

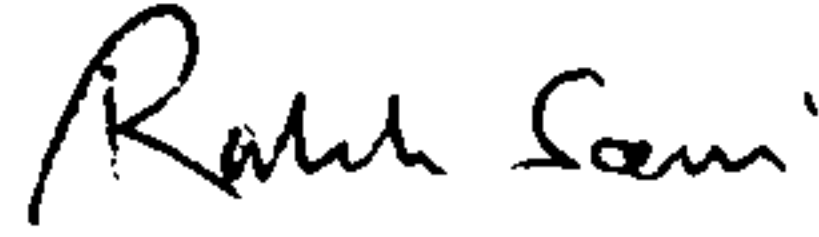



FORM A

1.	Name of the Company	Adinath Textiles Limited
2.	Annual financial statements for the year ended	31st March, 2014
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	N.A.
5.	Signed by-	 Sh. Rajneesh Oswal
	Executive Director	
	Manager (Accounts)	 Sh. Rajesh Kumar
	Auditor of the company	 Sh. Rakesh Soni Dass Khanna & Co.
	Audit Committee Chairman	 Sh. R. P. Gupta

BRANCH OFFICES :-

5 A-D, Gopala Tower, 25 Rajendra Place, New Delhi-110 008. Tel # 011-25721042, 25732104 Fax # 91-11-25752271 E-mail : sil.delhi@shreyansgroup.com

302 Raheja Chamber, 3rd Floor, Nariman Point, Mumbai - 400 021 Tel # 022-22851025 Fax # 91-22-22842825 E-mail : sil.mumbai@shreyansgroup.com

34th ANNUAL REPORT



2014

ADINATH TEXTILES LIMITED

BOARD OF DIRECTORS

Sh. Rajneesh Oswal	Executive Director
Sh. Arun K. Goel	Director
Sh. R.P. Gupta	Director
Sh. S.K. Sekhri	Director

AUDITORS :

M/s. Dass Khanna & Co.
Chartered Accountants
Ludhiana.

REGISTERED OFFICE & WORKS

Village Bholapur, P.O. Sahabana
Chandigarh Road, Ludhiana - 141 123

OFFICES

- 5 A-D, Gopala Tower,
25, Rajendra Place
New Delhi - 110 008.
- 302, Raheja Chambers,
Nariman Point,
Mumbai - 400 021.

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Registrar & Transfer Agents

Skyline Financial Services (p) Limited
D-153/A, 1st Floor
Okhla Industrial Area, Phase - 1,
New Delhi - 110020

NOTICE

Notice is hereby given that the 34th Annual General Meeting of the members of the Company will be held on Wednesday, 13th August, 2014 at 11.30 A.M. at the Registered Office of the Company at Village Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana to transact the following business.

AS AN ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and Profit and Loss Account for the year ended on that date together with the reports of the Directors and Auditors thereon.

2. To re-appoint Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the 37th Annual General Meeting and to fix their remuneration, subject to ratification of appointment by members at every AGM.

AS SPECIAL BUSINESS:**ITEM NO. 3****TO CONSIDER AND IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS A ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 196 read with Schedule V and other applicable provisions, if any, of the Companies Act 2013 and rules made there under, including any statutory modification or re-enactment thereof, consent of the Company be and is hereby accorded to the re-appointment of Sh. Rajneesh Oswal as Executive Director of the company for a further period of five years with effect from 1st July, 2014 on the terms and conditions as set out in the agreement, to be entered into between the company and Sh. Rajneesh Oswal, as submitted to this meeting which is hereby specifically approved."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such act, deeds and things and to execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution."

ITEM NO. 4**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 Section 149, 152 and other applicable provisions of the

Companies Act, 2013 and the rules made there under read with schedule IV to the said Act, consent of the company be and is hereby accorded to re-appoint Sh. R. P. Gupta as an Independent Director of the Company to hold office from 13th August, 2014 to 12th August, 2019, not liable to retire by rotation."

ITEM NO. 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 Section 149, 152 and other applicable provisions of the Companies Act, 2013 and the rules made there under read with schedule IV to the said Act, consent of the company be and is hereby accorded to re-appoint Sh. S. K. Sekhri as an Independent Director of the Company to hold office from 13th August, 2014 to 12th August, 2019, not liable to retire by rotation."

ITEM NO. 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 Section 149, 152 and other applicable provisions of the Companies Act, 2013 and the rules made there under read with schedule IV to the said Act, consent of the company be and is hereby accorded to re-appoint Sh. Arun K. Goel as an Independent Director of the Company to hold office from 13th August, 2014 to 12th August, 2019, not liable to retire by rotation."

ITEM NO. 7**TO CONSIDER AND IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION:**

"Resolved that pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014, including any statutory modification(s) or re-enactments thereof, for the time being in force, the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution and to the entire exclusion of the regulations contained in the existing Articles of Association of the Company."

"Resolved further that the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

2. Members/proxies are requested to bring their copy of Annual Report to the Meeting and bring in duly filled attendance slips enclosed herewith to attend the meeting. Shareholders/ Proxy holders are requested to produce at the entrance, duly filled and signed attendance slips for admission to the Meeting Hall.

3. The explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the Special Business set out in the Notice is annexed.

4. The Register of Members and Share Transfer books of the Company shall remain closed from 07th August, 2014 to 13th August, 2014 (both days inclusive), for the purpose of AGM, for both physical and electronic segments.

5. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their question in writing to the Company, so as to reach the registered office of the Company at least 10 days before the date of the meeting so that information required may be made available at the time of the Meeting.

6. Copies of the Annual Report are being sent by electronic mode only to all members whose email addresses are registered with the company/depository participants(s) for communication purposes unless any members has requested for hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report 2014 are being sent by the permitted mode.

7. Members are requested to :

- Quote their folio number/Client ID & DP-ID in all correspondence with the company.
- Notify immediately to the company any change in their address/ mandate, if any.
- Register their e-Mail id with the company or its

Registrar or their depository participant to enable the company to send the notices and other reports through email.

8. Shares of the Company are available for De-Materialization under ISIN- INE207C01019 Members who have not opted for De-Materialization are requested to do so in their own interest.

9. Please note that the meeting is for members or their proxies only. Please avoid being accompanied by non-members and children.

10. An e-voting facility for the members shall also be provided in terms of Section 108 of the Companies Act, 2013 and rules made there under.

The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

- Log on to the e-voting website www.evotingindia.com
- Click on "Shareholders" tab.
- Now, select the "ADINATH TEXTILES LIMITED" from the drop down menu and click on "SUBMIT"
- Now Enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company) and then enter the Captcha Code as displayed and Click on Login.
- If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used. If you are a first time user follow the steps given below.
- Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form	For Members holding shares in Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)	
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.	
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.	

*Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the folio/demat account number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 1 then enter RA0000001 in the PAN field.

Please enter any one of the details in order to login. In case either of the details are not recorded with the depository please enter the <YOUR NUMBER OF SHARES> in the Dividend Bank details field.

(vii) After entering these details appropriately, click on "SUBMIT" tab.

(viii) Members holding shares in physical form will then reach directly the EVSN 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 <ADINATH TEXTILES 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 Resolutions.

(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 changed password then Enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.

(xvii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to

<https://www.evotingindia.co.in> and register themselves as Corporate. They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com. 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 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.

In case of members receiving the physical copy:

(A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.

(B) The voting period begins on 07.08.2014, 09:00 A.M. and ends on 09.08.2014, 05:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 11.07.2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

ELECTRONIC VOTING PARTICULARS

EVSN (E-voting Sequence Number)	USER ID (16 Digit Demat Account/ Folio No. of members holding shares in physical mode)	PASSWORD (as per point (v) to (viii) of e-voting instructions)
140709001		

11. M/s P.S. Bathla & Associates, Company Secretaries have been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall within a period of three working days from the conclusion of e-voting period, unblock the votes in presence of at least two witnesses not in employment of the Company and makes a report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

12. The Results shall be declared at the AGM of the Company. The results declared along with the Scrutinizer's report shall be placed on the Company's website www.adinathtextiles.com and on the website of CDSL within 2 (two) working days of the passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.

By order of the Board
For Adinath Textiles Limited

Rajneesh Oswal
Executive Director

Dated : 26.05.2014

Regd. Office: Village: Bholapur,
P.O. Sahabana, Chandigarh Road,
Ludhiana 141 123

CIN: L17115PB1979PLC003910

Email: atl@shreyansgroup.com

Website: www.adinathtextiles.com

Tel. No. 0161-2685271-72, Fax 0161-2685270

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, FORMING PART OF THE NOTICE OF ANNUAL GENERAL MEETING

ITEM NO.3

Section 196 of the Companies Act, 2013 require for the appointment of a Whole time Director. Sh. Rajneesh Oswal is a whole time Director designated as Executive Director of the Company since 1989. The previous term of appointment of Sh. Rajneesh Oswal is expired on 30th June, 2014. Board of Directors at its meeting held on 26th May, 2014 has re-appointed Sh. Rajneesh Oswal as Whole time Director designated as Executive Director of the Company for another term of five years w.e.f 1st July, 2014 to 30th June, 2019, to meet out the requirement of section 196 of the Companies Act, 2013. Board of Directors of the Company had not proposed any remuneration for Sh. Rajneesh Oswal for holding the office of Executive Director of the Company. Accordingly, no remuneration shall be paid to Sh. Rajneesh Oswal for holding the office of Executive Director of the Company. Sh. Rajneesh Oswal is a Management Graduate and has experience of more than two decades in the field of administration and management to his credit. He is also holding office of Chairman & Managing Director in Shreyans Industries Limited and Director in the Following companies:

Adeep Investment Company

Virat Investment and Mercantile Company

Jagvallabh Parasnath Capital Investment (P) Ltd.

