	Profit / (Loss) for the year	
	i. Considered in Consolidation	Not applicable
	ii. Not Considered in Consolidation (Rs. in Lac)	(322.55)

1. Names of associates or joint ventures which are yet to commence operations: Not applicable.
2. Names of associates or joint ventures which have been liquidated or sold during the year: Not applicable.

**NOTE:**

1. AOC – 1 Part A “Subsidiaries” is not applicable as the Company does not have any subsidiary.

For PBM POLYTEX LIMITED

Place: Vadodara  
Date : 6<sup>th</sup> August 2015KRISHAN KUMAR PATODIA  
Chairman  
(DIN : 00027335)

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**ANNEXURE “A(2)” TO THE DIRECTORS’ REPORT****Form No. AOC-2***(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)***Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto :**

1. **Details of contracts or arrangements or transactions not at arm’s length basis:**  
There was no related party transaction which is not at arm’s length basis.
2. **Details of material contracts or arrangement or transactions at arm’s length basis:**  
No material contracts or arrangement or transactions have been made by the Company during the year.

For PBM POLYTEX LIMITED

Place: Vadodara  
Date : 6<sup>th</sup> August 2015KRISHAN KUMAR PATODIA  
Chairman  
(DIN : 00027335)

## ANNEXURE “B” TO THE DIRECTORS’ REPORT

ADDITIONAL INFORMATION AS REQUIRED UNDER SUB-SECTION 3 (M) OF SECTION 134 OF THE ACT AND RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014

### (A) CONSERVATION OF ENERGY:

#### (a) Energy conservation measures taken:

The Company has been giving high priority to conservation of Energy by close monitoring of Energy consuming equipments. The Company has installed energy saving devices/machines wherever required and possible.

#### (b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy.

Company Management is serious on finding ways to reduce power consumption on continuous basis wherever required.

#### (c) Impact of measures at (a) and (b) for reduction of energy consumption and consequent impact on the cost of production of goods:

By adopting above measures, the Company has been able to maintain power factor at optimum level.

#### (d) Total energy consumption and consumption per unit of production:

Details are provided in Form A annexed hereto.

### (B) TECHNOLOGY ABSORPTION:

#### (e) Efforts made in technology absorption:

Details are provided in Form B annexed hereto.

### (C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

#### (f) 1.) Activity relating to Exports:

Cotton Yarn Export.

#### 2.) Initiative taken to increase exports:

Quality of yarn is maintained continuously with a view to keep the overseas buyers satisfied and for exploring export market.

#### 3.) Developments of new export markets for products and services:

Efforts are continuously being made to increase export sales by remaining in continuous touch with the foreign buyers.

#### 4) Export Plan:

The company expects to increase exports.

#### (g) Total Foreign Exchange used and earned:

Particulars	(Rs. in Lacs)	
	2014 – 15	2013 – 14
Foreign Exchange used	842.44	664.64
Foreign Exchange earned	8,396.33	7,661.30

For PBM POLYTEX LIMITED

Place: Vadodara  
Date : 6<sup>th</sup> August 2015

KRISHAN KUMAR PATODIA  
Chairman  
(DIN : 00027335)

**REPORT ON CONSERVATION OF ENERGY ETC.****FORM A****Form for Disclosure of Particulars with respect to Conservation of Energy:-**

<b>PARTICULARS</b>	<b>2014 – 15</b>	<b>2013 – 14</b>
<b>(A) POWER AND FUEL CONSUMPTION:-</b>		
<b>(1) ELECTRICITY :</b>		
(a) Purchased Units	<b>3,81,84,966</b>	3,91,45,944
Total Amount (Rs)	<b>25,80,72,503</b>	24,08,15,154
Rate/Unit (Rs)	<b>6.76</b>	6.15
(b) Own Generation		
i. Through D. G. Sets – Units	<b>73,585</b>	1,93,088
Units per liter of Diesel Oil	<b>3.04</b>	3.78
Fuel Cost per Unit (Rs)	-	-
Diesel Oil	<b>22.15</b>	16.00
ii. Through Steam Turbine/Generator		
Units	-	-
Units per Liter of Fuel Oil/Gas	-	-
Cost/Unit	-	-
<b>(2) AGRO WASTE</b>		
Quantity (Ton)	<b>1,078.64</b>	998.85
Total Cost (Rs)	<b>66,72,062</b>	63,92,012
Average Rate Rs. per Ton	<b>6,186</b>	6,399
<b>(3) L.D.O.(BOILER)</b>		
Quantity (Liter)	-	-
Total Amount (Rs)	-	-
Average Rate	-	-
<b>(4) OTHER/INTERNAL GENERATION</b>		
Quantity	-	-
Total Cost	-	-
Rate/Unit	-	-
<b>(B) CONSUMPTION PER UNIT OF PRODUCTION:-</b>		
1. Electricity (Unit per kg)	<b>4.02</b>	3.94
2. HSD (Per Kg. of Yarn)	<b>0.02</b>	0.05
3. Agro Waste (Kg./per Kg. of Yarn)	<b>0.16</b>	0.11
4. Others	-	-

For PBM POLYTEX LIMITED

Place: Vadodara  
Date : 6<sup>th</sup> August 2015**KRISHAN KUMAR PATODIA**  
Chairman  
(DIN : 00027335)

## FORM B

### Form for Disclosure of Particulars with respect to Technology Absorption:-

#### (A) RESEARCH & DEVELOPMENT (R & D):-

(1) Specific areas in which R & D carried out by the Company:

The Company is ISO 9001 certified.

Studies are being carried out to find various means for achieving maximum production of desired quality and reducing cost.

(2) Benefits derived as a result of the above R & D:

The Company is producing quality yarn, which is well accepted in domestic as well as export market.

(3) Future Plan of action:

With a view to achieve better efficiency machines of latest and upgraded technology are being installed in phased manner.

(4) Expenditure on R & D:

Expenditure on in-house R & D has been included in under respective heads of expenditure in Statement of Profit and Loss and no separate account is maintained.

#### (B) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:-

(1) Efforts, in brief, made towards technology absorption and innovation:

Company's Quality Assurance Department is equipped with instruments of latest technology by which various tests of quality of raw material and finished product are conducted.

(2) Benefits derived as a result of the above efforts:

There is good demand for company's product in the market.

(3) Details about import of Technology during the last 5 years:

Not applicable.

For PBM POLYTEX LIMITED

Place: Vadodara  
Date : 6<sup>th</sup> August 2015

KRISHAN KUMAR PATODIA  
Chairman  
(DIN : 00027335)

## ANNEXURE "C" TO DIRECTORS' REPORT

### EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31<sup>st</sup> March 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

Form No. MGT – 9

#### I. REGISTRATION AND OTHER DETAILS:

CIN	L17110GJ1919PLC000495
Registration Date	24.11.1919
Name of the Company	PBM POLYTEX LIMITED
Category / Sub-Category of the Company	Public Company Limited by Shares
Address of Registered Office and Contact details	Opposite Railway Station, Petlad-388450 Dist. Anand, Gujarat
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	Sharepro Services (India) Pvt. Ltd. 416 - 420, 4th Floor, Devnandan Mall, Opp. Sanyas Ashram, Ellisbridge, Ahmedabad-380 006. Contact Person : Shri Navinbhai Phone No. 079 - 26582381 to 84 Email ID : navin.mahavar@shareproservices.com

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Company is engaged mainly in the business of manufacturing and processing of Yarn. It also generate power at Wind Mills, the total turnover of which is less than 10 % of the total turnover of the Company.

Sl. No.	Name and Description of main products	NIC Code of the Product	% to total turnover of the company
1.	Cotton Yarn	2636/2635000	95.04%



### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the company	CIN	Holding/ Subsidiary / Associate	% of Shares Held	Applicable Section
1.	M/s Eurotex Industries and Exports Limited	L70200MH1987PLC042598	Associate	25.51	2 (6)

### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

#### (i) Category-wise Share Holding:

Category of Shareholder		No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% of change during the year	
		Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares		
(A)	Promoters										
1	Indian										
(a)	Individuals/ HUF	1931012	--	1931012	23.75	1931012	--	1931012	23.75	--	
(b)	Central Government	--	--	--	--	--	--	--	--	--	
(c)	State Government (s)	--	--	--	--	--	--	--	--	--	
(d)	Bodies Corporate	4008052	--	4008052	49.30	4008052	--	4008052	49.30	--	
(e)	Banks / FI	--	--	--	--	--	--	--	--	--	
(f)	Any Others	--	--	--	--	--	--	--	--	--	
	Sub Total(A)(1)	5939064	--	5939064	73.05	5939064	--	5939064	73.05	--	
2	Foreign										
(a)	NRIs – Individuals	92168	--	92168	1.13	92168	--	92168	1.13	--	
(b)	Other – Individual										
(c)	Bodies Corporate										
(d)	Banks / FI										
(e)	Any Others										
	Sub Total(A)(2)	92168	--	92168	1.13	92168	--	92168	1.13	--	
	Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	6031232	--	6031232	74.18	6031232	--	6031232	74.18	--	
(B)	Public Shareholding										
1	Institutions										
(a)	Mutual Funds	--	850	850	0.01	--	850	850	0.01	--	
(b)	Banks / FI	--	300	300	0.00	--	300	300	0.00	--	
(c)	Central Government	--	--	--	--	--	--	--	--	--	
(d)	State Government(s)	--	--	--	--	--	--	--	--	--	
(e)	Venture Capital Funds	--	--	--	--	--	--	--	--	--	
(f)	Insurance Companies	--	--	--	--	--	--	--	--	--	
(g)	FIs	--	200	200	0.00	--	200	200	0.00	--	
(h)	Foreign Venture Capital Funds / Investors	88096	7678	95774	1.18	--	--	--	--	(100.00)	
(i)	Other (specify)	--	--	--	--	--	--	--	--	--	
	Sub-Total (B)(1)	88096	9028	97124	1.19	--	1350	1350	0.02	(99.98)	
2	Non-Institutions										
(a)	Bodies Corporate										
	i										
	ii										
	(b) Individuals										
	i	Individual shareholders holding nominal share capital up to Rs 1 lakh	844650	424230	1268880	15.61	750640	403364	1154004	14.19	(9.10)
	ii.	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	459254	94231	553485	6.81	590700	94231	684931	8.42	23.64

(c)	Any Other									
	i) Non Resident Repatriates	--	--	--	--	83509	6978	90487	1.11	100.00
	ii) Non Resident Non Repatriates	--	--	--	--	400	700	1100	0.01	100.00
	iii) Others	--	--	--	--	3223	0	3223	0.04	100.00
	Sub-Total (B)(2)	1473923	527721	2001644	24.62	1583385	514033	2097418	25.80	4.79
	Total Public Shareholding (B)= (B)(1)+(B)(2)	1562019	536749	2098768	25.82	1583385	515383	2098768	25.82	--
(C)	Shares held by Custodians for GDRs & ADRs	0	0	0	0	0	0	0	0	0
	GRAND TOTAL (A)+(B)+(C)	7593251	536749	8130000	100	7614617	515383	8130000	100	--

(ii) Shareholding of Promoters:

SI No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Krishan Kumar Patodia	141028	1.73	-	141028	1.73%	-	-
2	Rani Krishan Kumar Patodia	210511	2.59	-	210511	2.59	-	-
3	Siddhartha Krishan Kumar Patodia	69007	0.85	-	69007	0.85	-	-
4	Shailja Patodia	3125	0.04	-	3125	0.04	-	-
5	Gopal Patodia	27369	0.34	-	27369	0.34	-	-
6	Madhu Patodia	212594	2.61	-	212594	2.61	-	-
7	Amit Patodia	78980	0.97	-	78980	0.97	-	-
8	Priyaji Gopal Patodia	56553	0.70	-	56553	0.70	-	-
9	Mohan Kumar Patodia	67998	0.84	-	67998	0.84	-	-
10	Anita Patodia	148194	1.82	-	148194	1.82	-	-
11	Kirti Patodia	47173	0.58	-	47173	0.58	-	-
12	Deven Patodia	45917	0.56	-	45917	0.56	-	-
13	Manju Patodia	216744	2.67	-	216744	2.67	-	-
14	Aditi Patodia	63467	0.78	-	63467	0.78	-	-
15	Vikash Patodia	5745	0.07	-	49518	0.61	-	761.93
16	Narayan Patodia	68849	0.85	-	68849	0.85	-	-
17	Namrata Patodia	43773	0.54	-	0	0.00	-	(100.00)
18	Nandini Narayan Patodia	148194	1.82	-	148194	1.82	-	-
19	Gaurav Narayan Patodia	44995	0.55	-	44995	0.55	-	-
20	Yashvardhan Patodia	47173	0.58	-	47173	0.58	-	-
21	Shakuntala Devi Patodia	74386	0.91	-	74386	0.91	-	-
22	Hari Prasad Sotia	199280	2.45	-	199280	2.45	-	-
23	Brijbhushanlal Goverdhanlal Kabra	2125	0.03	-	2125	0.03	-	-
24	Shashank Inv. Pvt. Ltd.	89512	1.10	-	89512	1.10	-	-
25	Chandramauli Inv. Pvt. Ltd.	56314	0.69	-	56314	0.69	-	-
26	Thrust Inv. and Management Cons. Pvt. Ltd.	6473	0.08	-	6473	0.08	-	-
27	Maharashtra Fiber and Syntex Ltd.	447	0.01	-	447	0.01	-	-
28	Rajiv Agencies Pvt. Ltd.	222848	2.74	-	222848	2.74	-	-
29	Patodia Syntex Limited	712957	8.77	-	712957	8.77	-	-
30	Trikon Inv. Pvt. Ltd.	557834	6.86	-	557834	6.86	-	-
31	Sambhu Inv. Pvt. Ltd.	779320	9.59	-	779320	9.59	-	-
32	Eurotex Industries and Exports Ltd.	1582347	19.46	-	1582347	19.46	-	-
	<b>TOTAL</b>	<b>6031232</b>	<b>74.18</b>	-	<b>6031232</b>	<b>74.18</b>	-	-