Oasis Share Trading (P) Ltd.

The provisions of Schedule V of the Companies Act, 2013 require the approval of Shareholders for the appointment by an ordinary resolution. Accordingly, Directors recommends the resolution at item no.3 for approval of shareholders.

A copy of the draft agreement for re-appointment of Sh.

Rajneesh Oswal as an Executive Director, setting out the terms and conditions is available for inspection by members at registered office of the company during working hours.

NOTICE OF INTEREST

None of the directors and key managerial personnel/their relatives, except Sh. Rajneesh Oswal, the appointee himself, is interested in the proposed resolution.

ITEM NO. 4, 5, 6

In terms of Section 149 (10), (11), (13) and Section 152 (6), (7) of Companies Act, 2013 read with schedule IV of the said Act, an Independent Director shall holds office for not more than two consecutive terms of five years and the tenure of an independent director on the date of commencement of this act shall not be counted as a term under above mentioned sub sections. Furthermore the provisions relating to retirement by rotation shall not applicable to Independent Directors.

So to comply with relevant provisions of Companies Act, 2013, all Independent Directors needs to be re-appointed on non rotational basis and up to five year at a time. In the opinion of the Board, all Independent Directors of the Company fulfills the conditions for their appointment as an Independent Director as specified in the Act and the Listing Agreement. The Board also opined that they all possess appropriate skill, experience and knowledge as required to occupy the position of an Independent Director.

The Board has also received declaration from all the Independent Directors that they meet the Criteria of Independence as prescribed under section 149(6) read with Schedule IV of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

The Board recommends the re-appointment of all independent directors from 13th August, 2014 to 12th August, 2019.

NOTICE OF INTEREST

None of the Executive Directors/Key Managerial Personnel of the Company / their relatives are in any way concerned or interested in the said resolution. All independent directors are interested in their respective resolution(s).

ITEM NO.7

Company needs to adopt new Articles of Association in accordance with the provisions of Companies Act, 2013. The larger part of New Companies Act, 2013 (Act) has been made effective by the Ministry of Corporate Affairs. With the coming into force of the Act, several regulations of the existing Articles of Association of the company

require alteration/deletion. So it is considered and proposed to replace the whole Articles of Association of the Company by new set of Articles. The new Articles of Association shall be based on Table F of the Act for company limited by shares.

Necessary resolutions are proposed at item no.7 of the aforesaid agenda as special resolution.

A draft of the said Articles of Association has been uploaded on the website of the company and also available for inspection by members at the registered office of the Company during the working hours. Director of your company recommend the above resolution for your consideration and approval.

NOTICE OF INTEREST

None of the Directors/Key Managerial Personnel of the Company / their relatives are in any way concerned or interested in the said resolution.

ANNEXURE TO THE NOTICE

Details of Directors seeking re-appointment at the Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement)

Name of the Director	Sh. R.P. Gupta	Sh. S.K. Sekhri	Sh. Arun K. Goel
Age	67 years	68 years	53 years
Date of Appointment	31.01.2001	29.06.2004	14.11.2012
Expertise in Specific	Accounts & Finance	Finance & Internal Control	Human Resource Management
Qualification	Graduate	CA	PGDBM (PM & IR) M.A. Economics
Directorship of other Public Limited Companies	NIL	Adinath Yarns Limited	NIL
Membership of Committees of Other Public Limited Companies (Mandatory Committees only)	NIL	NIL	NIL
Nos. of shares held in the Company	NIL	NIL	NIL

By order of the Board
For Adinath Textiles Limited

Rajneesh Oswal
Executive Director

Dated : 26.05.2014

Regd. Office: Village: Bholapur,
P.O. Sahabana, Chandigarh Road,
Ludhiana 141 123

CIN: L17115PB1979PLC003910

Email: atl@shreyansgroup.com

Website: www.adinathtextiles.com

Tel. No. 0161-2685271-72, Fax 0161-2685270

DIRECTORS' REPORT

The Directors of your company are pleased to present the 34th Annual Report together with the Audited Accounts of the company for the year ended 31st March, 2014.

FINANCIAL RESULTS

Particulars	(Rs. In Lacs)	
	2013-14	2012-13
Income from Operations	9244196.16	95069158.00
Other Income	8846524.87	8047903.50
Profit/ (Loss) before interest & depreciation	3483498.77	10452901.14
Less Interest	1628.97	1425.96
Gross Profit/ (Loss)	3481869.80	10451475.18
Depreciation	934133.00	937975.00
Net Profit/ (Loss) Before Tax	2547736.80	9513500.18
Provision For Taxation (including deferred tax)	391240.00	1986000.00
Net Profit/ (Loss) after Tax	2156496.80	7527500.18

During the year under consideration the income from operations of the company is Rs. 9244196.16 against Rs. 95069158.00 in the last Financial Year. Other Income of the company is Rs. 8846524.87 in comparison to Rs. 8047903.50 in previous year.

As reported earlier that the company has been declared as Sick by the BIFR. The management of the company has submitted its Detailed Rehabilitation Scheme (DRS) to the BIFR through the operating agency appointed by the BIFR after incorporating the changes suggested by different agencies. The same is under active consideration of the Hon'ble BIFR for circulation and final approval.

DIVIDEND

Due to accumulated losses of the previous years, your Directors are unable to recommend any dividend for the year under review.

DIRECTORS

Sh. R. P. Gupta, Sh. S. K. Sekhri and Sh. Arun K. Goel are being re-appointed as Independent Directors of the Company for a period of five years.

DEPOSITS

During the year under review the company has not accepted any deposits within the meaning of section 58A of the Companies Act, 1956 and the rules made there under.

AUDITORS

Auditors of the Company M/s Dass Khanna & Co., Chartered Accountants, Ludhiana retire at the ensuing Annual General Meeting of the company and are eligible for reappointment.

COST AUDITORS

As per new cost audit orders, the company has been advised that cost audit is not applicable for the financial year 2013-14 as company is not carrying any manufacturing activity at its own.

AUDITORS REPORT

The Auditors Report on accounts of the company for the year under review is self explanatory and requires no comments. As for their comments regarding realization of old outstanding, management has taken effective steps, including the filing of legal cases, and is hopeful to recover the old outstanding.

As regards the non compliance of Section 383A of the Companies Act, 1956 management has taken due steps to appoint Company Secretary, but no suitable candidate was available for appointment.

CORPORATE GOVERNANCE

As per Clause 49 of the Listing Agreement with the Stock Exchange, a separate Chapter on Corporate Governance practices followed by the Company together with a Certificate from the Practicing Company Secretary confirming compliance forms part of this report.

INDUSTRIAL RELATIONS

The Company maintained healthy, cordial and harmonious industrial relations at all levels.

STATEMENT OF PARTICULARS OF EMPLOYEES

The Company has no employee in the category specified under Section 217 (2A) of the Companies Act, 1956.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 217 (2AA) of the Companies Act, 1956, your Directors confirm that:

1. in the preparation of the annual accounts, applicable accounting standards have been followed and there has been no material departures;
2. the selected accounting policies were applied consistently and the directors 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 as at March 31, 2014 and of the profit or loss of the company for the year ended on that date;
3. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 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.

ACKNOWLEDGMENTS

Your Directors wish to place on record their appreciation for the dedicated work and co-operation extended by all the employees. Your Directors also wish to record their gratitude to the shareholders, Customers and Suppliers for their valuable support.

ON BEHALF OF THE BOARD
For ADINATH TEXTILES LIMITED

Sd/-
RANJEESH OSWAL
(EXECUTIVE DIRECTOR)

PLACE : LUDHIANA

DATE : 26.05.2014

ANNEXURE TO DIRECTOR'S REPORT**INFORMATION PURSUANT TO SECTION 217 (1)(e) OF THE COMPANIES ACT, 1956**

- (i) Conservation of Energy-All efforts are being made to conserve energy.
- (ii) Technology Absorption-- Nil.
- (iii) Foreign Exchange Earnings and Outgo--Nil
- (iv) Activities and initiatives related to Export--Nil

REPORT ON CORPORATE GOVERNANCE

The Company is in compliance with requirements of the guidelines on corporate governance stipulated under clause 49 of the listing Agreement. The status with regard to the various aspects of the corporate governance is given below.

The company has laid down a code of conduct for all its Board Members and senior management personnel for avoidance of conflicts of interests. Company has received the necessary declaration affirming compliance with the code of conduct for the year 2013-14.

Board of Directors**Composition:**

The Board of Directors of the Company comprises of a One Promoter Executive Director, and three Independent and Non Executive Directors with professional expertise and experience in their respective field.

The Board of Directors met four times during the year 2013-14 on 29th May, 2013, 14th August, 2013, 13th November 2013 and 12th February, 2014. All information laid down in corporate governance code is being placed before the board in regular manner.

The name of Board members, their attendance at Board Meetings and the number of other Directorships and Board Committee memberships held by them as on March 31, 2014 are given in the following table:

Name & Designation of the Director	Category	Board Meetings attended during the year	Attendance of last AGM 30.08.2013	No. of Directorship in all Public Companies*	Membership of the Board Committees in all Public Companies**	Chairmanship of the Board Committees in all Public Companies**
Sh. Rajneesh Oswal	Executive Director	4	Present	2	2	--
Sh. R.P. Gupta	Non Executive Director	4	Present	1	--	2
Sh. S. K. Sekhri	Non Executive Director	4	Not Present	2	1	--
Sh. Arun K. Goel	Non Executive Director	4	Not Present	1	2	--

*including Adinath Textiles Ltd. and excluding private limited companies, foreign companies, unlimited liability companies and Companies under section 25 of the Companies Act, 1956.

**Board Committee for this purpose includes Audit Committee and Share Transfer Cum Investors' Grievance Committee (including committees of Adinath Textiles Ltd.)

Audit Committee

Company has constituted Audit Committee in compliance with the provisions of the Companies Act, 1956 and Clause 49 of the Listing Agreement. The committee's terms and reference, authority and powers are in conformity with the requirements of the Companies Act, 1956 and Clause 49 of the Listing Agreement. All financial statements are reviewed by the Audit Committee before submission to the Board. There were four meetings of the committee during the year. The details of composition of committee and attendance at its meetings are given in the following table:

Name of Member	Designation	Meetings Held	No. of Meetings Attended
Sh. R.P. Gupta	Chairman	4	4
Sh. S.K. Sekhri	Member	4	4
Sh. Arun K. Goel	Member	4	4

Share Transfer-cum-Investor Grievance Committee

The Board has formed an investors' Grievance Committee named as Share Transfer-cum-Investor Grievance Committee to specifically look into the redressal of investors' complaint like transfer of shares, non receipt of balance sheet or non receipt of credit of shares into the De mat account etc. The committee also approves issue of duplicate share certificate(s) and overseas and reviews all matters connected with the share transfer.

The Share Transfer cum Investor Grievance Committee is headed by a Non-Executive Director and met 2 times during the year 2013-14. The detail of members and their attendance are given in the table:

Name of Member	Designation	Meetings Held	No. of Meetings Attended
Sh. R. P. Gupta	Chairman	2	2
Sh. Rajneesh Oswal	Member	2	2
Sh. Arun K. Goel	Member	2	2

The company has designated the e-mail id "cs@shreyansgroup.com" for the purpose of registering complaints by investors electronically. This e-mail id is displayed on the company's website.

The details regarding investor's complaints are as under:

Particulars	No. of Complaints
Pending as on 01.04.2013	0
Received during the year	9
Resolved during the year	9
Pending as on 31.03.2014	0

REMUNERATION PAID TO DIRECTORS

Company has not paid any remuneration to its Executive Director. Sitting fee was paid to the Non Executive Directors during the year under consideration as per detail given below:

Name of Member	Category	Sitting Fees for Board Meeting
Sh. R. P. Gupta	Independent Director	3000
Sh. S. K. Sekhri	Independent Director	3000
Sh. Arun K. Goel	Independent Director	3000

General Body Meetings

The last three Annual General Meetings were held as under:

Financial Year	Date of A.G.M	Time	Venue	Special Resolution Passed
2012 - 2013	30th Aug, 2013	11.30 A.M.	Regd. Office of the Company at Vill. Bholapur, P.O. Shabana, Chandigarh Road, Ludhiana- 141123	---
2011 - 2012	29th Sep, 2012	11.00 A.M.	---Do---	---
2010 - 2011	30th Sep, 2011	11.00 A.M.	---Do---	---

There was no occasion to pass Special Resolutions through postal ballot on any of the matters as required under the rules for passing of resolution through Postal Ballot. Further no such proposal is proposed to be placed for the shareholders approval in the forthcoming Annual General Meeting.

Disclosures

- a) The related party transactions are placed before Audit Committee for the year 2013-14, there were no transactions of material nature with related parties which are not in the normal course of business. The related party transactions are disclosed in the Notes on Account to the Balance Sheet.
- b) There are no pecuniary relationships or transactions of non executive directors vis-à-vis Company that have a potential conflict with the interests of the company.
- c) The company has complied with requirements of the stock exchanges as well as the Regulations and Guidelines prescribed by the Securities & Exchange Board of India. There were no penalties or strictures imposed on the company by Stock Exchanges or SEBI, any statutory authority on any matter related to capital markets during last three years. Listing fee has been paid to the Bombay Stock Exchange up to the F.Y. 2014-15. Company has also made applications for the voluntary delisting from the stock exchanges at Delhi, Chennai, Kolkata and Ahmedabad, which are pending for decision at end of respective stock exchange. Company has not paid listing fee to these stock exchanges in view of poor financial position.
- d) The company has complied with all mandatory requirements of clause 49 of listing agreement on corporate governance.
- e) As on 31 March, 2014 none of the non executive directors, is holding any equity shares of the company.
- f) The company has a Whistle Blower Policy in place and it has not denied access to any personnel to approach the Management or the Audit Committee on any issue.
- g) No director of the company is having any relationship with each other.

Means of Communication

Financial Information: The quarterly, half yearly and Annual Financial results were published in The Economic Times and Doshsevak. The same were sent to the Stock Exchanges and also placed at website of the Company, www.adinathtextiles.com.

Online Filing: Periodical compliance filings like shareholding pattern, corporate governance report, announcements, corporate actions etc. have been filed electronically on BSE –Corporate Compliance & Listing Centre.

SCORES (Sebi Complaints Redressal System): The Investor Complaints are processed in a centralized web based complaints redressal system on www.scores.gov.in, a website maintained by SEBI (Securities and Exchange Board of India). The main feature of this system is central database of all complaints, online upload of action taken reports (ATR's) by the concerned companies and online view by investors of action taken on complaints and its current status. The Company had dispose of all the pending complaints filed through scores.

General Share Holders Information

- (i) **Annual General Meeting:**
Date & Time: Wednesday, the 13th day of August, 2014 at 11.30 A.M.
Place: Regd. office of the Company at Vill. Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana -141 123.
- (ii) **Financial Year:** The company's Financial Year starts from 1st April every year and conclude on 31st March, next year.
- (iii) **Book Closure:** From Thursday the 7th day of August 2014 to Wednesday the 13th day of August 2014 (both days inclusive).
- (iv) Company has not declared any dividend during the year 2013-14.
- (v) **Listing Details:** The Equity shares of the Company are listed on
 - (i) The Bombay Stock Exchange, Pheroze Jeejeebhoy Towers, 25th floor, Dalal street, Mumbai-400001
 - (ii) The Ludhiana Stock Exchange Association Limited, Feroze Gandhi Market, Ludhiana -141001
 - (iii) The Delhi Stock Exchange Association Limited, DSE House, Asaf Ali Road, New Delhi-110002
 - (iv) The Calcutta Stock Exchange Limited, 7, Lyons Range, Kolkata-700001.
 - (v) The Madras Stock Exchange Limited, Post Bag No. 183, 11 Second Line Beach, Chennai - 600 001
 - (vi) The Ahmedabad Stock Exchange Limited, Kamdhenu complex, Panjara Road, Ahmedabad-380015
Stock Code: BSE Code: 514113
- (vi) **Depositories for Equity Shares:** National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL)
ISIN No. for the Companies Equity Shares: INE207C01019

(vii) Registrar and Share Transfer Agent.

The details of Registrar & Transfer Agents areas under

Name : Skyline Financial Services (P) Ltd.
 Address : D-153/A 1st Floor, Okhla Industrial Area, Phase-1 New Delhi-11 0020
 Phone No. : 011-26812682-83-84
 Fax No. : 011-26812682
 Contact Person : Mr. Subhash Aggarwal, Director.

(viii) The distribution of Company's shareholding is as follows:

NO OF SHARES		PHYSICAL FORM			D-MAT FORM		
		NO. OF SHARE HOLDERS	NO. OF SHARES HELD	PERCENTAGE OF SHARE CAPITAL HELD*	NO. OF SHARE HOLDERS	NO. OF SHARES HELD	PERCENTAGE OF SHARE CAPITAL HELD *
From	To						
1	500	19603	2396620	35.17%	3102	474415	6.96%
501	1000	308	238680	3.50%	151	120820	1.77%
1001	2000	90	126120	1.85%	65	92487	1.36%
2001	3000	18	43150	0.63%	21	51908	0.76%
3001	4000	6	20050	0.29%	7	24600	0.36%
4001	5000	0	0	0.00%	6	27900	0.41%
5001	10000	3	19070	0.28%	12	80106	1.18%
10001	Above 10001	3	66660	0.98%	14	3031764	44.49%
TOTAL		20031	2910350	42.71%	3378	3904000	57.29%

* The above percentage is after excluding the shares forfeited but not re-allotted.