**(iii) Change in Promoters' Shareholding:**

Sl. No.	Name of Promoters	Shareholding at the beginning of the year (01.04.2014) and Shareholding at the end of the year (31.03.2015)		Date	Increase / (Decrease) in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company				No. of Shares	% of total Shares of the company
1	Shri Vikash Patodia	5745	0.07	14.10.14	43773	Gift	49518	0.61
		49518	0.61					
2	Smt. Namrata Patodia	43773	0.54	14.10.14	(43773)	Gift	0	0.00
		0	0.00					

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	Name of Top Ten Shareholders	Shareholding at the beginning of the year (01.04.2014) and Shareholding at the end of the year (31.03.2015)		Date	Increase / (Decrease) in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company				No. of Shares	% of total Shares of the company
1	Santosh S. Goenka	106751	1.31	02.05.14	2500	Purchase	109251	1.34
				30.05.14	4533	Purchase	113784	1.40
				30.06.14	7751	Purchase	121535	1.49
				29.08.14	2701	Purchase	124236	1.53
				30.09.14	2000	Purchase	126236	1.55
				28.11.14	820	Purchase	127056	1.56
		127056	1.56					
2	Shyam K. Khatri	52974	0.65	02.05.14	4490	Purchase	57464	0.71
				30.05.14	(3401)	Sale	54063	0.66
				30.06.14	(22092)	Sale	31971	0.39
3	Pashupati Capital Services Pvt. Ltd.	45000	0.55	30.09.14	(10009)	Sale	34991	0.43
				28.11.14	(4506)	Sale	30485	0.37
				31.12.14	(1500)	Sale	28985	0.36
							28985	0.36
4	Ricky I. Kirpalani	40020	0.49	--	--	--	40020	0.49
5	Supriya S. Goenka	36420	0.45	02.05.14	300	Purchase	36720	0.45
				30.06.14	989	Purchase	37709	0.46
				29.08.14	2034	Purchase	39743	0.49
				28.11.14	(3438)	Sale	36305	0.45
							36305	0.45
6	Raghvendra	35835	0.44	02.05.14	250	Purchase	36085	0.44
				30.05.14	5442	Purchase	41527	0.51
				30.06.14	1397	Purchase	42924	0.53
				29.08.14	1086	Purchase	44010	0.54
				30.09.14	700	Purchase	44710	0.55
				31.10.14	200	Purchase	44910	0.55
				30.01.15	600	Purchase	45510	0.56
				31.03.15	200	Purchase	45710	0.56
							45710	0.56

7	Ninja Securities Pvt. Ltd.	34228	0.42	02.05.14	(1)	Sale	34227	0.42
				30.05.14	(250)	Sale	33977	0.42
				30.06.14	773	Purchase	34750	0.43
				29.08.14	(103)	Sale	34647	0.43
				30.09.14	(10547)	Sale	24100	0.30
				31.10.14	(924)	Sale	23176	0.29
				28.11.14	(176)	Sale	23000	0.28
				27.02.15	59	Purchase	23059	0.28
				31.03.15	8911	Purchase	31970	0.39
				31970	0.39			
8	Sunita S. Goenka	25895	0.32	02.05.14	270	Purchase	26165	0.32
				30.05.14	15336	Purchase	41501	0.51
				30.06.14	7412	Purchase	48913	0.60
				29.08.14	1000	Purchase	49913	0.61
				30.09.14	25	Purchase	49938	0.61
				28.11.14	(512)	Sale	49426	0.61
		49426	0.61					
9	Ginni Finance Pvt. Ltd.	25890	0.32	29.08.14	(234)	Sale	25656	0.32
		25656	0.32					
10	Muktilal G. Paldwal	25052	0.31	30.01.15	294	Purchase	25346	0.31
				27.02.15	5264	Purchase	30610	0.38
				31.03.15	1000	Purchase	31610	0.39
		31610	0.39					
11	Sangeetha S	15760	0.19	29.08.14	2514	Purchase	18274	0.22
				30.09.14	3216	Purchase	21490	0.26
				31.10.14	8857	Purchase	30347	0.37
				28.11.14	37943	Purchase	68290	0.84
				31.12.14	17280	Purchase	85570	1.05
				30.01.15	5220	Purchase	90790	1.12
				27.02.15	2821	Purchase	93611	1.15
		93611	1.15					

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name of Directors and Key Managerial Personnel	Shareholding at the beginning of the year (01.04.2014) and Shareholding at the end of the year (31.03.2015)		Date	Increase / (Decrease) in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company				No. of Shares	% of total Shares of the company
1	Shri Krishan Kumar Patodia	141028	1.73		--	--	--	--
		141028	1.73					
2	Shri Gopal Patodia	27369	0.34		--	--	--	--
		27369	0.34					
3	Shri Mohan Kumar Patodia	67998	0.84		--	--	--	--
		67998	0.84					
4	Shri Hari Prasad Siotia	199280	2.45		--	--	--	--
		2.45	2.45					
5	Shri Brijbhushanlal G. Kabra	2125	0.03		--	--	--	--
		2125	0.03					
6	Shri Jugalkishore Todi	0	0.00		--	--	--	--
		0	0.00					
7	Smt. Vinitadevi Modi	0	0.00		--	--	--	--
		0	0.00					
8	Shri M L Bagaria	0	0.00		--	--	--	--
		0	0.00					
9	Shri Amit Patodia (Key Managerial Personnel)	78980	0.97		--	--	--	--
		78980	0.97					

**V. INDEBTEDNESS:**

Indebtedness of the Company including interest outstanding/accrued but not due for payment (in Rs.):

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
(i) Principal Amount	274820720	0	0	274820720
(ii) Interest due but not paid	330094	0	0	330094
(iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>275150814</b>	<b>0</b>	<b>0</b>	<b>275150814</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	25670834	0	0	25670834
Reduction	88337019	0	0	88337019
<b>Net Change (Reduction)</b>	<b>62666185</b>	<b>0</b>	<b>0</b>	<b>62666185</b>
<b>Indebtedness at the end of the financial year</b>				
(i) Principal Amount	211719244	0	0	211719244
(ii) Interest due but not paid	0	0	0	0
(iii) Interest accrued but not due	765385	0	0	765385
<b>Total (i+ii+iii)</b>	<b>212484629</b>	<b>0</b>	<b>0</b>	<b>212484629</b>

**VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl. No.	Particulars of Remuneration	Name of MD		Total Amount
		Shri Gopal Patodia, Managing Director	Shri Mohan Kumar Patodia Managing Director cum Chief Financial Officer	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2640000	1680000	4320000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1116996	1947440	3064436
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission	4300000	2700000	7000000
	as % of profit	-	-	-
5	Others, please specify (Incentive)	264000	168000	432000
	Non taxable perks	372817	289534	662351
	<b>Total (A)</b>	<b>8693813</b>	<b>6784974</b>	<b>15478787</b>
	<b>Ceiling as per the Act</b>	<b>9119151</b>	<b>9119151</b>	<b>18238302</b>

**B. Remuneration to other directors:****1. Independent Directors**

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Shri Jugalkishore Todi	Shri Brijbhushanlal G. Kabra	Smt. Vinita Devi Modi	Shri M L Bagaria	
I	Fee for attending board / committee meetings	100000/-	100000/-	30000/-	0	230000/-
	<b>Total (1)</b>					<b>230000/-</b>

**2. Other Non-Executive Directors**

Sl. No.	Particulars of Remuneration	Name of Directors		Total Amount
		Shri Hariprasad Siotia	Shri Krishan Kumar Patodia	
I	Fee for attending board / committee meetings	70000/-	40000/-	110000/-
	<b>Total (2)</b>			<b>110000/-</b>
	<b>Total (B)=(1+2)</b>			<b>340000/-</b>
	<b>Total Managerial Remuneration (A+B)</b>			<b>1,58,18,787/-</b>
	<b>Overall Ceiling as per the Act</b>			<b>2,00,62,132/-</b>

**D. Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel
		Shri Amit Patodia, Chief Executive Officer
1	<b>Gross salary</b>	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1260000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1339556
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	
2	Stock Option	0
3	Sweat Equity	0
4	<b>Commission / Bonus</b>	300000
	as % of profit	-
5	Others – Non taxable Perks	352532
	<b>Total (A)</b>	<b>3252088</b>

**VII PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
<b>A</b>	<b>COMPANY</b>				
	Penalty		Nil		
	Punishment				
	Compounding				
<b>B</b>	<b>DIRECTORS</b>				
	Penalty		Nil		
	Punishment				
	Compounding				
<b>C</b>	<b>OTHER OFFICERS IN DEFAULT</b>				
	Penalty		Nil		
	Punishment				
	Compounding				

For PBM POLYTEX LIMITED

Place: Vadodara  
Date : 6<sup>th</sup> August 2015KRISHAN KUMAR PATODIA  
Chairman  
(DIN : 00027335)

## ANNEXURE “D” TO DIRECTORS’ REPORT

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. **A brief outline of the Company’s CSR policy including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programmes:**

The Company has framed a CSR Policy in compliance of the provisions of the Companies Act, 2013 and the same is available on the weblink <http://www.pbmpolytex.com/attachments/article/47/CSR%20Policy.pdf>. The CSR Policy covers the various activities in different fields covered under the Companies Act, 2013.

2. **Composition of the CSR Committee:**

Shri Krishan Kumar Patodia, Chairman  
Shri Gopal Patodia, Managing Director  
Shri Jugalkishore Todi, Independent Director

3. **Average Net Profit of the Company for last three financial years**

Average Net Profit: Rs. 17,25,95,631/-

4. **Prescribed CSR Expenditure (two percent of the amount as in item 3 above)**

The Company is required to spend Rs. 34,51,913/- towards CSR.

5. **Details of CSR spent during the financial year:**

- a. Total amount spent during the financial year (2014-15): Rs. 1,50,000/-  
b. Amount unspent (Refer point No. 6 below) Rs. 33,01,913/-  
c. Manner in which the amount spent during the financial year is detailed below :

<b>CSR Project or Activity identified</b>		Girls Educational Institute
<b>Sector in which the Project is covered</b>		Education
<b>Projects/ Programmes:-</b>		
1	<b>Local area or other</b>	
2	<b>specify the State and district, where projects or programs was undertaken</b>	M/s Patodia Welfare Society, Nawalgarh, Rajasthan
<b>Amount outlay (budget) Project or Programs wise :</b>		1,50,000/-
<b>Amount spent on the projects or programs</b>		1,50,000/-
1	<b>Direct expenditure on Projects or programs,</b>	--
2	<b>Overheads</b>	Overhead
<b>Cumulative expenditure upto to the reporting period</b>		1,50,000/-
<b>Amount spent:</b>		
<b>Direct or through implementing agency</b>		Through implementing agency

6. The Company has subsequently contributed the amount to the following charitable institutions during the year 2015-16:
- A. Rs. 11,00,000/- to Shree Krishna Hospital, run by Charutar Arogya Mandal, Karamsand, situated within the district of Anand, Gujarat towards upgradation of medical facilities, etc,
- B. Rs. 2,00,000/- to M/s Shri Bhailalbhair Ishwarbhai Patel (NRI) Chikhodarawala Vruddhashram, run by Ashra Mahilaa Utkarsh Trust, situated within the locality of Petlad, Dist. Anand, Gujarat for shelter being provided thereat and further construction of rooms.
- C. The Management has identified areas of activities which are sustainable on long term basis and which has benefit to general public and society at large. The management is also critically examining the credentials and genuineness of various projects, implementing authorities and after scrutinising details, the management will take appropriate action.
7. The CSR committee confirms that the implementation and monitoring of CSR policy is in compliance with CSR objectives and policy of the Company.

Gopal Patodia,  
Managing Director  
(DIN: 00014247)

Krishan Kumar Patodia,  
CSR Committee

**For PBM POLYTEX LIMITED**

Place: Vadodara  
Date : 6<sup>th</sup> August 2015

**KRISHAN KUMAR PATODIA**  
Chairman  
(DIN : 00027335)



## ANNEXURE “E” TO THE DIRECTORS’ REPORT

Form MR-3

Secretarial Audit Report

For the Financial Year ended 31<sup>st</sup> March, 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9  
of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**PBM Polytex Limited**  
Opposite Railway Station, Petlad-388450, Gujarat, India.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by PBM Polytex Limited (the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the company has, during the audit period covering the Financial Year ended on March 31, 2015 complied with the statutory provisions listed hereunder and also that the company has proper Board-Processes and Compliance-Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the Books, Papers, Minute Books, Forms and Returns filed and other records maintained by Company for the Financial Year ended on March 31, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulation, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulation, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulation, 2009; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulation, 1998;
- vi. Essential Commodities Act, 1955;
- vii. Ordinances issued by Textile Commissioner;

We have examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with BSE Limited and Ahmedabad Stock Exchange Limited. We have not examined the compliance with the Secretarial Standards issued by The Institute of Company Secretaries of India as these are not notified upto the date of this report.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. The Company has appointed all the Key Managerial Personnel except Company Secretary. However, the Company has recruited one qualified member of the ICSI.

**We further report that** the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, Agenda and detailed notes on Agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the Agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out with requisite majority as recorded in the minutes of the meetings of the Board of Directors or Committees thereof, as the case may be..

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with all the applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period the workers of Petlad unit of the company had gone on strike due to invalid reasons and therefore the production at the said unit of the company had totally stopped from 14<sup>th</sup> May, 2014 noon and they resumed their duty from 23<sup>rd</sup> May, 2014, where the partial production was started and this event was intimated to stock exchange as well.

Vadodara  
6<sup>th</sup> August 2015

S. Samdani  
Partner  
Samdani Shah & Asso.  
Company Secretaries  
FCS # 3677, CP # 2863

## ANNEXURE “F” TO THE DIRECTORS’ REPORT

### CORPORATE GOVERNANCE

#### 1. COMPANY’S PHILOSOPHY ON CODE OF GOVERNANCE:

The report on corporate governance forms part of Annual Report. Corporate Governance refers to a combination of laws, regulations, procedures, implicit rules and good corporate practices which ensures that the Company meets its obligations and fulfils its responsibilities to shareholders, employees, government and others. Your Company is committed on adopting the best practices.

The Company’s philosophy of corporate governance aims at excellence in every sphere of operations consistent with the highest ethical standards.

#### 2. BOARD OF DIRECTORS

##### A. Composition of the Board

As per requirement of section 149 of the Companies Act, 2013 (“the Act”) and Clause 49 of Listing Agreement, atleast 50% of the Board of Directors should be Independent. Accordingly, there is optimum combination of Executive, Non – Executive and Independent Directors in the Company. The Chairman of the Company is Non-Executive Promoter Director. The Composition of the Board is given hereunder:

Name of Directors	Designation	No. of Shares	Category	No. of Directorship in other public limited Companies	Committee(s) Position in other public limited Companies	
					Member	Chairman
Shri Krishan Kumar Patodia	Chairman	141028	Promoter – Non executive	5	1	0
Shri Gopal Patodia	Managing Director	27369	Promoter – Executive	2	0	0
Shri Hariprasad Siotia	Director	199280	Promoter – Non executive	4	1	1
Shri Mohankumar Patodia	Managing Director cum Chief Financial Officer	67998	Promoter – Executive	1	0	0
Shri Brijbhushanlal Kabra	Director	2125	Independent Director	0	0	0
Shri Jugalkishore Todi	Director	0	Independent Director	0	0	0
Smt. Vinitadevi Modi	Additional Director	0	Independent Director Appointed as Additional Director on 20.09.2014 and has been proposed for appointment as such at the 96 <sup>th</sup> Annual General Meeting.	0	0	0
Shri M L Bagaria	Additional Director	0	Independent Director Appointed as Additional Director on 09.02.2015 and has been proposed for appointment as such at the 96 <sup>th</sup> Annual General Meeting.	1	1	0

##### B. Five Board meetings were held during the year on the dates given below:

Dates on which Board Meetings were held	Total strength of Board	No. of Directors Present
24.05.2014	6	6
02.08.2014	6	4
20.09.2014	7	5
11.11.2014	7	6
09.02.2015	8	6

##### C. Attendance of each Director present at the Board Meetings and Last Annual General Meeting:-

Name of the Directors	Attendance at Board Meetings held on					Attendance at AGM held on 21.08.2014
	24.05.14	02.08.14	20.9.14	11.11.14	09.02.15	
Shri K.K. Patodia	✓	✓	Leave of Absence	✓	✓	Leave of Absence
Shri Gopal Patodia	✓	✓	✓	✓	✓	✓
Shri Hariprasad Siotia	✓	Leave of Absence	Leave of Absence	✓	✓	Leave of Absence
Shri Mohankumar Patodia	✓	Leave of Absence	✓	Leave of Absence	Leave of Absence	Leave of Absence
Shri Brijbhushanlal Kabra	✓	✓	✓	✓	✓	✓
Shri Jugalkishore Todi	✓	✓	✓	✓	✓	Leave of Absence
Smt. Vinitadevi Modi	NA	NA	✓	✓	✓	NA
Shri M L Bagaria	NA	NA	NA	NA	Leave of Absence	NA

#### D. Disclosure regarding appointment of Independent Directors at the ensuing Annual General Meeting

Sl. No.	Name of Director	Smt. Vinita Devi Modi	Shri M L Bagaria
1	DIN	06965473	01213323
2	Date of Birth	04.04.1956	04.04.1943
3	Age (in Years)	59 years	72 years
4	Date of Appointment	20.09.2014	09.03.2015
5	Qualifications	BA	B.sc. (Textiles)
6	Expertise in specific functional area	Associated to education field – Teacher in an Educational Institute	Textile business, Commercial activities and Textile Manufacturing process
7	Directorship of other Companies	Nil	M/s Eurotex Industries & Exports Limited
8	Chairman/Member of Committees of other Companies	Nil	Nil

#### BOARD TRAINING AND INDUCTION

At the time of appointing a Director, a formal letter of appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected of him as a Director of the Company. The Director is also explained in detail the compliances required from him under the Companies Act, Clause 49 of the Listing Agreement and other relevant regulations and his affirmation taken with respect to the same.

#### COMMITTEES OF THE BOARD

With a view to have more focused attention on business and for better governance and accountability, the Board has constituted the mandatory committees viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee. The term of reference of these Committees are determined by the Board and their relevance is reviewed from time to time.

#### 3. AUDIT COMMITTEE

##### (i) Terms of Reference

The Audit Committee acts as a link between the Statutory and Internal Auditors and the Board of Directors. Its purpose is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting process, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's Statutory and Internal Audit activities. The Committee is governed by a Charter, which is in line with the regulatory requirements mandated by the Act and Clause 49 of the Listing Agreement.

##### (ii) Composition

Audit Committee consists of three Non-Executive Directors specialized in accounting and financial management. The constitution of Audit Committee meets with the requirements prescribed under Section 177 of the Act and Clause 49 of Listing Agreement.

Name of the Directors	Category
Shri Brijbhushanlal Kabra	Chairman, Independent
Shri Hariprasad Siotia	Member, Non executive
Shri Jugalkishore Todi	Member, Independent

##### (iii) Meetings

During the year, the Audit Committee has met four times. Attendance of each member at the committee Meetings were as follows:

Name of the Directors	Category	Attendance at the Audit Committee Meetings held on			
		25.04.14	02.08.14	11.11.14	09.02.15
Shri Brijbhushanlal Kabra	Chairman, Independent	✓	✓	✓	✓
Shri Hariprasad Siotia	Member, Non executive	✓	Leave of Absence	✓	✓
Shri Jugalkishore Todi	Member, Independent	✓	✓	✓	✓

The Internal Auditors and Statutory Auditors are permanent invitees to the meetings. The terms of reference of Audit Committee are in accordance with the section 177 of the Act and Clause 49 (III) of Listing Agreement entered into with the Stock Exchanges.

The Company has system and procedures in place to ensure that the Audit Committee mandatorily review:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee

The Chairman of Audit Committee was present at the last Annual General Meeting to answer the shareholders' queries.

#### 4. NOMINATION AND REMUNERATION COMMITTEE (EARLIER KNOWN AS SELECTION AND REMUNERATION COMMITTEE) AND REMUNERATION OF MANAGERIAL PERSONNEL AND SENIOR EXECUTIVES:

##### (i.) Terms of reference

Remuneration of employees largely consists of basic remuneration and perquisites. The components of total remuneration vary for different cadres and are governed by industry pattern, qualifications and experience of the employee, responsibilities handled individual performance etc. The objectives of the remuneration policy are to motivate employees to excel in their performance, recognize their contribution, and retain talent in the organization and reward merit.

The Nomination and Remuneration Committee shall, while formulating the policy, ensure that:-

- (a) the Company has
  - formulated the criteria for determining qualifications, positive attributes and independence of a director and
  - recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnels and other employees.
- (b) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals:

##### (ii.) Composition

The Selection and Remuneration Committee was formed on 29th April 2002, which now consists of three Non-Executive.

Name of the Directors	Category
Shri Brijbhushanlal Kabra	Chairman, Independent
Shri Hariprasad Siotia	Member, Non executive
Shri Jugalkishore Todi	Member, Independent

Pursuant to section 178 of the Act, the Board has renamed the existing Selection and Remuneration Committee as "Nomination and Remuneration Committee" at its meeting held on 9<sup>th</sup> February, 2015. The appointment and remuneration of all the Managerial Personnel and top executives is fixed on the recommendation of the Committee.

##### (iii.) Meetings

During the year, the Nomination and Remuneration Committee has met on 24.05.2014. Attendance of each member at the committee Meeting was as follows:

Name of the Directors	Category	Attendance at the Nomination and Remuneration Committee Meeting held on
		24.05.2014
Shri Brijbhushanlal Kabra	Chairman, Independent	✓
Shri Hariprasad Siotia	Member, Non – Executive	✓
Shri Jugalkishore Todi	Member, Independent	✓

The Chairman of Nomination and Remuneration Committee was present at the last Annual General Meeting to answer the shareholders' queries.

#### POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The remuneration of Managing Directors is decided as per the applicable Schedule and sections of the Companies Act, as amended from time to time and subject to approval of the shareholders and other authority (ies), if required and also as recommended by Nomination and Remuneration Committee and Board of Director.

The remuneration of Senior Executives is also decided by the Board of Directors on the recommendation of the Nomination and Remuneration Committee and also subject to the sanction of the shareholders in case of any of the executives holding Place of Profit.

The selection and appointment of the Whole Time Directors, other directors and Top Executives is done on the basis of their experience, qualifications and knowledge of field.

#### DETAILS OF REMUNERATION PAID TO EXECUTIVE AND NON-EXECUTIVE DIRECTORS

##### Remuneration of Executive Directors

Remuneration paid/ accrued to the Executive Directors for the financial year ended March 31, 2015 is as follows (Rs.):

Name of Director	Salary	Perquisites	Commission	Incentives	Total
Shri Gopal Patodia	2640000	1489813	4300000	264000	8693813
Shri Mohan Kumar Patodia	1680000	2236974	2700000	168000	6784974

##### Remuneration of Non-Executive Directors

Non-Executive Directors including Independent Directors were paid sitting fees only for attending the meetings of the Board of Directors within the limits as prescribed under the Companies Act, 2013. Details of remuneration paid to Non-Executive Directors during financial year 2014-15 and their shareholding in the Company as at March 31, 2015 are as follows:

Name of Directors	Sitting Fees	No. of shares held in the Company
Shri K.K. Patodia	40000	141028
Shri Hariprasad Siotia	70000	199280
Shri Brijbhushanlal Kabra	100000	2125
Shri Jugalkishore Todi	100000	0
Smt. Vinitadevi Modi	30000	0
Shri M L Bagaria	0	0

#### 5. STAKEHOLDERS RELATIONSHIP COMMITTEE (EARLIER KNOWN AS INVESTORS' GRIEVANCE COMMITTEE / SHARE TRANSFER COMMITTEE)

The Company has a Stakeholders Relationship Committee comprising of Shri Hari Prasad Siotia, Shri Krishan Kumar Patodia and Shri Gopal Patodia lead by Shri Hari Prasad Siotia. Shri S. M. Sharma, Vice President (Sec.) and Compliance Officer, acts as the Secretary of the Committee.

Tri - Partite Agreement has been executed between the Company and National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as required for dematerialization of its securities.

This Committee also looks into the grievances lodged by the Shareholders. No complaints of serious nature have been received from shareholders.

The meetings of the Committee were held on 7.10.2014, 21.10.2014, 10.11.2014, 27.11.2014, 11.12.2014, 23.01.2015, 09.02.2015 and 13.03.2015.

Pursuant to section 178 of the Act, the Board has renamed the existing Investors' Grievance Committee / Share Transfer Committee as "Stakeholders Relationship Committee" at its meeting held on 9th February, 2015.

#### 6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

##### (i) Terms of reference

The terms of reference of the Corporate Social Responsibility (CSR) Committee broadly comprises:

- to review the existing CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act and
- To provide guidance on various CSR activities to be undertaken by the Company and to monitor its implementation and progress.

##### (ii) Composition

CSR Committee consists of three Directors. The constitution of CSR Committee meets with the requirements prescribed under Section 135 of the Act. The Board has constituted CSR committees at its meeting held on 11<sup>th</sup> November, 2014.

Name of the Directors	Category
Shri Krishan Kumar Patodia	Chairman, Non - Executive
Shri Gopal Patodia	Member, Executive
Shri Jugalkishore Todi	Member, Independent

##### (iii) Meeting

During the year, the CSR Committee has met on 9<sup>th</sup> February, 2015. Attendance of each member at the committee Meeting was as follows:

Name of the Directors	Category	Attendance at the CSR Committee Meeting held on 9 <sup>th</sup> February, 2015
Shri Krishan Kumar Patodia	Chairman, Non - Executive	✓
Shri Gopal Patodia	Member, Executive	✓
Shri Jugalkishore Todi	Member, Independent	✓

#### 7. GENERAL BODY MEETINGS

Details about location, dates and details of the Special Resolutions passed in the previous three AGMs are as under:

Financial Year	Meeting and Venue	Day, Date and Time	Special Resolutions passed
2011 - 12	93 <sup>rd</sup> AGM at the Registered Office of the Company situated at Opp. Railway Station, Petlad Dist. Anand, Gujarat	Saturday, 22.09.2012 11.00 AM	NIL
2012 - 13	94 <sup>th</sup> AGM at the Registered Office of the Company situated at Opp. Railway Station, Petlad Dist. Anand, Gujarat	Saturday, 27.07.2013 11.00 AM	Revision of remuneration payable to Shri Amit Patodia, Senior President cum CEO.
2013 - 14	95 <sup>th</sup> AGM at the Registered Office of the Company situated at Opp. Railway Station, Petlad Dist. Anand, Gujarat	Thursday, 21.08.2014 11.00 AM	Re-appointment of Shri Gopal Patodia as Managing Director and fixing their remuneration from 01.04.2015 to 31.03.2018. Re-appointment of Shri Mohan Kumar Patodia as Managing Director and fixing their remuneration from 01.04.2015 to 31.03.2018. Revision of remuneration payable to Shri Amit Patodia, Senior President cum CEO.