(ix) **Share Transfer System:**

The Company's shares are in compulsory dematerialized list and are transferable through depository system. Shares in physical form are processed by M/s Skyline Financial Services Pvt. Ltd., the Registrar and Transfer Agents. The share transfers are generally processed within a period of 15 days from the date of receipt of transfer documents by M/s Skyline Financial Services Pvt. Ltd.

(x) Market Price data: The monthly high and low stock quotations for the shares of the company at the Stock Exchange, Mumbai, during the last financial year are not available.

(xi) The Company has not issued any GDR's IADR's and there are no warrants or any convertible warrants.

(xii) Location of Plant:

Adinath Textiles Ltd., Vill. Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana

(xiii) Address for Correspondence:

Adinath Textiles Limited, Vill. Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana (India) -141 123

Ph. (0161)2685271, 2685272

Fax. 91-161-2685270

Email: cs@shreyansgroup.com

Website: www.adinathtextiles.com

**MANAGEMENT DISCUSSIONS AND ANALYSIS
OVERVIEW OF INDUSTRY**

The overall performance of textile industry is affected due to lower realization in domestic market. Disturbed power supply and skilled labor shortage in the region has worsened the position.

The company primarily operates in spinning of worsted and spun yarn. The company has manufacturing set up base in Ludhiana in the state of Punjab and Corporate Office is located in Ludhiana in Punjab. Presently the company has devoted major part of its production capacity to Job works. In addition company has taken up the trading activities to avail of the available opportunities.

OPPORTUNITY, RISK AND CONCERN

The company is dependent upon the orders for the job work for its manufacturing facilities. Ludhiana being a hosiery cluster, company does not foresee any problem for its activities. Further management feels that the opportunity for the company lies in increasing the income in trading activities of textile goods. Your company is actively working for these opportunities.

SEGMENTWISE- PRODUCTWISE PERFORMANCE

The company has only one segment i.e. manufacturing and sale/trading of Acrylic and worsted yarn.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has a proper and adequate internal control system to safeguard and protect against loss from unauthorized use or disposition and to ensure that all transactions are authorized, recorded correctly and adequately. Internal control is designed to ensure that financial and other records are reliable for preparing financial information and for maintaining accountability of assets.

The internal audit report, plans, significant audit findings and compliance with accounting standards is in turn reviewed by the Company's Audit Committee to ensure proper audit coverage and adequate consideration along with execution of the auditors' recommendations.

FINANCIAL STATEMENT

Financial statements of the company have been prepared in compliance with the requirements of the Companies Act, 1956 and generally accepted accounting principles in India. There are no material

departures from the prescribed accounting standards in the adoption of accounting standards. The management of the Company accepts responsibility for the integrity and objectivity of these financial statements, as well as various estimates and judgments used therein. However, any unforeseen and uncontrollable external factors may alter these judgments.

HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS

The human resources development function of the Company is guided by a strong set of values and policies. Your company maintains a work environment that is free from any harassment.

DECLARATION

To,
The Members,
Adinath textiles Ltd.
Ludhiana.

DECLARATION BY THE EXECUTIVE DIRECTOR UNDER CLAUSE 49(1D) OF THE LISTING AGREEMENT

I hereby confirm that all Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the Directors and Senior Management Personnel as approved by the Board, for the Financial Year ended 31st March, 2014 in terms of clause 49(1D)(ii) of the Listing Agreement entered with the Stock Exchanges.

For and on Bahalf of the Board of Directors

Place : Ludhiana
Date : 26th May, 2014

(RAJNEESH OSWAL)
Executive Director

Practicing Company Secretary Certificate on Compliance with the condition of Corporate Governance under clause 49 of the Listing Agreement

To
The Members
Adinath Textiles Ltd

We have examined the compliance of conditions of corporate governance by Adinath Textiles Limited (the company) for the year ended 31st March, 2014 as stipulated in clause 49 of the listing agreement of the said Company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to review of 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 opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the presentation made to the Directors and Management, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above mentioned listing agreement.

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

For P. S. Bathla & Associates
Company Secretaries
(P.S. Bathla)
C. P. No. 2585

Place : Ludhiana
Dated : 26th May, 2014

INDEPENDENT AUDITOR'S REPORT

To,
The Members

ADINATH TEXTILES LIMITED
Report on the Financial Statements

We have audited the accompanying financial statements of Adinath Textiles limited ("the Company"), which comprises the Balance sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information

Management's Responsibility for the Financial Statements

Management is responsible for the preparation 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 Standards notified under the Companies Act, 1956 (the "Act") read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 disclosures in the financial statements. The procedures selected depend on the auditor's 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31 March 2014;
- (ii) in the case of the Profit and Loss Statement, of the profit for the year ended on that date; and
- (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, 1956 and sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) the Balance Sheet, Profit and Loss Statement and Cash Flow Statement dealt with by this Report are in agreement with the books of account and records;
 - d) In our opinion, the Balance Sheet, Profit and Loss Statement and Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
 - e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956 and sub-section 164 of the Companies Act, 2013.

For DASS KHANNA & Co.
Chartered Accountants
Firm's Reg. No. 000402N

Place : Ludhiana
Date : 26-05-2014

RAKESH SONI
Partner
Membership No. 083142

Annexure to the Auditors' Report

The Annexure referred to in our report to the members of Adinath Textiles Limited ('the Company') for the year ended 31 March 2014. 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.
- (c) Fixed assets disposed off during the year were not substantial, and therefore, do not affect the going concern assumption.
- (ii) (a) The inventory has been physically verified during the year, by the management. In our opinion the frequency of verification is reasonable.
- (b) The procedure of physical verification of inventories followed by the management, are reasonable & adequate in relation to the size of the company & the nature of business.
- (c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks & the book records were not material.
- (iii) (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of the order are not applicable to the Company.
- (b) The Company has taken unsecured loans from

companies, firms or parties covered in the register maintained under section 301 of the Act. There is only one party covered in the register maintained under section 301 of the Act. The maximum amount involved during the year & year end balance of loan is Rs. 3,05,620/-

(c) In our opinion, the rate of interest and other terms and conditions on which loans have been taken by the company are not prima facie prejudicial to the interest of company.

- (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 fixed assets and sale of services. The activities of the Company do not involve purchase of inventory and the sale of goods. We have not observed any major weakness in the internal control system during the course of the audit.
- (v) (a) In our opinion and according to the information and explanations given to us, we are of the opinion that particulars of the contracts or arrangements, referred to in section 301 of the Act have been entered in to the register maintained under section 301 of the Companies Act, 1956 and Section 189 of the companies Act, 2013,
- (b) As per information & explanations given to us and in our opinion, the transaction entered into by the company with parties covered u/s 301 of the Companies Act, 1956 and Section 189 of the Companies Act, 2013, does not exceeds five lacs rupees in a financial year therefore requirement of reasonableness of transactions does not arises.
- (vi) In our opinion and according to the information and explanations given to us, the company has not accepted deposit with the provisions of sections 58A and 58AA or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal. Therefore, the provisions of clause 4(vi) of the Companies (Auditor's Report) Order, 2003, are not applicable to the company.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and the nature of its business.

(viii) As per information & explanation given by the management, maintenance of cost records has been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 and Section 128 read with Section 2(13) of the Companies Act, 2013, we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, carried out a detailed examination of the same.

(ix) (a) According to the information and explanations given to us, following are the undisputed amounts payable in respect of Provident Fund, Sales-tax, are in arrears as at 31 March 2014 for a period of more than six months from the date they became payable.

Nature of Dues	Amount in (Rs.)
Sales Tax	2277956
Entry Tax	237798
Intt. On PF/ESI/ Sales Tax	1342158

(b) According to the information and explanations given to us, the disputed statutory dues aggregating to RS 1695001 /- that have not been deposited on account of matters pending before the appellate authorities in respect of custom duty and excise duty are as follows.

Sr. No.	Forum where dispute is pending	Nature of Dues	Disputed Amount (Rs.)
1.	Commissioner Central Excise & Customs, Chandigarh	Penalty	15,00,000**

** Note: However Rs. 500000/- has been deposited under protest.

(x) The Company has accumulated losses at the end of the financial year which is not more than company's Net Worth and has not incurred cash losses in the financial year and in the immediately preceding financial year.

(xi) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.

(xii) Based on our examination of documents and records and according to the information and explanations given to us, the Company has not

granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) In our opinion and according to the information and explanations given to us, the Company is not a chit fund/ nidhi/ mutual benefit fund/ society.

(xiv) According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.

(xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.

(xvi) The Company did not have any term loans outstanding during the year.

(xvii) The Company has not raised any funds on short-term basis.

(xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.

(xix) The Company did not have any outstanding debentures during the year.

(xx) The Company has not raised any money by public issues during the year.

(xxi) 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 DASS KHANNA & Co.
Chartered Accountants
Firm's Reg. No. 000402N

Place : Ludhiana
Date : 26-05-2014

RAKESH SONI
Partner
Membership No. 083142

BALANCE SHEET AS AT 31st MARCH 2014

PARTICULARS	Note No.	As at 31/03/2014 Rs.	As at 31/03/2013 Rs.
I. EQUITY AND LIABILITIES			
1 Shareholder's Funds			
(a) Capital	3	70,143,500	70,143,500
(b) Reserves & Surplus	4	(6,21,06,662.33)	(6,42,63,159.13)
(c) Money received against share warrants		---	---
		<u>80,36,837.67</u>	<u>58,80,340.87</u>
2 Share application money pending allotment		---	---
3 Non-current liabilities			
(a) Long-term borrowings	5	1,66,50,000.00	1,71,50,000
(b) Long-term provisions	6	8,01,969.00	4,73,256
(c) Deferred Tax Liabilities	7	23,77,240.00	19,86,000
		<u>1,98,29,209.00</u>	<u>1,96,09,256</u>
4 Current liabilities			
(a) Short-term borrowings	8	3,05,620.56	3,05,620.56
(b) Trade Payables	9	6,71,947.50	29,80,579.80
(c) Other current liabilities	10	88,97,440.62	83,70,392.30
(d) Short-term provisions	11	5,44,190.00	9,29,242.10
		<u>1,04,19,198.68</u>	<u>1,25,85,834.76</u>
	TOTAL	<u>3,82,85,245.35</u>	<u>3,80,75,431.63</u>
II. ASSETS			
1 Non-current assets			
(a) Fixed Assets	12		
(i) Tangible assets		1,94,89,696.82	2,03,41,929.82
(b) Non-current investments	13	1,71,250.00	1,71,250
(c) Other non-current assets	14	6,92,313.00	6,92,581
		<u>2,03,53,259.82</u>	<u>2,12,05,760.82</u>
2 Current Assets			
(a) Inventories	15	8,30,754.00	11,43,399
(b) Trade receivables	16	75,44,757.66	99,03,286.03
(c) Cash and cash equivalents	17	58,45,377.23	21,86,928.24
(d) Short-term loans and advances	18	32,45,859.04	33,61,926.54
(e) Others current assets	19	4,65,237.60	2,74,131
		<u>1,79,31,985.53</u>	<u>1,68,69,670.81</u>
	TOTAL	<u>3,82,85,245.35</u>	<u>3,80,75,431.63</u>

The accompanying notes are an integral part of these financial statements.

Significant Accounting Policies 2

This is the Balance Sheet referred to in our report of even date.

For and on Behalf of The Board

For Dass Khanna & Co.
Chartered Accountants

(RAKESH SONI)
Partner

(RAJESH KUMAR)
Mgr. (A/c)

(Arun K. Goel)
Director

(RAJNEESH OSWAL)
Executive Director

PLACE : LUDHIANA
DATED : 26.05.2014

PROFIT & LOSS STATEMENT FOR THE YEAR ENDING 31st MARCH 2014

PARTICULARS	Note No.	Current Year Rs.	Previous Year Rs.
I. Revenue from operations	20	92,44,196.16	9,50,69,158.00
II. Other income	21	88,46,524.87	80,47,903.50
III. Total Revenue (I+II)		1,80,90,721.03	1,0,31,17,061.50
IV. EXPENSES			
Cost of Materials consumed	22	---	---
Changes in inventories of finished goods, work in progress & stock in trade	23	---	1,13,500
Purchases of stock-in-trade		---	7,49,67,900
Employee Benefits Expenses	24	54,16,623.35	46,95,728
Financial Expenses	25	1,628.97	1,425.96
Depreciation and amortization		9,34,133.00	9,37,975
Other expenses	26	91,90,598.91	1,28,87,032.36
		1,55,42,984.23	9,36,03,561.32
V. Profit before exceptional and extraordinary items and tax(III-IV)		25,47,736.80	95,13,500.18
VI. Add: Exceptional items		---	---
VII. Profit before extraordinary (V-VI)		25,47,736.80	95,13,500.18
VIII. Extraordinary items		---	---
IX. Profit before Tax (VII-VIII)		25,47,736.80	95,13,500.18
X. Tax expenses:			
i) Current tax		218701.00	---
ii) Deferred tax liabilities		391240.00	19,86,000
iii) MAT Credit Entitlement		(218701.00)	---
iv) Tax expense relating to earlier years		---	---
XI. Profit(Loss)for the period from continuing operations (IX-X-XIV)		21,56,496.80	75,27,500.18
XII. Profit for the period(XI-XIV)		21,56,496.80	75,27,500.18
XIII. Earing per equity share (Nominal Value per share :Rs.10/(2013:Rs.10/-)			
Basic (including extraordinary items)		0.32	1.10
Diluted (including extraordinary items)		0.32	1.10
Basic (excluding extraordinary items, net of tax expense)		0.32	1.10
Diluted (excluding extraordinary items, net of tax expense)		0.32	1.10
Significant Accounting Policies	2		
The accompanying notes are an integral part of these financial statements.			

This is the Profit & Loss Statement referred to in our report of even date.

For And on Behalf of The Board

For Dass Khanna & Co.
Chartered Accountants

(RAKESH SONI)
Partner

(RAJESH KUMAR)
Mgr. (A/c)

(Arun K. Goel)
Director

(RAJNEESH OSWAL)
Executive Director

PLACE : LUDHIANA
DATED : 26.05.2014

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014

PARTICULARS	DETAIL	2013-14	DETAIL	2012-13
A CASH FLOW FROM OPERATIONS				
Net Profit/(Loss) Before Tax And Extraordinary Items		2547737.00		9513500.00
Adjustment For Non Cash & Non Operating Items:-				
Depreciation	934133.00		937975.00	
Interest Received	(56271.00)		---	
Financial (Bank charges) Expenses	1629.00		1426.00	
Loss on Sale of Fixed Assets Sold	---		36737.00	
Gain on Sale of Machinery Scrap	---		---	
Rental Income	(6916806.00)		(7970864.00)	
	(6037315.00)	(6037315.00)	(6994726.00)	(6994726.00)
Operating Profit Before Working Capital Changes		(3489578.00)		2518774.00
Adjustment For Working Capital				
Decrease in Trade Receivable	2358528.00		19825343.00	
Decrease in Inventory	312645.00		389170.00	
Decrease in Trade Payables	(2308632.00)		(30738559.00)	
Increase/(Decrease) in short term loans & advances	(75039.00)		577690.00	
Repayment of Short term Borrowings	---		---	
Decrease in other Current Liabilities	527048.00		(1328386.00)	
Increase/(Decrease) In Provision for Employee Benefits	(56339.00)		69461.00	
	758211.00	758211.00	(11205281.00)	(11205281.00)
Extraordinary Items		(2731367.00)		(8686507.00)
Interest received on Income Tax Refund	35715.00		---	
Taxes Paid	---		---	
	35715.00	35715.00	---	---
Net Cash Used in Operating Activities		(2695652.00)		(8686507.00)
B CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets	(81900.00)		(130905.00)	
Purchase of Equity Shares	---		---	
Sale of Fixed Assets	---		1.00	
Rental Receipt	6916806.00		7970864.00	
Interest received on FDR	20556.00		---	
Refund on Telephone Security	268.00		---	
Net Cash Generated in Investing Activities	6855730.00	6855730.00	7839960.00	7839960.00
C CASH FLOW FROM FINANCING ACTIVITIES				
Repayment of Long Term Borrowings	(500000.00)		---	
Financial (Bank charges) Expenses	(1629.00)		(1426.00)	
Net Cash Genrated/(used) in Financing Activities	(501629.00)	(501629.00)	(1426.00)	(1426.00)
Net Increase/(Decrease) in Cash and Cash Equivalents		3658449.00		(847973.00)
Opening Cash and Cash Equivalents		2186928.24		3034901.00
Closing Cash and cash Equivalents		5845377.00		2186928.20

The is the cash flow statement referred to in our report of even date.

For Dass Khanna & Co.
Chartered Accountants

For And on Behalf of The Board

(RAKESH SONI)
Partner

(RAJESH KUMAR)
Mgr. (A/c)

(Arun K. Goel)
Director

(RAJNEESH OSWAL)
Executive Director

PLACE : LUDHIANA
DATED : 26.05.2014

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2014

1. GENERAL INFORMATION

ADINATH TEXTILES LIMITED is a public limited company incorporate in India under the provisions of the Companies Act, 1956. The company is engaged in the business of Manufacturing of Blended acrylic Yarn and Trading of Unstitched Suitings, Shirtings & Dress Materials.