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Whether any special resolution was passed through Postal Ballot last year - **No**  
Whether any resolution proposed to be conducted through Postal Ballot this year - **Yes**  
Procedure for Postal Ballot - Detailed in Notice for Annual General Meeting

## **8. INDEPENDENT DIRECTORS' MEETING**

During the year under review, all the Independent Directors met on 09.02.2015, to discuss and evaluate :-

- a.) the performance of non-independent directors and the Board as a whole;
- b.) the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- c.) the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All Independent Directors were present at the meeting except Shri M L Bagaria, as he was not intimated about the meeting due to his appointment in the Board Meeting dated 09.02.2015.

The Board has approved familiarisation programmes and it has been uploaded on the Company's Website [www.pbmpolytex.com](http://www.pbmpolytex.com)

## **9. RELATED PARTY TRANSACTIONS**

The Board has approved Policy on Related Parties Transactions at their meeting held on 9<sup>th</sup> February, 2015 and has also been uploaded on the Company's Website at <http://www.pbmpolytex.com/attachments/article/47/related%20party.pdf>

## **10. DISCLOSURES**

### **A. Disclosure on Materially Significant Related Party Transactions that may have potential conflict with the interests of the company at large:**

There are no materially significant related party transactions made by the company with its Promoters, Directors or Management, their subsidiaries or relatives, etc., that may have potential conflict with the interests of the company at large.

The Company has on rent Offices, Godown and Residential Premises at its Offices outside Gujarat which belong to Related Parties namely M/s Sambhu Inv. Pvt. Ltd., M/s Trikon Inv. Pvt. Ltd., M/s Murarilal Mahendrakumar, M/s Eurotex Industries & Exports Ltd., M/s Patodia Syntex Limited, M/s Dharam Chand Kesardev, M/s Brijlal Purushottamdas and M/s B L Patodia Family Trust, to whom rent is paid at reasonable rates (on an Arm's Length Basis).

### **B. Details of compliances by the Company, penalties and strictures imposed on the Company by Stock Exchange(s) or SEBI or any Statutory Authority, on any matter related to capital markets during the last three years.**

The Company has complied with all requirements of the Listing Agreements entered into with the Stock Exchanges as well as the regulations and guidelines of SEBI. Consequently, there were no strictures or penalties imposed by either SEBI or Stock Exchanges or any Statutory Authority for non – compliance of any matter (s) related to the capital markets during the last three years.

### **C. Whistle Blower Policy / Vigil Mechanism**

Pursuant to the provisions of section 177 of the Act and Listing Agreement, Company has framed, adopted and placed on its website which lays down the principles and standards for reporting suspected or actual frauds and embezzlement, illegal, unethical behavior or violation of Company's Code of Business conduct and ethics.

A Vigil Mechanism provide adequate safeguards against victimization of persons who use such mechanism for reporting genuine concerns. It also makes provision for direct access to the Chairman of the Audit Committee.

The Board has approved Whistle Blower Policy at their meeting held on 9<sup>th</sup> February, 2015 and has also been uploaded on the Company's Website at [www.pbmpolytex.com](http://www.pbmpolytex.com).

### **D. Disclosure of Accounting Treatment:**

In the preparation of the financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India. The significant accounting policies, which are constantly applied, are set out in the Annexure to Notes on Accounts.

### **E. Risk Management:**

Business risk evaluation and management is an ongoing process within the company. During the year under review a detailed exercise of, 'Risk Assessment and Management' was carried out covering the entire gamut of business operations and the Board was informed of the same.

### **F. Non-mandatory requirements**

Adoption of non-mandatory requirements of Clause 49 of the Listing Agreement are being reviewed by the Board from time to time.

The Company also complies with all the mandatory requirements of Clause 49 of the Listing Agreement of Code of Governance.

## **11. MEANS OF COMMUNICATION**

The Company generally publishes the quarterly, half yearly, nine months and Annual Audited Financial Results in one english daily newspaper (i.e. The Financial Express) published from Bombay (National) and one daily newspaper (i.e. The Financial Express) published from Ahmedabad (Regional - Gujarati).

All periodical compliance like Announcements, Shareholding Pattern, Corporate Governance Report, Book Closure Dates, etc. are electronically filed with and BSE Limited through 'BSE LISTING CENTRE'. All material information about the Company is promptly sent through facsimile to Stock Exchanges where the Company's shares are listed and released to the press.

## **12. General Shareholder Information:**

1. **96<sup>th</sup> Annual General Meeting** will be held at **11. 00 AM** on **Thursday, the 24<sup>th</sup> September 2015**, at the Registered Office of the Company situated at Opp. Railway Station, Petlad, Dist. Anand, Gujarat - 388 450.

2. **Financial Year** from 01.04.2014 to 31.03.2015.
3. **Date of Book Closure:** From 19<sup>th</sup> September, 2015 to 24<sup>th</sup> September, 2015 (both days inclusive).
4. **Dividend Payment Date** will be paid on or after 1<sup>st</sup> October 2015.
5. **Listing of Shares:**

The Company's shares are listed on the following Stock Exchanges, which are given below:

Name of Stock Exchange	Scrip Code / Stock Exchange Code	ISIN No.
BSE Limited	514087	INE501F01018
Ahmedabad Stock Exchange Limited	44610	

6. **Stock Market Data (Bombay Stock Exchange) (2014 – 15):**

Month	Month's Highest Price (Rs.)	Month's Lowest Price (Rs.)
April	59.90	49.50
May	68.60	54.00
June	80.00	59.00
July	86.25	55.00
August	73.85	64.50
September	98.50	63.00
October	87.50	65.00
November	81.30	62.25
December	73.95	61.00
January	72.85	61.00
February	67.75	59.95
March	68.90	58.00

7. **Registrars & Share Transfer Agents:**

(Share transfers, Demat, communications regarding Share Certificates, Dividends and change of address)

Mr. Nitin Joshi

M/s. Sharepro Services (India) Pvt. Ltd., Unit:- M/s PBM Polytex Limited

416-420, 4<sup>th</sup> Floor, Devnandan Mall, Opp. Sanyas Ashram, Ellisbridge, Ahmedabad – 380 006.

Tel Nos. 079-26582381 to 84 Fax No. 079-26582385

**E-mail:** [sharepro@shareproservices.com](mailto:sharepro@shareproservices.com)

8. **Share Transfer System:**

Presently, the share transfers which are received in physical form are processed and share certificates are returned within fifteen days from the date of receipt after doing the needful, subject to the documents being valid and complete in all respect.

Shareholding Pattern as on 31<sup>st</sup> March, 2015:

Category	No. of Shares	% of holding
Promoters' Holding (Bodies Corporate)	4008052	49.30
Promoters' Holding (Individuals / HUF)	1931012	23.75
Promoters' Holding (NRI)	92168	1.13
Mutual Funds/ UTI	850	0.01
Financial Institutions / Banks	300	0.00
Foreign Institutional Investors	200	0.00
Bodies Corporate	163673	2.01
Individuals	1838935	22.62
NRI	91587	1.13
Others	3223	0.04
<b>TOTAL</b>	<b>8130000</b>	<b>100.00</b>

9. **Distribution of shareholding as at 31.03.2015:**

No. of Equity Shares held	No. of Shareholders	No. of Shares Held	Share Holding %
1 – 1000	4540	783463	9.64
1001 – 5000	164	334645	4.12
5001 – 10000	17	118581	1.46
10001 and above	58	6893311	84.79

10. **Dematerialization of shares:**

About 93.66% of Company's paid up equity share capital has been dematerialized up to 31<sup>st</sup> March, 2015. The shareholders wishing to demat the shares may approach Depository Participants.



**11. Outstanding GDRs/Warrants: Not Applicable:**

**12. Plant Location:**

**(A) Yarn Manufacturing Plants of the Company are situated at -**

- |  |  |
|--|--|
| (i) Opp. Station, Petlad – 388450,<br>Dist. Anand, Gujarat | (ii) Plot No.16 to 19, Sector B,<br>AKVN Industrial Area, Borgaon,<br>Kheritaigaon, Dist. Chhindwara (M.P) |
|--|--|

**(B) Four Windmills are located in Gujarat at -**

- |   |   |
|---|---|
| (i) Vill: Suthari, Revenue Survey No. 870/P,<br>Mouje Suthri of Abdasa Taluka,<br>Dist. Kutch (Gujarat) | (ii) Vill: Okha Madhi, Survey No. 24 Part,<br>Taluka Dwarka, District Jamnagar (Gujarat)  |
| (iii) Vill: Methan, Survey No. 284,<br>Taluka Jamjodhpur, Dist. Jamnagar (Gujarat)                      | (iv) Vill: Methan, Survey No. 284/3/Paiki,<br>Taluka Jamjodhpur, Dist. Jamnagar (Gujarat) |

**13. Address for correspondence**

PBM Polytext Limited, Opp. Railway Station, Petlad – 388 450, Dist. Anand, Gujarat  
Telephone: (02697) 224001,224003, Fax No. (02697) 224009,  
**E-Mail** [pbumills@patodiagroup.com](mailto:pbumills@patodiagroup.com)

**DECLARATION:**

The Managing Director and the Senior President cum Chief Executive Officer of the Company give Annual Certification on Financial Reporting and Internal Control to the Board in terms of Clause 49 of the Listing Agreement. The Chairman and the Managing Director also give quarterly certification on Financial Results while placing the Financial Results before the Board in terms of Clause 41 of the Listing Agreement.

**For PBM POLYTEX LIMITED**

Place: Vadodara  
Date : 6<sup>th</sup> August 2015

**KRISHAN KUMAR PATODIA**  
Chairman  
(DIN : 00027335)

**MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT**

**INDUSTRIAL STRUCTURE AND DEVELOPMENTS**

The Company is having two cotton spinning units at Petlad, Gujarat and Borgaon, Madhya Pradesh, three Wind mills in Jamnagar, Gujarat and one Wind Mill in Kutch, Gujarat. Substantial quantity of yarn is exported by the Company to various countries every year. In terms of industrial production, employment and foreign exchange earnings, Textile Industry contributes a lot to Indian Economy. The Central Government has extended the Technology Upgradation Fund Scheme (TUFS) for the Textile Industry and the Government of Gujarat has also revised the Gujarat Textile Policy from June 2013 providing further boost to the Textile Industry in the state.

**OPPORTUNITIES, THREATS, RISKS AND CONCERNS**

The Company takes remedial actions by following policy of hedging foreign currency exposure within the permissible RBI guidelines and wherever possible. It has shut down its Captive Power Plant and has opted to purchase power from State Electricity Board. At the same time, the Indian Textile Industry is facing threat from other textile exporting countries due to high power cost, cost of raw materials and rigid labour laws of our country. Decline in demand in exports of yarn from the country is a matter of concern.

**INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

Internal Control System and procedures in the Company are commensurate with nature and size of its business and are regularly reviewed and updated by incorporating changes in regulatory provisions to ensure that not only the assets of the Company are safeguarded and protected against any loss, but also all the transactions are properly accounted and that they meet the test of legal compliance. Apart from regular review and monitoring Internal Controls System by the Company's Internal Control Department, two independent Chartered Accountants firms have been appointed to conduct the internal audit of the Company's operations. This provides reasonable assurance to the effectiveness of the internal control systems and procedures and reliability of financial reporting.

**OUTLOOK, RISKS AND CONCERN**

The company has invested substantially in modernization and up gradation of its production facilities and the Company is poised to take maximum advantage of demand in quality goods.

The exchange rate fluctuations, increase in power rate, uncertainty in cotton and yarn prices are the risks and the matters of concern and may affect profitability.

**FINANCIAL AND OPERATIVE PERFORMANCE**

During the year 2014 – 15, the yarn market was sluggish on account of fall in exports which substantially affected the prices in domestic market also. The cotton prices also on upward side during the greater part of the year.

**DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT**

There exist cordial industrial relations at both the operating units of the company except due to workers' strike at Petlad Unit, there was small interruption during the month of May, 2014.

**CAUTIONARY STATEMENT**

Any changes in applicable laws, regulations and Government policies are beyond the control and anticipations of the management and may adversely affect the profitability of the Company.

**For PBM POLYTEX LIMITED**

Place: Vadodara  
Date : 6<sup>th</sup> August 2015

**KRISHAN KUMAR PATODIA**  
Chairman  
(DIN : 00027335)

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## Compliance with Code of Business Conduct and Ethics

As provided under Clause 49 (II) (E) of the Listing Agreement with Stock Exchanges, the Board members and Senior Management Personnel have confirmed compliance with the Code of Business Conduct and Ethics for the year ended 31<sup>st</sup> March, 2015.

For PBM Polytex Limited

Place: Vadodara  
Date : 05.08.2015

Amit Patodia  
Chief Executive Officer

## CEO/CFO CERTIFICATION

(Under Clause 49(IX) of Listing Agreement)

05.08.2015

We the undersigned, in our respective capacities as Managing Director cum Chief Financial Officer and Sr. President and Chief Executive Officer of M/s PBM Polytex Limited ("the Company"), to the best of our knowledge and belief, certify that:

- a. We have reviewed the financial statements and the cash flow statement for the financial year ended 31<sup>st</sup> March, 2015 and that to the best of our knowledge and belief, we state that:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations;
- b. We further state that to the best of our knowledge and belief, no transactions which are entered into by the Company during the year, are fraudulent, illegal or violative of the Company's Code of Business Conduct and Ethics;
- c. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of the internal control, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee:
  - i. significant changes, if any, in internal control over financial reporting during the year;
  - ii. significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over the financial reporting.