2. SIGNIFICANT ACCOUNTING POLICIES**(A) Accounting Conventions:**

The company's financial statements have been prepared in accordance with the historical cost convention on accrual basis of accounting, as applicable to going concern in accordance with generally accepted accounting principle in India, mandatory accounting standards prescribed in the companies (Accounting Standards) Rules 2006 issued by Central Government in consultation with the provisions of companies act, 1956 to the extent applicable. The financial statements are presented in Indian rupees.

All assets and liabilities have been classification as current or non current as per company's normal operating cycle and other criteria set out in the Revised Schedule VI of Companies Act, 1956. Based on the nature of business, the company has ascertained its operating cycle as 12 months for the purpose of current or non current classification of Assets and liabilities.

(B) Use of Estimates

The preparation of financial statements requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the year. Example of such estimates include provision for doubtful debts, employee benefits, provision for income tax, the useful lives of depreciable fixed assets and provision for impairment.

(C) Revenue Recognition

1. Sales are recognized at the time of delivery of goods from the factory, net of trade discount & sales tax.
2. Interest income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.

(D) Fixed Assets:

Fixed assets are stated at cost of acquisition and inclusive of inward freight, duties & taxes & incidental expenses related to acquisition net of capital subsidy relating to specific fixed assets.

(E) Inventory Valuation

Inventories are valued at cost or net realizable price whichever is lower except scrap at net realisable value. The cost formula used for valuation of inventories are:-

1. cost of stores & spares is calculated at weighted average of cost plus direct expenses.
2. Wastes are valued at net realisable value.

(F) Depreciation

Depreciation has been provided on Straight Line basis in term of Schedule XIV to the Companies Act 1956. Assets costing Rs. 5000/- or less acquired during the year are depreciated at 100%.

(G) Accounting for Taxes on Income

The Company provides for deferred tax based on the tax effect of timing differences resulting from the recognition of items in the financial statements.

(H) Employee Benefits

- (i) Short - term employee benefits are recognised as an expense at the undiscounted amount in the profit and loss statement of the year in which the related service is rendered.
- (ii) Contribution to Provident Fund is made in accordance with the provisions of the Employees Provident Fund and Miscellaneous Provision Act, 1952 and is charged to the Profit and Loss statement.
- (iii) The liability for Gratuity is provided on the basis of actuarial valuation at the end of financial year.
- (iv) Provision for leave encashment is made on the basis of actuarial valuation the close of the year.

(I) Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result so past event and it is probable that there will be outflow of resources. Contingent liability, which are considered significant and material by the company, are disclosed in the Notes to Accounts. Contingent Assets are neither recognised nor disclosed in financial statements.

(J) Investments

Long term investments are carried "at cost" Less Provision, if any, for diminution in value, which is other than temporary.

(K) Segment Reporting

The Company is a single segment company engaged in manufacturing of blended acrylic yarn. Accordingly the disclosure requirement as prescribed in the Accounting Standard (AS) -17 on Segment Reporting issued by the institution of Chartered Accountants of India is not applicable.

(L) Earning Per Share

Basic earning per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earning considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preferences dividends and any attributable tax thereto for the period.

(M) Leases

Rental Income from factory building given on operating lease, which can be renewed by the mutual consent of the parties after the expiry date, is recognised as income in the profit & loss statement.

3. SHARE CAPITAL

PARTICULARS	As at 31/03/2014 Rs.	As at 31/03/2013 Rs.
(a) AUTHORISED		
9900000 Equity Shares of Rs. 10/-each	99000000	99000000
10000, 11% Redeemable Non-cumulative preference shares of RS 100/- each	1000000	1000000
	<u>100000000</u>	<u>100000000</u>
(b) ISSUED AND SUBSCRIBED		
8616800 Equity Shares of Rs.10/- each.	86168000	86168000
2000, 11% Redeemable Non-cumulative preference shares of RS 100/- each	200000	200000
	<u>86368000</u>	<u>86368000</u>
(c) PAID UP CAPITAL		
6814350 Equity Shares of Rs.10/- each.	68143500	68143500
2000, 11% Redeemable Non-cumulative preference shares of RS 100/- each*.	200000	200000
Add : Shares Forfeited (Amount originally paid up)	1800000	1800000
TOTAL	<u>70143500</u>	<u>70143500</u>

*Note:- 11% Non-cumulative Preference Shares will be redeemed with in the period specified under section 80 of the Company Act, 1956 as amended from the date of allotment i.e.29.11.1998 or earlier at the discretion of Board of Directors.

(d) Reconciliation of shares outstanding at the beginning and at the end of the reporting period.

PARTICULARS	No. of Shares	Amounts Rs.	No. of Shares	Amounts Rs.
Opening Equity Shares	6814350	68143500	6814350	68143500
Addition during the year.	---	---	---	---
Closing Equity Shares	<u>6814350</u>	<u>68143500</u>	<u>6814350</u>	<u>68143500</u>
Opening Preference Shares	2000	200000	2000	200000
Addition during the year.	---	---	---	---
Closing Preference Shares	<u>2000</u>	<u>200000</u>	<u>2000</u>	<u>200000</u>

(e) Shareholders holding more than 5% of share capital.

Name of Shareholder/ Class of Equity shares	No. of Shares	% of Holding EQUITY SHARES	No. of Shares	% of Holding EQUITY SHARES
(i) Shreyans Industries Ltd.	1980000	29.06	1980000	29.06

4. RESERVES & SURPLUS

PARTICULARS	As at 31/03/2014 Rs.	As at 31/03/2013 Rs.
(A) Securities Premium Reserve		
Opening Balance	69507250	69507250
Add: Addition During the year	---	---
	<u>69507250</u>	<u>69507250</u>
(B) Capital Reserve		
Opening Balance	12000	12000
Add: Addition During the year	---	---
	<u>12000</u>	<u>12000</u>
(C) Surplus		
Opening Balance	(133782409.13)	(141309909.31)
Add: Profit for the period transferred from profit & loss statement.	2156496.80	7527500.18
	<u>(131625912.33)</u>	<u>(133782409.13)</u>
TOTAL	<u>(62106662.33)</u>	<u>(64263159.13)</u>

5. LONG-TERM BORROWINGS

PARTICULARS	NON CURRENT PORTION		CURRENT MATURITIES	
	AS AT 31.03.2014 Rs.	AS AT 31.03.2013 Rs.	AS AT 31.03.2014 Rs.	AS AT 31.03.2013 Rs.
(A) UNSECURED LOANS				
(i) From Others	16650000	17150000	---	---
(Interest free loan is Repayable on or after 2016.)				
TOTAL	<u>16650000</u>	<u>17150000</u>	<u>---</u>	<u>---</u>

6. LONG-TERM PROVISIONS

PARTICULARS	As at 31/03/2014 Rs.	As at 31/03/2013 Rs.
Provision for employee benefits		
- Gratuity	583268	473256
- Provision for Income Tax	218701	---
	<u>801969</u>	<u>473256</u>

7. DEFERRED TAX LIABILITIES

Deffered Tax assets:

On account of unabsorbed depreciation & b/f losses

Less DTL : On account of timing Difference of depreciation

Deffered Tax (Assets) Liability (Net)

517312	1150000
2894552	3136000
<u>2377240</u>	<u>1986000</u>

8. SHORT TERM BORROWINGS

PARTICULARS	As at 31/03/2014 Rs.	As at 31/03/2013 Rs.
UNSECURED LOANS		
Loans & Advances from related parties		
From Director (Interest free) Repayable on demand	305620.56	305620.56
TOTAL	305620.56	305620.56

9. TRADE PAYABLES

Sundry Creditors

Total Outstanding to Small, Medium & Micro enterprises	---	---
Total Outstanding to other than Small, Medium & Micro enterprises	691947.50	2980579.80
TOTAL	691947.50	2980579.80

The Micro, Small and Medium Enterprises Development Act, 2006 has come into force with effect from October 2, 2006. As per the Act, the company is required to identify the Micro and Small Vendors/Service providers and pay interest to them on overdue beyond the specified period irrespective of the terms agreed upon. The company has not received any confirmation from its Vendors/Service Providers regarding their status of registration under the said Act, which has been relied upon by the auditors, hence prescribed disclosures under Section 22 of the said Act has been provided.

10. OTHER CURRENT LIABILITIES

PARTICULARS	As at 31/03/2014 Rs.	As at 31/03/2013 Rs.
(a) Current maturities of long-term debt	---	---
(b) Income received in advance	---	14960
(c) Other Payables		
i) Statutory Duties & Taxes	2528432.91	2532688.91
ii) Employee Benefits	1306450.67	1721183.21
iv) Advance from Customer	223038.00	212875
v) For Expenses	2874519.04	2715685.18
vi) Securities Payables	1965000.00	1173000
TOTAL	8897440.62	8370392.30

11. SHORT-TERM PROVISIONS

Provision for Employee benefits.

- Leave encashment	368542.00	424440.70
- Gratuity	175648.00	504801.40
TOTAL	544190.00	929242.10

12. FIXED ASSETS

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As at 01/04/2013	Addition during the year	Sale/Adjust- ment during the year	As at 31/03/2014	As at 01/04/2013	Adjustment during the year	Provided for the year	As at 31/03/2014	As at 31/03/2014	As at 31/03/2013
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Land	8,68,977	0	0	868,977	0	0	0	0	8,68,977	8,68,977
Building	3,30,97,152	0	0	3,30,97,152	1,72,12,053	0	8,33,818	1,80,45,871	1,50,51,281	1,67,18,917
Plant & Machinery Furniture, Fixture & Other Equipment	5,31,19,849	0	0	5,31,19,849	5,03,58,461	0	15,668	5,03,74,129	27,45,720	27,80,021
Vehicles	23,45,079	22,200	0	23,67,279	19,96,945	0	31,239	20,28,184	3,39,095	2,87,777
	5,44,356	59,700	0	6,04,056	66,024	0	53,408	1,19,432	4,84,624	5,30,046
Total	89,975,413	81,900	0	9,00,57,313	6,96,33,483	0	9,34,133	7,05,67,616	1,94,89,697	2,03,41,930
Previous Year	89,930,058	1,30,905	85,550	8,99,75,413	6,87,44,320	48,812	9,37,975	6,96,33,483	2,03,41,930	-----

13. NON-CURRENT INVESTMENTS

PARTICULARS	As at 31/03/2014 Rs.	As at 31/03/2013 Rs.
Other Investment (At Cost)		
21500 equity shares of RS 10/- Each fully paid up of Fountain Tie-Up Pvt. Ltd	171250	171250
Aggregate amount of unquoted investment	171250	171250
14. OTHER NON-CURRENT ASSETS		
Unsecured, Considered Goods		
Others		
Securty Deposits	692313	692581
TOTAL	692313	692581

15. INVENTORIES
STOCK & STORES

(Taken as valued and certified by the Management)

Acrylic waste	---	---
Work In Process	---	---
Stores & Spares	778897.00	1091542
Others(scrap of machinery)	51857	51857
TOTAL	830754.00	1143399

16. TRADE RECEIVABLES

PARTICULARS	As at 31/03/2014 Rs.	As at 31/03/2013 Rs.
Outstanding for a period exceeding six months from the date they become due.		
- Unsecured, consider good	---	482031
- Doubtful	13701268.89	15158488.89
Less: Provision For Doubtful Debts	7110000.00	8510000
	<u>6591268.89</u>	<u>7130519.89</u>
ii) Other Debts	953488.77	2772766.14
TOTAL	<u>7544757.66</u>	<u>9903286.03</u>
17. CASH AND CASH EQUIVALENTS		
(A) Balance With Banks in Current Accounts	2270480.23	541756.92
(B) Cheques in hand	143000.00	600000
(C) Cash in Hand Including Imprest	3431897.00	1045171.32
TOTAL	<u>5845377.23</u>	<u>2186928.24</u>
18. SHORT TERM LOAN AND ADVANCES UNSECURED, CONSIDERED GOODS		
Others		
i) Advance to Suppliers	---	---
ii) Advance to Employees	96737.15	52327.15
iii) Advance tax	643993.00	890137
iv) Prepaid Expenses	20690.00	25719
v) Excise duty receivable	470651.89	470651.89
vi) Sales Tax Receivable	1255732.00	1255732
vii) Vat input	164034.00	138229.50
viii) Service Tax input	4031.00	6592
ix) Custom duty receivable	500000.00	500000
x) Expenses Receivable	89990.00	22538
TOTAL	<u>3245859.04</u>	<u>3361926.54</u>
19. OTHER CURRENT ASSETS		
Others		
i) Rent receivable	246536.60	274131.00
ii) MAT Credit Entitlement Receivable	218701.00	---
TOTAL	<u>465237.60</u>	<u>274131.00</u>
20. REVENUE FROM OPERATIONS		
(A) Sale of products		
(a) Finished Goods		
Yarn	---	---
(b) Traded Goods		
Unstitched Suitings, Shirtings & Dress Materials	---	85176284
(c) Sale of Acrylic Waste	---	113500
(B) Sale of services		
Job Charges Received (Yarn manufacturing)	9244196.16	9779374
TOTAL	<u>9244196.16</u>	<u>95069158</u>

21. OTHER INCOME

PARTICULARS	As at 31/03/2014 Rs.	As at 31/03/2013 Rs.
Interest received	94042.00	21709
Rent	6916806.00	7970864
Sundry Balances written back	435676.87	5330.50
Provision on Doubtfull Debts W/back	1400000.00	---
Miscellaneous income	---	50000
TOTAL	8846524.87	8047903.50

22. COST OF MATERIALS CONSUMED

Opening Stock of Raw Material		
Yarn	---	---
Add : Purchases of Yarn	---	---
	---	---
Less : Closing Stock of Raw Material		
Yarn	---	---
TOTAL	---	---

23. CHANGE IN INVENTORIES

PARTICULARS	Curent Year Rs.	Previous Year Rs.
(A) OPENING STOCK		
(i) FINISHED GOODS		
-Acrylic Waste	---	113500.00
TOTAL (A)	---	113500.00
(B) CLOSING STOCK		
(i) FINISHED GOODS		
-Acrylic Waste	---	---
TOTAL (B)	---	---
TOTAL (A-B)	---	113500.00
24. EMPLOYEES BENEFITS EXPENSE		
Salaries, Wages & Other Allowances	5315949.35	4662413
Staff & Labour Welfare	100674.00	33315
TOTAL	5416623.35	4695728
25. FINANCE COST		
Bank Charges & Commission	1628.97	1425.96
TOTAL	1628.97	1425.96

26. OTHER EXPENSES

PARTICULARS	Curent Year Rs.	Previous Year Rs.
(A) MANUFACTURING EXPENSES		
Stores & Spares	336360.70	597295
Packing Expenses	207401.00	221548
Power and Fuel	440255.00	3311999
Repairs to Machinery	312395.00	146311
SUB TOTAL	4896411.70	4277153
(B) ADMINISTRATIVE EXPENSES		
Rent	---	12000
Insurance	67019.00	58057
Listing Fees	85750.00	85750
Legal & Professional Expenses	519900.00	503027
Demat Charges	94154.00	88320
Directors Sitting Fees	8528.00	7500
Canteen Expenses	105188.50	103455
Fees & Taxes	209348.00	294155.44
Loss on sale of fixed asset	---	36737
<u>Travelling Expenses</u>		
- Directors	---	---
- Others	90530.00	99777
<u>Auditors Remuneration</u>		
- Audit Fee	25000.00	20000
- Tax Audit	5000.00	5000
- Service Tax	---	---
Vehicle Expenses	78736.59	66433.47
Interest Paid on Provident fund (Demand)	685414.00	---
Bad debts written off	1490720.00	---
Other Expenses	529520.67	728076.45
SUB TOTAL	3994808.76	2108288.36
(C) SELLING EXPENSES		
Advertisement	120818.00	72262
Commission	163102.00	120310
Provision For Doubtful debts	---	6300000
Sundry Balances Written off	78.45	609
Freight & Cartage Outward	15380.00	8410
SUB TOTAL	299378.45	6501591
GRAND TOTAL	9190598.91	12887032.36

27 CONTINGENT LIABILITIES NOT PROVIDED FOR :

- a) Outstanding Excise Duty (Penalty) of Rs. 1500000/-**.

** Note: The amount includes Rs.500000/- has been deposited under protest.

- 28** In the opinion of the Board of Directors, the current assets, loans and advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated except as expressly stated otherwise.
- 29** Since the company has become sick and has been registered with the Board for Industrial and Financial Reconstruction.
- 30** Confirmation of balances, whether in debit or credit from parties have not been obtained. As such their effect on Profit & Loss Account cannot be reflected.
- 31** As per Accounting Standard (AS)-28 on "Impairment of Assets" At each Balance Sheet date, an assessment is made whether any indication exists that an asset has been impaired. If any such indication exists, an impairment loss i.e. the amount by which the carrying amount of an asset exceeds its recoverable amount is provided in the books of account.
- 32** Earning Per Share- The numerators and denominators used to calculate Basic and Diluted Earning per Share.

PARTICULARS	As at 31/03/2014 Rs.	As at 31/03/2013 Rs.
1 Profit Attributable to the Equity Shareholders (A)	2156496.80	7527500.18
2 Basic/Weighted average no. of Equity Shares o/s during the Year (B)	6814350	6814350
3 Nominal Value of Share Rs.	10	10.00
4 Basic/Diluted E.P.S. Rs. (A)/(B)	0.32	1.10

- 33** Previous year figures have been regrouped/recasted wherever necessary to make them comparable.
- 34** Sundry Debtors exceeding six month includes Rs.13667768.89/- which are outstanding for more than three years, against which provision of Rs 7110000 /- has been made. however the company has filed suits against some of the debtors whose outstanding amount as on 31.03.2014 is Rs.5076837
- 35** Detail of transactions entered into with the related parties during the year as required by Accounting Standard (AS)-18 on "Related Party Disclosure" issued by the Institute of Chartered Accountants of India are as under:

(A) Transactions with the related parties

(In Rs.)