Amit Patodia  
Sr. President cum Chief Executive Officer

Mohan Kumar Patodia  
Managing Director cum Chief Financial Officer  
(DIN : 00035381)

## CORPORATE GOVERNANCE CERTIFICATE TO THE MEMBERS OF PBM POLYTEX LIMITED

We have examined the compliance of the conditions of Corporate Governance by PBM Polytex Limited for the year ended 31<sup>st</sup> March, 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate Governance. It is neither an audit nor an expression of an opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that in respect of investor grievances received during the year ended 31<sup>st</sup> March 2015, no investor grievances are pending against the Company as per the records maintained by the Company and presented to the Stakeholders Relationship Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Date : 6th August 2015  
Place : Vadodara

S. Samdani  
Partner  
Samdani Shah & Asso.  
Company Secretaries  
CP # 2863

## INDEPENDENT AUDITORS' REPORT

To the Members of  
PBM POLYTEX Limited

### Report on the Standalone Financial Statements

We have audited the accompanying financial statements of PBM Polytex Limited ('the Company'), which comprise the balance sheet as at 31<sup>st</sup> March, 2015 the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2015 and its profit and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
  - (d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) on the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
  - (f) with respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements – (Refer Note No. 28 II Sub Note 2 (C) of to the financial statements);
    - ii. the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses; and
    - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **Mahendra N. Shah & Co.**  
Chartered Accountants  
Firm's registration number: 105775W  
**Chirag M. Shah**  
Partner  
Membership number: F 045706

Date : 25<sup>th</sup> May 2015  
Place : Ahmedabad

## Annexure to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31<sup>st</sup> March, 2015 we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (ii) (a) Inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company has maintained proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted loans to bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and sale of goods and services. We have not observed any major weakness in the internal control system during the course of the audit.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Company is not required to maintained cost records as per Section 148 (1) of the Act.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, ESIC, income tax, sales tax, wealth tax, Excise service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.  
According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31<sup>st</sup> March, 2015 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no material dues of wealth tax, duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of income tax, sales tax, service tax and value added tax have not been deposited by the Company on account of disputes:

Name of the Statute	Nature of dues	Amount (in lacs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax	Tax demands on disallowances under Asstt. orders	7.02	F.Y. 2010-11 and 2011-12	CIT (Appeals)
TDS	Alleged demand of TDS difference	12.71	F.Y. 2008-09	CIT (TDS)

According to the information and explanations given to us the amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 2013 and rules there under has been transferred to such fund within time.

- (viii) The Company does not have any accumulated losses at the end of the financial year and it has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (ix) The Company is regular in repayment of dues to bank and there is no default in repayment of dues.
- (x) In our opinion and according to the information and the explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) In our opinion and according to the information and explanation given to us the Company has applied the term loans prima facie for the purpose for which the loans were obtained.
- (xii) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

*For Mahendra N. Shah & Co.*  
*Chartered Accountants*

Firm's registration number: 105775W

**Chirag M. Shah**

*Partner*

Membership number: F 045706

Date : 25<sup>th</sup> May 2015

Place : Ahmedabad

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2015**

PARTICULARS	NOTE	Rs.	As At 31.03.2015 Rs.	As At 31.03.2014 Rs.
<b>EQUITY AND LIABILITIES :</b>				
<b>1. SHAREHOLDERS' FUNDS</b>				
(a) Share Capital	1	8,12,96,080		8,12,96,080
(b) Reserves and Surplus	2	87,71,34,429		83,62,11,488
<b>TOTAL</b>			<b>95,84,30,509</b>	91,75,07,568
<b>2. NON - CURRENT LIABILITIES :</b>				
(a) Long Term Borrowings	3	9,23,90,822		17,57,09,822
(b) Deferred Tax Liabilities (Net)	4	10,46,50,844		10,76,68,145
(c) Other Long Term Liabilities	5	1,36,385		1,40,961
(d) Long Term Provisions	6	65,64,393		63,86,506
<b>TOTAL</b>			<b>20,37,42,444</b>	28,99,05,434
<b>3 CURRENT LIABILITIES:</b>				
(a) Short Term Borrowings	7	7,81,78,102		5,25,07,268
(b) Trade Payables	8	5,44,07,434		4,58,99,840
(c) Other Current Liabilities	9	7,54,11,674		7,96,04,747
(d) Short Term Provisions	10	7,91,22,190		4,40,10,860
<b>TOTAL</b>			<b>28,71,19,400</b>	22,20,22,715
<b>TOTAL LIABILITIES:</b>			<b>1,44,92,92,353</b>	1,42,94,35,717
<b>ASSETS:</b>				
<b>NON - CURRENT ASSETS:</b>				
1. Fixed Assets				
(a) Tangible Assets	11	60,34,07,358		62,48,91,600
(b) Capital Work In Progress	12	50,000		8,37,463
2. Non - Current Investments	13	5,45,90,920		5,45,90,920
3. Long Term Loans and Advances	14	1,35,45,722		1,65,97,829
<b>TOTAL</b>			<b>67,15,94,000</b>	69,69,17,812
<b>CURRENT ASSETS:</b>				
1. Current Investments	15	18,99,37,206		0
2. Inventories	16	42,08,72,137		58,48,45,953
3. Trade Receivables	17	7,92,90,376		7,28,21,699
4. Cash and Cash Equivalents	18	2,66,93,396		70,29,724
5. Short Term Loans and Advances	19	4,64,29,093		5,22,25,636
6. Other Current Assets	20	1,44,76,145		1,55,94,893
<b>TOTAL</b>			<b>77,76,98,353</b>	73,25,17,905
<b>TOTAL ASSETS</b>			<b>1,44,92,92,353</b>	1,42,94,35,717

As per our Attached Report of even date  
for **Mahendra N. Shah & Co.**  
**Chartered Accountants**  
(FRN 105775W)

**Chirag M. Shah (Partner)**  
M. No. F045706

Ahmedabad,  
DATE : 25<sup>th</sup> May 2015

**Gopal Patodia**  
**Mohan Kumar Patodia**  
**Brijbhushanlal Kabra**  
**Jugalkishore Todi**  
**Vinita Devi S. Modi**

Managing Director (DIN: 00014247 )  
Managing Director cum CFO (DIN: 00035381)  
Independent Director (DIN: 00023410)  
Independent Director (DIN: 00598697)  
Independent Director (DIN: 06965473)

Vadodara  
DATE: 25<sup>th</sup> May 2015

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2015**

<b>PARTICULARS</b>	<b>NOTE</b>	<b>Rs.</b>	<b>2014 – 2015 Rs.</b>	<b>2013-14 Rs.</b>
I. Revenue from Operations	21	2,16,83,84,118		2,32,12,56,442
II. Other Income	22	3,12,99,480		4,31,01,093
<b>III. TOTAL REVENUE</b>			<b>2,19,96,83,598</b>	2,36,43,57,535
<b>IV. EXPENSES :</b>				
Cost of Materials Consumed	23	1,26,64,57,828		1,35,12,17,440
Changes in Inventories of Finished Goods, Stock –in-Process and Stock-in-Trade	24	3,36,00,646		(2,16,08,856)
Employee Benefits Expenses	25	20,80,82,104		20,12,59,968
Finance Costs	26	3,24,23,323		3,65,25,904
Depreciation and Amortization Expenses		3,88,79,925		5,62,21,842
Other expenses	27	45,25,09,949		44,35,19,225
<b>TOTAL EXPENSES</b>			<b>2,03,19,53,775</b>	2,06,71,35,523
V. Profit before Exceptional Items and Tax			<b>16,77,29,823</b>	29,72,22,012
VI. Exceptional Items			<b>0</b>	0
VII. Profit before Tax :			<b>16,77,29,823</b>	29,72,22,012
VIII. Tax expenses :				
(1) Current tax		6,16,26,250		10,16,43,950
(2) Deferred tax (Asset) / Liabilities		1,82,304		(13,84,957)
			<b>(6,18,08,554)</b>	(10,02,58,993)
IX. Profit for the Year			<b>10,59,21,269</b>	19,69,63,019
X. Earnings per equity share:				
Basic & Diluted :			<b>13.03</b>	24.23
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	28			

As per our Attached Report of even date  
for **Mahendra N. Shah & Co.**  
**Chartered Accountants**  
(FRN 105775W)

**Chirag M. Shah (Partner)**  
M. No. F045706

Ahmedabad,  
DATE : 25<sup>th</sup> May 2015

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Managing Director (DIN: 00014247 )  
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Independent Director (DIN: 00023410)  
Independent Director (DIN: 00598697)  
Independent Director (DIN: 06965473)

Vadodara  
DATE: 25<sup>th</sup> May 2015

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2015**

	<b>PARTICULARS</b>	<b>2014 –15 Rs.</b>	<b>2013 –14 Rs.</b>
A.	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit before Tax and Extraordinary Items	16,77,29,823	29,72,22,012
	<u>Adjustments for :</u>		
	Depreciation (Net)	3,88,79,925	5,62,21,842
	Interest	3,24,23,323	3,65,25,904
	Preliminary expenses written off / Others		
	Loss/(Profit) on Sale of Fixed Assets	(8,25,586)	(14,92,325)
	Operating Profit before Working Capital Changes	<b>23,82,07,485</b>	38,84,77,433
	<u>Adjustments for :</u>		
	Trade and Other Receivables	4,46,614	93,00,025
	Inventories	16,39,73,816	2,85,41,201
	Trade Payables	99,51,976	21,63,308
	Cash generated from operations	<b>41,25,79,891</b>	42,84,81,967
	Interest Paid	(3,24,23,323)	(3,65,25,904)
	Direct Taxes Paid	(6,16,26,250)	(10,16,43,950)
	<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>31,85,30,318</b>	29,03,12,113
B.	<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>		
	Purchase of Fixed Assets	(2,47,51,155)	(9,50,60,040)
	Purchase of Investments (Short Term)	(18,99,37,206)	0
	Sale of Fixed Assets	25,26,250	1,15,59,475
	<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(21,21,62,111)</b>	(8,35,00,565)
C.	<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>		
	Proceeds from long term borrowings (Net)	(8,31,45,689)	1,60,69,417
	Dividend paid	(2,37,76,370)	(1,90,21,095)
	Proceeds From Short Term Loan	2,02,17,524	(23,29,93,602)
	<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(8,67,04,535)</b>	(23,59,45,280)
	<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS ( A + B + C )</b>	<b>1,96,63,672</b>	<b>(2,91,33,588)</b>
	Opening Balance of Cash and Cash Equivalents	70,29,724	3,61,63,312
	Closing Balance of Cash and Cash Equivalents	2,66,93,396	70,29,724

As per our Attached Report of even date  
for **Mahendra N. Shah & Co.**  
**Chartered Accountants**  
(FRN 105775W)

**Chirag M. Shah (Partner)**  
M. No. F045706

Ahmedabad,  
DATE : 25<sup>th</sup> May 2015

**Gopal Patodia**  
**Mohan Kumar Patodia**  
**Brijbhushanlal Kabra**  
**Jugalkishore Todi**  
**Vinita Devi S. Modi**

Managing Director (DIN: 00014247 )  
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Independent Director (DIN: 00023410)  
Independent Director (DIN: 00598697)  
Independent Director (DIN: 06965473)

Vadodara  
DATE: 25<sup>th</sup> May 2015



**NOTES TO THE FINANCIAL STATEMENT AS AT 31<sup>ST</sup> MARCH 2015**

<b>PARTICULARS</b>	<b>Rs.</b>	<b>As At 31.03.2015 Rs.</b>	<b>As At 31.03.2014 Rs.</b>
<b>NOTE : 1 - SHARE CAPITAL</b>			
<b>AUTHORIZED</b>			
1,00,00,000 Equity Shares of Rs. 10 each		<b>10,00,00,000</b>	10,00,00,000
<b>SUBSCRIBED AND ISSUED</b>			
81,30,000 Equity Shares of Rs. 10/- each		<b>8,13,00,000</b>	8,13,00,000
<b>PAID UP :</b>			
81,29,020 Equity Shares of Rs. 10/- each		<b>8,12,90,200</b>	8,12,90,200
Add : Amount Received on 980 Forfeited Shares		<b>5,880</b>	5,880
<b>TOTAL</b>		<b>8,12,96,080</b>	8,12,96,080
a) No fresh issue or buy back of shares in the year under review			
b) Details of share holders holding more than 5% shares given below:-			

<b>Name</b>	<b>31.03.2015</b>		<b>31.03.2014</b>	
	<b>No. of Shares</b>	<b>% of Shares Held</b>	<b>No. of Shares</b>	<b>% of Shares Held</b>
M/s. Eurotex Ind. and Exports Ltd.	<b>15,82,347</b>	<b>19.46</b>	15,82,347	19.46
M/s. Sambhu Inv. Pvt. Ltd.	<b>7,79,320</b>	<b>9.59</b>	7,79,320	9.59
M/s. Patodia Syntex Ltd.	<b>7,12,957</b>	<b>8.77</b>	7,12,957	8.77
M/s. Trikon Inv. Pvt. Ltd	<b>5,57,834</b>	<b>6.86</b>	5,57,834	6.86

<b>PARTICULARS</b>	<b>Rs.</b>	<b>As At 31.03.2015 Rs.</b>	<b>As At 31.03.2014 Rs.</b>
<b>NOTE : 2 - RESERVES AND SURPLUS</b>			
<b>SHARE CAPITAL FORFEITURE</b>		<b>16,880</b>	16,880
<b>SHARE PREMIUM</b>		<b>3,61,05,080</b>	3,61,05,080
<b>GENERAL RESERVE :</b>			
Balance as per last year	49,81,56,649		47,81,56,649
Add : Appropriation from Current year' s Profit	14,00,00,000		2,00,00,000
Balance at the end of the Year		<b>63,81,56,649</b>	49,81,56,649
<b>SURPLUS IN STATEMENT OF PROFIT AND LOSS</b>			
Balance at the beginning of the Year	30,19,32,879		14,87,46,230
Less: Adjustment relating to the Fixed Assets [Refer Note No. 28 II (9)]	62,94,773		0
	29,56,38,106		14,87,46,230
Add : Profit after tax for the Year	10,59,21,269		19,69,63,019
Amount available for Appropriation	40,15,59,375		34,57,09,249
<b>Less : Appropriations</b>			
Proposed Dividend	4,87,74,120		2,03,22,550
Dividend Distribution Tax	99,29,435		34,53,820
Transferred to General Reserve	14,00,00,000		2,00,00,000
Total Appropriation	19,87,03,555		4,37,76,370
Balance at the end of the Year		<b>20,28,55,820</b>	30,19,32,879
<b>TOTAL</b>		<b>87,71,34,429</b>	83,62,11,488