Name of Transactions during the year	Associate	Key Management Personnel	Relatives of Key Management Personnel
Remuneration	NIL	NIL	NIL
Salary	NIL	NIL	NIL
Interest paid	NIL	NIL	NIL
Rent Paid	NIL	NIL	NIL
Loan Taken	NIL	NIL	NIL
Loan Repaid	NIL	NIL	NIL
Opening Balance	NIL	305620.56 Cr.	NIL
Closing Balance	(372094.17 Cr.)	(305620.56 Cr.)	NIL
	NIL	305620.56 Cr.	NIL
	NIL	(305620.56 Cr.)	NIL

* Note : Amounts shown in bracket relates to previous year figures.

A. Key Management Personnel and relatives of Key Management Personnel:**1. Key Management Personnel:**

i) Rajneesh Oswal (Executive Director)

2. Relatives of Key Management Personnel

i) Mr. Vishal Oswal (Brother)

ii) Mr. Kunal Oswal (Brother)

iii) Mrs. Priti Oswal (Wife)

iv) Mrs. Nirmal Oswal (Mother)

B. Associates:

i) Shreyans Industries Limited.

C. Entities Over Which Key Management Personnel and Relatives of Such Personnel are able to Exercise Significant Influence

i) Punctual Dealers Private Limited

ii) Fountain Tie-up Private Limited

36 Employee Benefits (Defined Benefit Plan)

The employee's gratuity fund scheme managed by the Trust is a defined benefits plan. The present value of obligation is determined based on the actuarial valuation using the Project unit Credit Method, which recognised each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

1 Changes in the present value of obligation:-

PARTICULARS	AS ON 31.03.2014		AS ON 31.03.2013	
	Gratuity (Unfunded)	Leave (Unfunded)	Gratuity (Unfunded)	Leave (Unfunded)
Present value of obligation at the beginning of the period	617504.00	353276.00	543455.00	357864.00
Interest cost	48760.00	26619.00	35452.00	19725.00
Current service cost	140075.00	169207.00	115053.00	147651.00
Benefits paid	(163363.00)	(121522.00)	(227463.00)	(237544.00)
Actuarial (Gain)/Loss on obligation	115940.00	(59038.00)	151007.00	65580.00
Present Value of obligation at the end of period	758916.00	368542.00	617504.00	353276.00

2 fair value of plan asset:-

PARTICULARS	AS ON 31.03.2014		AS ON 31.03.2013	
	Gratuity (Unfunded)	Leave (Unfunded)	Gratuity (Unfunded)	Leave (Unfunded)
Fair value of plan assets at the beginning of the period	----	----	----	----
Actual return on plan assets	----	----	----	----
Contribution	----	----	----	----
Withdrawals/ Benefits Paid	----	(121522.00)	----	(237544.00)
Fair value of plan assets at the end of the period	----	----	----	----
Present Value of obligation at the end of period	758916.00	368542.00	617504.00	353276.00
Funded status	(758619.00)	(368542.00)	(617504.00)	(353276.00)

3 Actuarial gain/(loss) recognised:-

PARTICULARS	AS ON 31.03.2014		AS ON 31.03.2013	
	Gratuity (Unfunded)	Leave (Unfunded)	Gratuity (Unfunded)	Leave (Unfunded)
Actuarial gain/(loss) on obligation	(115940.00)	59038.00	(151007.00)	(65580.00)
Actuarial gain/(loss) on plan assets	---	---	---	---
Total (gain)/loss	115940.00	(59038.00)	151007.00	65580.00
Actuarial (gain)/loss recognized in the period	115940.00	-59038.00	151007.00	65580.00
Unrecognized actuarial (gain)/loss at the end of the period	---	---	---	---

4 Amount to be recognised in the balance sheet:-

PARTICULARS	AS ON 31.03.2014		AS ON 31.03.2013	
	Gratuity (Unfunded)	Leave (Unfunded)	Gratuity (Unfunded)	Leave (Unfunded)
Unrecognized actuarial (gain)/loss at the end of the period	758916.00	368542.00	617504.00	353276.00
Unrecognized actuarial (gain)/loss at the end of the period	----	----	----	----
Funded status	(758916.00)	(368542.00)	(617504.00)	(353276.00)
Unrecognized actuarial (gain)/loss at the end of the period	----	----	----	----
Net assets/(liability) recognized in the balance sheet	758619.00	368542.00	617504.00	353276.00

5 Expenses recognised in the profit and loss statement:-

PARTICULARS	AS ON 31.03.2014		AS ON 31.03.2013	
	Gratuity (Unfunded)	Leave (Unfunded)	Gratuity (Unfunded)	Leave (Unfunded)
Current service cost	140075.00	169207.00	115053.00	147651.00
Interest cost	48760.00	26619.00	35452.00	19725.00
Expected return on plan assets	----	----	----	----
Actuarial (gain)/loss recognized on the period	115940.00	(59038.00)	151007.00	65580.00
Expenses recognized in the statement of profit and loss	304775.00	136788.00	301512.00	232956.00

6 Principal actuarial assumptions at the balance sheet date:-

PARTICULARS	AS ON 31.03.2014		AS ON 31.03.2013	
	Gratuity (Unfunded)	Leave (Unfunded)	Gratuity (Unfunded)	Leave (Unfunded)
Imputed rate of interest	9.10% p.a.	9.10% p.a.	8.25% p.a.	8.25% p.a.
Future salary rise	8.00% p.a.	8.00% p.a.	8.00% p.a.	8.00% p.a.
Remaining working life	17.54 years	17.54 years	18.07 years	18.07 years
Method of Valuation	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit

37 Disclosure requirement as per AS - 19 on 'Leases':-

factory building is given on Lease to different parties for the period varies between 1 to 7 years.

General description of the Lease agreement :

lease agreement can be terminated by either party by giving advance notice either by lessee or lessor.

Lessee can not sublet the building further.

lease rent is subject to yearly increase by 10%.

PARTICULARS	2013-14 (In Rs.)	2012-13 (In Rs.)
Future minimum lease payments under non cancellable operating leases	23451966.00	21319962.00
Not later than one year	3841369	3492155.00
Later than one year & not later than five years	19610597	17827807.00
Later than five years	---	---
Lease income recognised in the profit & loss statement	6916806.00	7970864.00

38. (i) Value Of Raw Material, Stores And Spares Consumed

PARTICULARS	Indigenous		Percentage	
	Current Year	Previous Year	Current Year	Previous Year
Raw materials	---	---	---	---
Stores & Spares	210055.00	435055.00	62.45%	72.84%

PARTICULARS	Imported		Percentage	
	Current Year	Previous Year	Current Year	Previous Year
Raw materials	---	---	---	---
Stores & Spares	126305.70	162240.00	37.55%	27.16%

(ii) Purchase of Traded Goods

PARTICULARS	Amounts in Rs.	
	Current Year	Previous Year
Suiting ,Shirtings fabrics & Dress materials	---	74967900.00
TOTAL	---	74967900.00

39. C.I.F. value of Imports - NIL

These are the notes to financial statements referred to in our report of even date.

For Dass Khanna & Co.
Chartered Accountants

(RAKESH SONI)
Partner

(RAJESH KUMAR)
Mgr. (A/c)

(Arun K. Goel)
Director

(RAJNEESH OSWAL)
Executive Director

PLACE : LUDHIANA
DATED : 26.05.2014

For And on Behalf of The Board

ADINATH TEXTILES LIMITED

Regd. Office: Village Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana 141 123
 Tel. No. 0161-2685271-72, Fax - 0161-2685270, CIN- L17115PB1979PLC003910
 Website : www.adinathtextiles.com, Email : atl@shreyansgroup.com

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 member(s):

Registered address:

E-mail Id:

Folio No/ Client Id: DP ID:

I/We, being the member(s) of Shares of Adinath Textiles Limited, hereby appoint:

1. Name :
 2. Address :
 3. E-mail Id :
 4. Signature :, or failing him
1. Name :
 2. Address :
 3. E-mail Id :
 4. Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 34th Annual general meeting of the company, to be held on the 13th day of August, 2014 At 11.30 a.m. at registered office of the company at Village: Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana 141 123 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No:

- | | | | |
|---------|---------|---------|---------|
| 1 | 3 | 5 | 7 |
| 2 | 4 | 6 | |

Signed this..... day of 2014

Signature of shareholder

Signature of Proxy holder(s)

Affix Revenue Stamp

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.

ADINATH TEXTILES LIMITED ATTENDANCE SLIP

I here by record my presence at the 34th ANNUAL GENERAL MEETING of the Company being held on Wednesday, the 13th August, 2014 at 11.30 a.m. at the Registered Office of the Company Village Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana - 141 123

.....
 Full Name of the Shareholder
 (IN BLOCK LETTERS)

Signature

Folio No

Client ID.

Full Name of Proxy
 (IN BLOCK LETTERS)

D. P. ID.

- NOTE :**
1. The Proxy Form duly completed must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.
 2. A proxy need not be a member.



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