PARTICULARS	Rs.	As At 31.03.2015 Rs.	As At 31.03.2014 Rs.
<b>NOTE : 3 - LONG TERM BORROWINGS</b>			
Secured - Refer Note Below			
TERM LOAN FROM BANKS :			
Rupee Term Loan		9,23,90,822	17,57,09,822
<b>TOTAL</b>		<b>9,23,90,822</b>	<b>17,57,09,822</b>

**DETAILS OF BORROWINGS:**

NAME OF BANK / FINANCIAL INSTITUTION	TOTAL AMOUNT OF LOAN	BALANCE LOAN ON 31.03.2015 (RS.)	PAYABLE IN THE YEAR 2015-16 (Refer Note 9 - OTHER CURRENT LIABILITIES)	LONG TERM BORROWINGS PAYABLE AFTER THE YEAR 2015-16 (RS.)	TERMS OF PAYMENT (PAYABLE IN)
IDBI Bank Ltd.	Rs. 585 Lacs	73,12,500	73,12,500	0	4 Quarterly Installment ending by 01.01.2016
IDBI Bank Ltd.	Rs. 1100 Lacs	6,18,75,000	1,37,50,000	4,81,25,000	14 Quarterly Installment ending by 23.09.2019
Export Import Bank of India	Rs. 770 Lacs	1,62,53,642	92,87,820	69,65,822	7 Quarterly Installment ending by 20.12.2016
Export Import Bank of India	Rs. 560 Lacs	4,81,00,000	1,08,00,000	3,73,00,000	15 Quarterly Installment ending by 20.12.2019
<b>TOTAL</b>		<b>13,35,41,142</b>	<b>4,11,50,320</b>	<b>9,23,90,822</b>	
<b>PREVIOUS YEAR</b>		<b>22,23,13,452</b>	<b>4,66,03,630</b>	<b>17,57,09,822</b>	

**DESCRIPTION OF SECURITY**

**IDBI BANK LOANS OF RS. 585 LACS AND RS. 1100 LACS**

Secured by hypothecation of movable current assets (excluding book debts) on which there is prior charge of SBI and IDBI Bank for Working Capital Facilities and also secured by first charge pari passu with EXIM Bank by way of mortgage of immovable properties.

**EXIM BANK LOANS OF RS. 770 LACS AND RS. 560 LACS**

Secured by hypothecation of movable fixed assets (excluding assets of wind mills) and also secured by first charge pari passu with IDBI Bank by way of mortgage of immovable properties.

PARTICULARS	Rs.	As At 31.03.2015 Rs.	As At 31.03.2014 Rs.
<b>NOTE : 4 – DEFERRED TAX LIABILITIES (NET)</b>			
Liability Relating to earlier years	10,76,68,145		10,90,53,102
Less: Amount reversed on Excess book depreciation of earlier year	31,99,605		0
	10,44,68,540		10,90,53,102
Add/(Less): Liability/(Asset) for the year	1,82,304		(13,84,957)
<b>NET TOTAL</b>		<b>10,46,50,844</b>	<b>10,76,68,145</b>
<b>NOTE : 5 - OTHER LONG TERM LIABILITIES</b>			
Security Deposits (From Debtors, Employees and Contractors)		1,36,385	1,40,961
<b>NOTE : 6 - LONG TERM PROVISIONS,</b>			
Employees' Privilege Leave (On Actuarial Valuation Basis, Refer Note - 28 (II) (6))		65,64,393	63,86,506
<b>NOTE : 7 - SHORT TERM BORROWING</b>			
WORKING CAPITAL LOAN (SECURED) * :			
State Bank Of India	7,14,00,312		4,37,45,910
IDBI Bank	67,77,790		87,61,358
<b>TOTAL</b>		<b>7,81,78,102</b>	<b>5,25,07,268</b>

\* Secured by First Pari Passu Charge by way of hypothecation of Current Assets and also by mortgage of immovable properties of the Company on which there is Prior Charge of IDBI Bank and Export Import Bank of India.

PARTICULARS	Rs.	As At 31.03.2015 Rs.	As At 31.03.2014 Rs.
<b>NOTE : 8 - TRADE PAYABLES</b>			
Micro, Small and Medium Enterprises - Refer Note 28 (II) (3)	34,392		2,52,380
For Supplies	1,53,95,264		82,83,746
Others	3,89,77,778		3,73,63,714
<b>TOTAL</b>		<b>5,44,07,434</b>	4,58,99,840
<b>NOTE : 9 - OTHER CURRENT LIABILITIES</b>			
Current Maturity of Long Term Borrowings	4,11,50,320		4,66,03,630
Interest Accrued but not due	7,65,385		3,30,094
Unclaimed Dividend	21,14,886		17,32,911
Statutory Dues	67,60,503		61,49,046
Salary, Wages and Dues to Employees	2,06,57,995		2,08,67,868
Others	39,62,585		39,21,198
<b>TOTAL</b>		<b>7,54,11,674</b>	7,96,04,747
<b>NOTE : 10 - SHORT TERM PROVISIONS</b>			
For Employees (Privilege Leave) Refer Note - 28 (II) (6)	43,73,398		32,96,660
Bonus	96,15,933		1,01,99,095
Gratuity	32,82,747		51,32,632
Taxation	30,20,307		14,62,153
Wealth Tax	1,26,250		1,43,950
Dividend	4,87,74,120		2,03,22,550
Dividend Tax	99,29,435		34,53,820
<b>TOTAL</b>		<b>7,91,22,190</b>	4,40,10,860
<b>NOTE : 11 - TANGIBLE ASSETS</b>			
GROSS FIXED ASSETS	1,52,99,94,780		1,52,00,62,530
LESS DEPRECIATION	92,65,87,422		89,51,70,930
<b>TOTAL</b>		<b>60,34,07,358</b>	62,48,91,600

#### NOTE 11 - FIXED ASSETS

PARTICULARS	GROSS BLOCK AT COST				DEPRECIATION				NET BLOCK	
	BALANCE AS ON 01.04.2014	ADDITIONS DURING THE YEAR	ADJUSTMENTS/ DEDUCTIONS DURING THE YEAR	BALANCE AS ON 31.03.2015	PROVIDED UPTO 31.3.2014	PROVIDED DURING THE YEAR	DEDUCTIONS DURING THE YEAR	TOTAL UPTO 31.3.2015	AS ON 31.3.2015	AS ON 31.3.2014
	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)
LAND (LEASE HOLD)	2751438	0	35870	2715568	0	0	0	0	2715568	2751438
LAND (FREE HOLD)*	3742623	0	0	3742623	0	0	0	0	3742623	3742623
BUILDINGS	212886652	2136928	0	215023580	78207293	4979314	0	83186607	131836973	139845432
PLANT AND MACHINERY	1185592192	22998995	16710119	1208591187	756909648	22219562	15521824	763607386	428273682	429533995
ELECTRICAL INSTALLATION	53096913	149152	0	53246065	41135451	3554709	0	44690160	8555905	13278253
FURNITURE, FIXTURES, FANS & ELECTRICAL APPLIANCES	18905319	643187	317407	19231099	11021453	1528736	156380	12393809	6837290	8400003
OFFICE EQUIPMENTS	4790376	543300	480700	4852976	2324447	1121373	456835	2988985	1863991	2995564
COMPUTER	5682289	969376	722373	5929292	3848852	1062666	686254	4225264	1704028	2950097
VEHICLES	32614726	1149787	392004	33372509	11218164	4413565	136518	15495211	17877298	21394194
<b>T O T A L</b>	<b>1520062528</b>	<b>28590725</b>	<b>18658473</b>	<b>1529994780</b>	<b>904665308</b>	<b>38879925</b>	<b>16957811</b>	<b>926587422</b>	<b>603407358</b>	<b>624891599</b>
2013-2014	1472836980	100004878	52779330	1520062528	881661121	56221842	42705167	895170930	624891598	591175859

\* Includes 100 Shares of Rs.10/- each (fully paid up) of The Friends Co-operative Housing Society Limited, Baroda

PARTICULARS	Rs.	As At 31.03.2015 Rs.	As At 31.03.2014 Rs.
<b>NOTE : 12 - CAPITAL WORK IN PROGRESS</b>			
Plant and Machinery		0	8,37,463
Computers		50,000	0
<b>TOTAL</b>		<b>50,000</b>	<b>8,37,463</b>
<b>NOTE : 13 - NON CURRENT INVESTMENTS</b>			
1. Quoted : (Trade - At Cost)			
22,31,980 Equity Shares of Rs. 10/- each (Previous Year 22,31,980 Shares) of Eurotex Industries and Exports Limited (Market Value Rs. 4,39,70,006 Previous Year Rs. 4,44,16,402/-)			
		<b>5,45,90,920</b>	5,45,90,920
<b>NOTE : 14 - LONG TERMS LOANS AND ADVANCES</b>			
Capital Advances ( Unsecured considered good )	48,41,795		81,57,908
Security Deposits (Includes Rs. 8,00,000/- Deposit with Related Parties)	87,03,927		83,43,921
Others	0		96,000
<b>TOTAL</b>		<b>1,35,45,722</b>	<b>1,65,97,829</b>
<b>NOTE : 15 – CURRENT INVESTMENT</b>			
<b>Mutual Funds (Quoted)</b>	<b>Units</b>		0
1.Franklin India low duration fund G.	196,788.14	28,00,000	
2.Franklin India saving plus fund G	145,666.42	35,00,000	
3.HDFC D.B.F STP Growth	1,746,530.77	4,60,19,762	
4.IDFC D.B.F REG. Growth	786,737.42	1,25,58,244	
5.IDFC SSIF short term REG. Growth	640,166.52	1,70,00,000	
6.Kotak bond short term plan REG. G	2,314,018.79	5,80,59,200	
7.L & T short term opportunities fund G.	1,755,704.49	2,24,00,000	
8.Reliance short term fund growth	296,047.77	75,00,000	
<b>Market Value of quoted Investment Rs. 17,82,32,000/-</b>		16,98,37,206	
<b>Mutual Funds (Unquoted)</b>			
Ambit Alfa Fund Scheme-1	20,000.00	2,01,00,000	18,99,37,206
<b>NOTE : 16 – INVENTORIES</b>			
(As taken, Certified by Management and valued at lower of cost or Net Realisable value)			
(A) Stores, Spares and Fuel		1,68,37,073	1,66,17,098
(B) Raw Material		33,11,47,115	46,02,75,767
(C) Finished Goods (Yarn)		3,89,74,736	6,69,51,719
(D) Cotton / Yarn Waste		24,64,217	32,76,999
(E) Stock in Process		2,91,80,388	3,39,91,269
(F) Goods in Transit		22,68,608	37,33,101
<b>TOTAL</b>		<b>42,08,72,137</b>	<b>58,48,45,953</b>
<b>NOTE : 17 - TRADE RECEIVABLES (Unsecured, Considered Goods)</b>			
More Than Six Months		0	0
Other Debtors		7,92,90,376	7,28,21,699
<b>TOTAL</b>		<b>7,92,90,376</b>	<b>7,28,21,699</b>
<b>NOTE : 18 - CASH AND CASH EQUIVALENTS</b>			
Cash on Hand :	10,29,205		15,55,011
Balance With Banks :			
(A) In Current Account	2,42,13,308		39,93,267
(B) Fixed Deposit Maturing within 1 year (Under Lien against Bank Guarantees)	14,38,370		14,73,446
(C) Fixed Deposit Maturing after 1 year	12,513		8,000
<b>TOTAL</b>		<b>2,66,93,396</b>	<b>70,29,724</b>

PARTICULARS	Rs.	As At 31.03.2015 Rs.	As At 31.03.2014 Rs.
<b>NOTE : 19 - SHORT TERM LOANS AND ADVANCES</b>			
<b>(Unsecured - Considered Good)</b>			
Capital Advance	16,52,000		0
Security Deposits	5,20,947		3,24,908
Loans and Advances to Employees	49,72,379		47,78,818
Balance with Statutory Authorities	2,78,57,661		3,61,07,529
Advances to Suppliers and Others	1,14,26,106		1,10,14,381
<b>TOTAL</b>		<b>4,64,29,093</b>	<b>5,22,25,636</b>
<b>NOTE : 20 - OTHER CURRENT ASSETS</b>			
Duty Draw Back / DEPB Receivable	1,37,70,838		1,09,34,503
Interest Receivables	38,928		3,24,245
Others	6,66,379		43,36,145
<b>TOTAL</b>		<b>1,44,76,145</b>	<b>1,55,94,893</b>

#### NOTES TO STATEMENT OF PROFIT AND LOSS

PARTICULARS	Rs.	2014-15 Rs.	2013-14 Rs.
<b>NOTE : 21 - REVENUE FROM OPERATIONS</b>			
Yarn Sales	2,05,71,53,325		2,19,80,81,601
Cotton / Yarn Waste Sales	7,85,74,906		9,14,91,684
Sale of Electricity Unit	1,61,85,610		1,61,93,710
<b>TOTAL</b>	<b>2,15,19,13,841</b>		<b>2,30,57,66,995</b>
Less : Excise Duty	1,01,26,211		1,17,22,080
<b>NET SALES</b>		<b>2,14,17,87,630</b>	<b>2,29,40,44,915</b>
<b>OTHER OPERATIVE REVENUES</b>			
Sale Of DEPB License	1,39,400		30,13,312
Duty Draw Back	2,46,26,558		2,21,95,557
Sale Of Scrap	18,30,530		20,02,658
<b>OTHER OPERATIVE INCOME</b>		<b>2,65,96,488</b>	<b>2,72,11,527</b>
<b>TOTAL REVENUE FROM OPERATIONS</b>		<b>2,16,83,84,118</b>	<b>2,32,12,56,442</b>
<b>NOTE : 22 - OTHER INCOME</b>			
Interest Income	23,74,760		10,95,151
Dividend Income	11,15,990		35,242
Net Gain On Sale Investments	72,99,062		89,86,222
Insurance Claims Received	22,07,641		18,34,869
Other Income	20,99,367		98,89,582
Cash Discount Earned	55,10,366		64,68,983
Balance Written Back	50,489		3,34,923
Excess Provisions For Earlier Years	9,81,567		2,71,221
Profit on Sale of Fixed Assets	8,25,586		14,92,325
Foreign Exchange Fluctuation Gain (Net)	88,34,652		1,26,92,575
<b>TOTAL OF OTHER INCOME</b>		<b>3,12,99,480</b>	<b>4,31,01,093</b>

PARTICULARS	Rs.	2014-15 Rs.	2013-14 Rs.
<b>NOTE : 23 - COST OF RAW MATERIAL CONSUMED</b>			
Opening Stock	46,02,75,767		51,24,00,651
Add: Purchases	1,13,73,29,176		1,29,90,92,556
<b>TOTAL</b>	<b>1,59,76,04,943</b>		<b>1,81,14,93,207</b>
Less: Closing Stock	33,11,47,115		46,02,75,767
Consumption		<b>1,26,64,57,828</b>	1,35,12,17,440
<b>Details of Raw Material Consumption:</b>			
Cotton	1,26,33,49,735		1,35,12,17,440
Cotton Yarn	31,08,093		0
<b>TOTAL</b>	<b>1,26,64,57,828</b>		<b>1,35,12,17,440</b>
<b>NOTE : 24 - CHANGES IN INVENTORIES OF FINISHED GOOD STOCK-IN-PROCESS AND STOCK-IN-TRADE</b>			
Stocks as at Close			
(1) Finished Goods			
(a) Yarn	3,89,74,736		6,69,51,719
(b) Waste	24,64,217		32,76,999
(2) Stock in Process	2,91,80,388		3,39,91,269
	7,06,19,341		10,42,19,987
Less : Stocks as at Commencement			
(1) Finished Goods			
(a) Yarn	6,69,51,719		4,83,69,288
(b) Waste	32,76,999		22,11,806
(2) Stock in Process	3,39,91,269		3,20,30,037
	10,42,19,987		8,26,11,131
<b>DECREASE (INCREASE)</b>		<b>3,36,00,646</b>	(2,16,08,856)
<b>NOTE : 25 - EMPLOYEES BENEFITS EXPENSES</b>			
Salary, Wages, Bonus And Allowances	17,04,00,574		16,10,57,871
Contribution to Provident, Gratuity, & Other Funds	1,37,83,710		1,58,92,365
Managerial Remuneration	1,46,14,787		1,49,58,146
Contribution to Supper Ann. Fund	13,68,000		12,72,000
Welfare Expenses	79,15,033		80,79,586
<b>TOTAL</b>		<b>20,80,82,104</b>	20,12,59,968
<b>NOTE : 26 - FINANCE COSTS</b>			
Interest On Term Loan	1,85,70,510		1,89,17,103
Interest On Working Capital	19,24,875		47,52,364
Finance And Bank Charges	1,19,27,938		1,28,56,437
<b>TOTAL</b>		<b>3,24,23,323</b>	3,65,25,904
<b>NOTE : 27 - OTHER EXPENSES</b>			
Consumption of Stores and Packing Material	5,44,06,523		5,39,76,859
Power And Fuel (Ref. Note 28 -II -5)	26,95,04,883		25,35,69,526
Processing Charges	5,08,367		5,05,896
Rent	30,13,753		38,50,788
Repairs (Machinery (Including Spares)	2,34,88,826		3,16,08,696
Building	59,02,982		62,50,740
Others	37,45,692		53,58,045
Insurance	51,76,392		46,32,138
Rates and Taxes	1,32,51,233		1,28,59,157
License and Legal Fees	36,24,666		34,82,863
Sales and Distribution Expenses	4,80,34,969		4,53,41,477
Travelling and Conveyance	1,33,29,615		1,35,90,817
Directors Sitting Fees	3,40,000		2,47,500
Audit Fees and Expenses	5,45,393		4,68,158
General Expenses	68,38,322		64,49,018
Donation	6,48,333		13,27,547
C.S.R Expenses	1,50,000		0
<b>TOTAL</b>		<b>45,25,09,949</b>	44,35,19,225

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## NOTE 28 - SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

### I SIGNIFICANT ACCOUNTING POLICIES

#### (1) Corporate Information:

PBM Polytex Limited is a public company incorporated in India. Its share are listed on the Bombay Stock Exchange and the Ahmedabad Stock Exchange. The Company is engaged in the manufacture and processing of yarn. The yarn is exported in considerable quantity.

#### (2) Basis of Preparation:

The financial statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Companies (Accounts) Rules 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

#### (3) Use of Estimates:

The presentation of financial statements in conformity with the GAAP requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates is recognized in the period in which the results are known / materialized.

#### (4) Fixed Assets:

Fixed Assets are stated at Cost or at Revalued Cost, net of CENVAT / VAT Credit less Accumulated Depreciation. All costs including financing costs till commencement of commercial production and Exchange rate variations relating to the Borrowing are capitalized / adjusted to the fixed assets.

#### (5) Depreciation: Depreciation has been provided as under during the year:

##### A) PETLAD AND BORGAON UNITS:

##### (a) On Assets other than Plant and Machineries:

Computed considering the useful life of the asset as prescribed under Schedule II of the Companies Act, 2013.

##### (b) On Plant and Machineries :

Computed considering the useful life of the asset as prescribed under Schedule II of the Companies Act, 2013 applicable to continues process plant (CPP) as certified the chartered Engineer.

##### (c) Leasehold Land: Amortized over the period of Lease.

##### B) WINDMILLS:

Computed considering the useful life of the asset as prescribed under Schedule II of the Companies Act, 2013.

The difference between the depreciation lower/excess charge than in the previous year as been adjust in the current year.

#### (6) Inventories:

The cost of various categories of inventory is determined as follows:

- |   |   |  |
|---|---|--|
| (a) Stores, Spares, Packing Material, Fuel & others | - | At Lower of Cost or Net realisable value       |
| (b) Raw material                                    | - | At Average value of Opening Stock and Purchase |
| (c) Stock – in – Process                            | - | At Lower of Cost or Net realisable value       |
| (d) Finished Goods                                  | - | At Lower of Cost or Net realisable value       |
| (e) Material in Transit                             | - | At Cost  |
| (f) Waste (Cotton and Yarn)                         | - | At Net Realisable value                        |

#### (7) Foreign Currency Transactions:

- (a) Foreign currency transactions are accounted for at the exchange rate prevailing on the date of the transaction. All monetary foreign currency assets and liabilities are converted at the exchange rates prevailing on the date of the balance sheet. All exchange differences other than those relating to the acquisition of fixed assets from outside India are dealt with in the statement of profit and loss. Exchange gain or loss relating to fixed assets acquired from outside India is adjusted in the cost of respective fixed assets.
- (b) In case of forward contracts, the gain / loss on contracts are treated as periodical expense or revenue. Any profit or loss arising on the cancellation or renewal of a forward exchange contract is recognized as income or expense for the year, except in case of a forward exchange contract relating to liabilities incurred for acquiring fixed assets from outside India, in which case, such profit or loss is adjusted in the cost of fixed assets.
- (c) Exchange difference is calculated as the difference between the foreign currency amount of the contract translated at the exchange rate at the reporting date, or the settlement date where the transaction is settled during the reporting period, and the corresponding foreign currency amount translated at the later of the date of inception of the forward exchange contract and the last reporting date. Such exchange differences are recognized in the statement of profit and loss in the reporting period in which the exchange rates change.

#### (8) Retirement Benefits:

- (a) Provision for gratuity liability to employees is made on the basis of intimation received from Life Insurance Corporation of India on actuarial basis. Group Gratuity Fund is managed by the Life Insurance Corporation of India and SBI Life Insurance Co. Ltd.
- (b) Leave encashment has been charged to the Revenue Account on the basis of liability ascertained as per the actuarial valuation.
- (c) The Company's contribution to Provident Fund is charged to Revenue Account. ESIC is applicable only to Mumbai Office of the Company.
- (d) Superannuation Fund: The Company contributes to Superannuation Trust for the Managerial Personnel of the Company as per the rules of the Trust.

**(9) Borrowing Cost:**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

**(10) Revenue Recognition:**

- (a) Items of Income and Expenditure are recognized on accrual basis except Insurance Claims, DEPB / focus Marketing License and TUFs rebate which are accounted for on transfer or receipt.
- (b) Expenses are net of taxes recoverable wherever applicable.

**(11) Excise Duty, Cenvat Credit and VAT:**

Excise Duty payable on finished goods is accounted for on clearance of goods. 50% of Cenvat Credit on capital goods is accounted for immediately on receipt and the balance is accounted in the next year.

In pursuance to Circular No. 795/28/2004 dated 28.07.2004 the Company (being textile manufacturer) has adopted policy of charging of "Optional" Excise Duty at "NIL" Rate or at applicable Rate as desired by the customer.

VAT credit on raw material (including processing materials, consumable stores and packing materials) and capital goods is accounted on purchase and actual receipt of the same.

**(12) Earning Per Share:**

The earnings considered in ascertaining the Company's E.P.S. comprise the net profit after tax divided by the number of shares.

**(13) Taxation:**

Tax expense for the year, comprising current tax and deferred tax is included in determining the net profit for the year. A provision is made for the current tax based on tax liability computed in accordance with relevant tax rates and tax laws. A provision is made for deferred tax asset for all timing differences arising between taxable incomes and accounting income at currently enacted tax rates.

Deferred tax assets are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

**(14) Segment Accounting:**

The Company manufactures and deals in single product i.e. Cotton Yarn only and therefore, Accounting Standard 17 on Segment Reporting is not applicable.

**(15) Investments:**

Long Term Investments are carried at cost. Temporary diminution in value of such investments, if any, is ignored.

**(16) Provisions and contingencies:**

A provision is recognized when the Company has a legal and constructive obligation as a result of a past event, for which it is probable that cash outflow will be required and a reliable estimate can be made of the amount of the obligation. A contingent liability is disclosed when the Company has a probable obligation where it is not probable that an outflow of resources will be required to settle it. Contingent assets are neither recognized nor disclosed.

**(17) Impairment Loss:**

Impairment Loss, if any, is provided to the extent the carrying amount of assets exceed their recoverable amounts. Recoverable amount is that which is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the assets and from its disposal at the end of its useful life. Net Selling Price is the amount obtainable from sale of the asset on arms length basis between knowledgeable and willing parties less the cost of disposal.

**II. NOTES ON ACCOUNTS:**

1. The revised Schedule III of the Companies Act, 2013 has become effective from 1<sup>st</sup> April 2014 for preparation / presentation of Financial Statements. Accordingly, previous year's figures have been regrouped wherever necessary.
2. Contingent Liabilities:
  - (a) Estimated amount of contracts remaining unexecuted on Capital Accounts not provided for Rs.4,48,24,155/- (Net of advances) (Previous year Rs. 4,35,76,155/-).
  - (b) Bills discounted under Export / Inland Letter of Credit Rs. 9,47,46,104/- since realized in full (Previous Year Rs. 11,03,25,048/-)
  - (c) Income Tax & TDS Demands for the F.Y.2009-2010,2010-2011 & 2011-12 of Rs. 19,72,540/- against which Company has preferred appeals before appropriate authorities.
  - (d) Bank guarantees amounting to Rs.2,34,74,182/- and Rs.3,53,050/- in favour of Madhya Gujarat Viz Company Limited and Gujarat Gas Limited for contract demand of Electricity and PNG respectively.
3. Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006: Amounts due to such Enterprises are disclosed on the basis of information available with the Company. The status of such suppliers is as follows:

Sr. No.	Particulars	2014-15		2013-14	
		Principal Rs.	Interest	Principal Rs.	Interest
a)	Principal Amount and Interest thereon due, remaining unpaid at the end of the year	34,392	NIL	2,52,380	NIL
b)	Interest due / paid during the year	NIL	NIL	NIL	NIL

4. (A) Foreign Exchange Transactions are recorded in accordance with the Accounting Standard 11 issued by the Institute of Chartered Accountants of India. There has been net gain of Rs. 85,89,114/- (Previous year net loss of Rs. 1,26,92,575/-) on account of foreign exchange fluctuation pertaining to foreign currency borrowings / transactions, which has been exhibited in Statement of Profit & Loss under the heads "Other Income" and "Other Expenses".



- (B) The Company has opted for Notifications No. GSR.225 (E) issued by the Ministry of Corporate Affairs on March 31, 2009 in respect of accounting periods commencing on or after December 07, In accordance with this Notification, net loss of Rs. 2,76,54,084/- from the year 2007 - 08 to 2014 - 15 arising on reporting of long term foreign currency monetary item relating to fixed assets has been added to the cost of Fixed Assets of wind mills.
5. GRC & IERC authorities have not permitted purchase of power through approved power exchange during the current year (in the previous year company had gained Rs.1,66,01,221, on such permission which was reduced from power cost).
6. **Disclosure pursuant to Accounting Standard - 15 [Revised] 'Employee Benefits:**
- A** The Company has, with effect from 1<sup>st</sup> April, 2007, adopted Accounting Standard 15, Employee Benefits [revised 2005] [the 'revised AS 15']. In accordance with the transitional provisions governing gratuity valuation – defined benefit plan and leave encashment liability – long term liability based on actuarial valuation is as follows :
- B Defined benefit plan and long term employment benefit:**

**A General description:**

**Gratuity [Defined benefit plan]:**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on death or resignation or retirement at 15 days salary [last drawn salary] for each completed year of service. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

**B Leave wages (Long term employment benefit) :**

The leave wages are payable to all eligible employees at the rate of daily salary for each day of accumulated leave on death or on resignation or upon retirement on attaining superannuation age.

**The Amount (in Rs.) as certified by the Approved Value is as under:**

(Amount in Rs.)

	GRATUITY (FUNDED)	
	31.03.2015	31.03.2014
<b>(a.) Amount Recognized in Balance Sheet</b>		
Present Value of funded obligations	8,03,53,402	7,27,56,062
Fair Value of plan assets	8,04,27,106	7,34,99,626
Present value of unfunded obligations	0	0
Unrecognized past service cost	0	0
Net Liability	0	0
<b>Amounts in the balance sheet:</b>		
Liabilities	8,03,53,402	7,27,56,062
Assets	8,04,27,106	7,34,99,626
Net Liability	(2,52,25,197)	(7,43,564)
<b>(b.) Amount Recognized in the Statement of Profit &amp; Loss</b>		
Current service cost	42,51,564	38,96,943
Interest on obligation	59,19,984	61,21,981
Expected Return on plan assets	(68,47,136)	(61,11,612)
Net Actuarial losses (gains) recognized in the year	10,00,161	(99,90,525)
Past service cost	0	0
Losses (gains) on curtailments and settlement	0	0
Total, included in 'employee benefit expenses'	43,24,572	(32,65,441)
<b>(c.) Reconciliation of Opening &amp; Closing Balances</b>		
Opening Defined Benefit Obligation at the beginning	7,27,56,062	7,57,45,799
Service Cost for the year	42,51,864	38,96,943
Interest cost for the year	59,19,984	61,21,981
Actuarial losses (gains)	7,48,717	(1,01,99,205)
Losses (gains) on curtailments	0	0
Liabilities Extinguished on settlements	0	0
Liabilities assumed in an amalgamation in the nature of purchase	0	0
Exchange differences on foreign plans	0	0
Benefits paid	(22,98,609)	(28,09,456)
Closing Defined Benefit Obligation at year end	0	0

	GRATUITY (FUNDED)	
	31.03.2015	31.03.2014
<b>(d.) Change in the fair value of plan assets</b>	0	0
Opening fair value of plan assets	7,34,99,626	6,45,46,258
Expected Return	68,47,136	61,11,612
Actuarial Gains and (losses)	(2,51,443)	(2,08,680)
Assets Distributed on settlements	0	0
Contributions by employer	31,42,554	58,59,892
Assets acquired in an amalgamation in the nature of purchase	0	0
Exchange differences on foreign plans	0	0
Benefits paid	(28,10,767)	(28,09,456)
Closing balance of fair value of plan assets / fund	8,04,27,106	7,34,99,626
<b>(e.) Major Categories of Plan assets or a percentage of total plan assets.</b>		
Government of India Securities	0	0
Policy of Insurance	100.00%	100.00%
<b>(f.) Principal Actuarial Assumptions at the balance sheet date (expressed as weighted averages)</b>		
Discount rate for the year	9.10%	9.10%
Expected Return on plan assets at for the year		
Proportion of employees opting for early retirement		
Annual increase in Salary costs	6.00%	6.00%
<b>(g.) Amount for the current and previous four years are as follows:</b>		
<b>Defined Benefit Pension Plans</b>		
Defined Benefit Obligation	8,03,53,402	7,27,56,062
Plan Assets	8,04,27,106	7,34,99,626
Surplus / (deficit)	73,704	7,43,564
Experience adjustments on plan liabilities	(90,02,024)	(46,39,496)
Experience adjustments on plan assets	2,51,443	(19,67,480)

- (I) The Company has participated in L.I.C and S.B.I Life Insurance managed Scheme for gratuity and has contributed Rs.3,60,000/- for Managing Directors and Rs.44,12,825/- for other employees. The Company has also participated in LIC managed Superannuation Fund for Managerial Personnel and has contributed Rs. 13,68,000/- (Previous year Rs. 12,72,000/-) to the Fund.
- (II) Leave Encashment Benefits have been provided in the Statement of Profit & Loss Account on actuarial valuation during the year Rules of the company Rs.36,28,788/- (Previous Year Rs. 28,97,035/-)
7. The Company has appointed all the key Managerial Personnel except Company Secretary. Now the Company has recruited one qualified member of the Institute of Company Secretaries of India.
8. In terms of Accounting Standard 28 - Impairment of Assets issued by ICAI the Management has reviewed its fixed assets and the difference between the carrying amount and recoverable value of relevant assets was not material. Hence, provision for impairment loss is not considered necessary to be made in the books.
9. Pursuant to the enactment of the Companies Act, 2013, the Company has applied the estimated useful lives as specified in Schedule II. Accordingly, the unamortised carrying value is being depreciated / amortised over the revised / remaining useful life of particular assets. The written down value of Fixed Assets, useful life of which was over as on 1<sup>st</sup> April, 2014, have been adjusted (net of Deferred Tax), in the opening balance of Profit and Loss Account amounting to Rs. 62.95 Lac.

	(Rs.)	(Rs.)
	2014 – 15	2013 – 14
<b>10. AUDITORS' REMUNERATION</b>		
1. Audit Fees (Including Service Tax)	3,98,878	3,42,698
2. Tax Audit	50,562	50,562
3. Traveling expenses	95,953	74,898
	<b>5,45,393</b>	<b>4,68,158</b>

11. DETAILS OF GOODS IMPORTED	2014 – 15		2013 – 14
	Rs.	Rs.	Rs.
(i) CIF value of goods imported			
(a) Cotton	4,90,27,327		0
(b) Machineries, Spares and Stores	42,99,708		55,72,105
(c) Plant and Machinery	1,27,76,173		5,20,89,263
Total	6,61,03,208	5,76,61,368	
(ii) CONSUMPTION:			
1. Raw Materials :			
(a) Imported goods	4,90,27,327		0
(b) Indigenous goods:			
Cotton	1,21,43,22,408		1,35,12,17,440
Cotton yarn	31,08,093		0
(c) Total		1,26,64,57,828	1,35,12,17,440
			-
Imported		3.87%	0
Indigenous		96.13%	100%
2. Machinery spares and stores:			
(a) Imported goods	43,08,497		57,23,286
(b) Indigenous goods	6,66,04,036		6,43,95,673
(c) Total		7,09,12,533	7,01,18,959
Imported		6.08%	8.16%
Indigenous		93.92%	91.84%
<b>12</b>			
(a) Earning in Foreign Exchange:			
Exports : Direct(FOB Value)	83,85,02,404		74,30,29,300
Through Merchant Exporters	11,30,553		2,31,00,940
		83,96,32,957	76,61,30,240
(b) Expenditure in Foreign Currency:			
Purchase of Plant and Machinery, Store Spares and Cotton	6,61,03,208		5,76,61,368
Travelling	13,31,914		12,67,040
Interest on Foreign Currency Loan	2,20,386		17,39,264
Freight	1,38,88,969		22,10,225
Commission	26,99,605		35,85,859
Total		8,42,44,082	6,64,63,756
(c) Remittances of Dividend in Foreign Currency		N.A.	N.A.

**13. RELATED PARTY DISCLOSURE:**

**A. LIST OF RELATED PARTIES AND RELATIONSHIP:**

Associates & Enterprises with whom the Company entered into transactions during the year

Patodia Syntex Limited	B. L. Patodia Family Trust
Eurotex Industries & Exports Limited	Murarilal Mahendra Kumar
Trikon Investments Pvt. Limited	Brijlal Purushottamdas
Sambhu Investments Pvt. Limited	Dharamchand Keshardeo

**B. KEY MANAGERIAL PERSONNEL / DIRECTORS AND RELATIVES:**

Shri Gopal Patodia	Managing Director
Shri Mohan Kumar Patodia	Managing Director cum Chief Financial Officer
Shri Amit Patodia	Senior President cum Chief Executive Officer

**C. RELATED PARTIES TRANSACTIONS (RS.):**

Transactions	Associates/ Shareholders	Enterprises owned or Significantly influenced by Key Managerial Personnel	Key Managerial Personnel
Purchase of Goods	--	9,32,271	
Sale of Goods	--	11,30,553	
Rent	--	17,20,800	
Salary & Perks :			
Managing Directors	--		1,54,78,787
Chief Executive Officer	--		32,52,088

**D. OUTSTANDING BALANCES AS ON 31.03.2015 (RS.):**

Transactions	Associates/ Shareholders	Enterprises having Key Management Personnel	Key Management Personnel
Security Deposit Given (M/S. Trikon Inv. Pvt. Ltd. & Sambhu Inv. Pvt. Ltd.)	--	8,00,000	--
Investments (in shares of M/S. Eurotex Ind. and Exports Ltd.	--	5,45,90,920	--

**14. DERIVATIVES INSTRUMENT**

Following are the outstanding forward Foreign Exchange Contracts entered into by the Company:

Currency	As at 31 <sup>st</sup> March, 2015		
	Amount in Foreign Currency	Buy / Sell	Cross Currency INR
USD	21,94,148\$	Sell	13,69,58,735/-

As per our Attached Report of even date  
for **Mahendra N. Shah & Co.**  
**Chartered Accountants**  
(FRN 105775W)

**Chirag M. Shah (Partner)**  
M. No. F045706

Ahmedabad,  
DATE : 25<sup>th</sup> May 2015

**Gopal Patodia**  
**Mohan Kumar Patodia**  
**Brijbhushanlal Kabra**  
**Jugalkishore Todi**  
**Vinita Devi S. Modi**

Managing Director (DIN: 00014247 )  
Managing Director cum CFO (DIN: 00035381)  
Independent Director (DIN: 00023410)  
Independent Director (DIN: 00598697)  
Independent Director (DIN: 06965473)

Vadodara  
DATE: 25<sup>th</sup> May 2015

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**PBM POLYTEX LIMITED**  
**CIN : L17110GJ1919PLC000495**  
**Regd. Office: Opposite Rly. Station, Petlad - 388 450, Dist. Anand, Gujarat**

**ATTENDANCE SLIP**  
(TO BE HANDED OVER AT THE ENTRANCE OF THE MEETING HALL)

I hereby record my presence at the 96<sup>th</sup> Annual General Meeting of the Company held at the Registered Office at Opposite Station, Petlad 388450 Dist: Anand, Gujarat on --Thursday, **the 24<sup>th</sup> September, 2015 at 11.00 A.M.**

NAME OF THE ATTENDING SHAREHOLDER \_\_\_\_\_  
(IN BLOCK LETTERS)

NAME OF THE PROXY \_\_\_\_\_  
(To be filled in if the proxy attends instead of the shareholder)

SIGNATURE OF THE SHAREHOLDER/PROXY \_\_\_\_\_

Ledger Folio Number \_\_\_\_\_ No. of Shares held \_\_\_\_\_

**NOTE:**  
**SHAREHOLDERS/PROXY HOLDERS ARE REQUESTED TO BRING THE ATTENDANCE SLIPS WITH THEM DULY COMPLETED WHEN THEY COME TO THE MEETING AND HAND THEM OVER AT THE GATE AFTER AFFIXING THEIR SIGNATURES ON THEM.**

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Form No. MGT-11  
**PROXY FORM**

*[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]*

Name of the Company : **PBM POLYTEX LIMITED,** CIN : **L17110GJ1919PLC000495**  
Registered office : **OPP. RLY. STATION, PETLAD-388450, DIST. ANAND, GUJARAT**

Name of the member (s) : \_\_\_\_\_

Registered address : \_\_\_\_\_

E-mail Id : \_\_\_\_\_

Folio No/ Client Id : \_\_\_\_\_ DP ID: \_\_\_\_\_

I/We, being the member (s) of \_\_\_\_\_ shares of the above named Company, hereby appoint

1. Name: \_\_\_\_\_ Address: \_\_\_\_\_  
\_\_\_\_\_ E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him

2. Name: \_\_\_\_\_ Address: \_\_\_\_\_  
\_\_\_\_\_ E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him

3. Name: \_\_\_\_\_ Address: \_\_\_\_\_  
\_\_\_\_\_ E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 96<sup>th</sup> Annual general meeting of the Company, to be held on the **Thursday, the 24<sup>th</sup> day of September, 2015 At 11.00 a.m.** at the registered office of the Company and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	Description
Ordinary Business	
1.	To receive, consider and adopt the Directors' Report, Auditors' Report and Audited Balance Sheet as at 31st March, 2015 and Statement of Profit and Loss and Cash Flow Statement for the year ended on that date.
2.	Declare Dividend on Equity Shares
3.	Re-appointment of Shri Hari Prasad Siotia as Director who retires by rotation
4.	Appointment of Statutory Auditors for the years 2015 – 16 & 2016 – 17 and fixing their Remuneration.
Special Business	
5.	Appointment of Smt. Vinita Devi S. Modi, as an Independent Director to hold office for 5 consecutive years.
6.	Appointment of Shri M L Bagaria, as an Independent Director to hold office for 5 consecutive years.
7.	Fixing of remuneration payable to Shri B C Desai, the Cost Auditor for the year 2015-16
8.	Fixing Borrowing Powers of Board of Directors upto Rs. 150 crores over and above Paid up Capital and Free Reserves

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015

Signature of shareholder \_\_\_\_\_

Signature of Proxy holder(s) \_\_\_\_\_

Affix Re.1 Revenue Stamp
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**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**

## **PBM PolyTEX Limited**

Opp. Railway Station,  
Petlad, Dist. Anand, Gujarat - 388450  
Email: [pbumills@patodiagroup.com](mailto:pbumills@patodiagroup.com)  
Web: [www.pbmpolytex.com](http://www.pbmpolytex.com)  
CIN: L17110GJ1919PLC000495