



Ceenik Exports (India) Ltd.

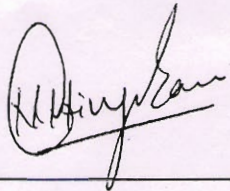
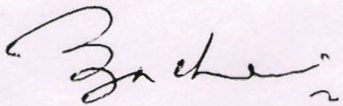
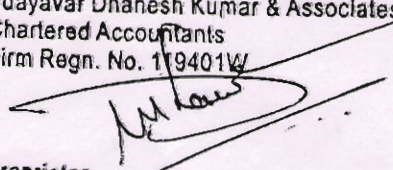
Manufacturers & Exporters of Fashion Garments

CIN : L51311MH1995PLC085007

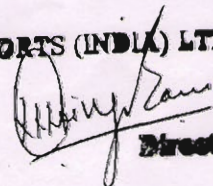
Registered Office : 14-B, Jeevan Satyakam, Dr. Ambedkar Road, Bandra (W), Mumbai - 400050.

To,
The Manager
Corporate Relationship Dept.
BSE Ltd.
Dalal Street
MUMBAI

FORM A

1.	Name of the Company:	CEENIK EXPORTS (INDIA) LIMITED
2.	Annual financial statements for the year ended	31st March, 2014
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable
5.	Signed by- Managing Director (NARAIN HINGORANI)	
	Audit Committee Chairman (BRIJLAL BACHANI)	
	Auditor of the Company (DHANESH KUMAR UDAYAVAR)	For Udayavar Dhanesh Kumar & Associates Chartered Accountants Firm Regn. No. 119401W  Proprietor Membership No. 102031

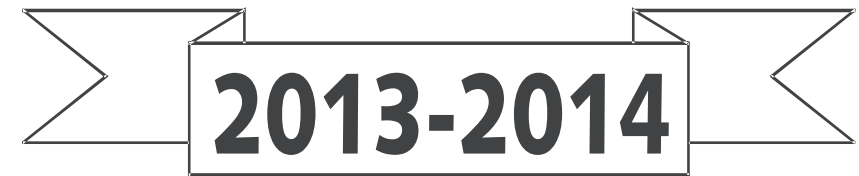
For CEENIK EXPORTS (INDIA) LTD.


Director

BOOK - POST



ANNUAL REPORT



CEENIK EXPORTS (INDIA) LIMITED

If undelivered please return to :
UNIVERSAL CAPITAL SECURITIES PVT. Ltd.
Unit : CEENIK EXPORTS (INDIA) LIMITED
21, SHAKIL NIWAS, MAHAKALI CAVES ROAD,
ANDHERI (E), MUMBAI - 400 093.

BOARD OF DIRECTORS

NARAIN N. HINGORANI, Chairman & Managing Director
 BRIJLAL S. BACHANI
 PREM L. VACHHANI
 CHANDRU K. BAKHTIANI

BANKERS

- 1) KARNATAKA BANK LTD.
 Road No.33,
 BANDRA (W) MUMBAI - 400 050
- 3) ICICI BANK LTD.
 LOWER PAREL, MUMBAI – 400 013.

AUDITORS

M/s.UDAYAVAR DHANESH KUMAR &ASSOCIATES
 CHARTERED ACCOUNTANTS
 B/7, AMBEKAR NAGAR,
 OFF G. D. AMBEKAR MARG,
 PAREL, MUMBAI – 400 012.

REGISTRARS AND TRANSFER AGENTS

UNIVERSAL CAPITAL SECURITIES PVT. LTD.
 21, SHAKIL NIWAS, MAHAKALI CAVES ROAD,
 ANDHERI(E), MUMBAI – 400 093.

REGISTERED OFFICE

14-B, JEEVAN SATYAKAM, DR.AMBEDKAR
 ROAD, BANDRA (W), MUMBAI – 400 050.

Contents	Pg. No.
Board of Directors	1
Notice	2-9
Directors Report	10-12
Report on Corporate Governance	13-18
Auditors Report	19-22
Balance Sheet	23
Profit & Loss Account	24
Notes to Accounts	25-40
Cash Flow Statement	41
Proxy Form	42

ANNUAL GENERAL MEETING

On Tuesday, 30th September, 2014 at 11.00 a.m. at
 10-A, Jeevan Jagruti C.H.S. Ltd., Dr Ambedkar Road,
 Bandra (W), Mumbai – 400 050.

NOTE :

Shareholders are requested to bring their Copy of the
 Annual Report alongwith them as the same will not be
 distributed at the Meeting.

CEENIK EXPORTS (INDIA) LIMITED

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)

CIN	: L51311MH1995PLC085007
NAME OF THE COMPANY	: CEENIK EXPORTS (INDIA) LIMITED
REGISTERED OFFICE	: 14-B, Jeevan Satyakam, Dr. Ambedkar Road, Bandra (West), Mumbai-400050 Phone: 91-22-61439600 Fax: 91-22-61439666 Email: ceenikexports@gmail.com
NAME OF THE MEMBER(S)	:
REGISTERED ADDRESS	:
E-MAIL ID	:
FOLIO NO/ CLIENT ID*	:
DPID	:

I/ We, being the Member(s) of _____ shares of the above named Company, hereby appoint

1	Name Address E-Mail ID or failing him	Signature
2	Name Address E-Mail ID or failing him	Signature
3	Name Address E-Mail ID or failing him	Signature

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 20th Annual General Meeting of the Company to be held on Tuesday, the 30th day of September, 2014 at 11.00a.m. at 10-A, Jeevan Jagruti, Dr. Ambedkar Road, Bandra(W), Mumbai-400 050 and at any adjournment there of in respect of such resolutions as are indicated below :-

Resolutions	For	Against
1. Consider and adopt Directors' Report for the year 2013-14, the audited Balance sheet as at 31st March, 2014 and the Statement of Profit and Loss Account for the year ended 31st March, 2014 together with the Auditor's Report thereon.		
2. Re-appointment of Mr. Prem L. Vachhani (DIN02653638), Director who retires by rotation		
3. Fixation of remuneration to Statutory Auditors for 2013-14.		
4. Appointment of Mr.Chandru Bakhtiani (DIN02658919), as an Independent Director.		
5. Approval to transaction with related party		
6. Borrowing Powers to Board of Directors		
7. Powers to the Board to create charge on assets of the company		

Signed this _____ day of _____, 2014

Signature of the Shareholder _____

Signature of the proxy holder(s) _____

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.

**Affix
 Revenue
 Stamp**

CEENIK EXPORTS (INDIA) LIMITED

Registered Office : 14-B, Jeevan Satyakam, Dr. Ambedkar Raod, Bandra(W), Mumbai - 400 050.

ATTENDANCE SLIP

To be handled over at the entrance of meeting Hall

TWENTIETH ANNUAL GENERAL MEETING of the Shareholders held on Tuesday, 30th September, 2014 at 11.00 a.m. at 10-A, Jeevan Jagruti C.H.S. Ltd., Dr. Ambedkar Raod, Bandra(W), Mumbai - 400 050.

Name of the Shareholder _____

(in Block Letter)

Membership Folio No. _____

No. of Equity Shares held _____

(in Block Letter)

Name of the Proxy (if you are attending as a proxy) _____

Signature of the shareholder / Proxy _____

Ceenik Exports (India) Limited

Cash Flow Statement for the year ended 31 March, 2014

Particulars	For the year ended 31 March, 2014		For the year ended 31 March, 2013	
	Rs	Rs	Rs	Rs
A. Cash Flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		-15,178,133		45,628,498
Adjustments for:				
Depreciation and amortisation	2,756,470		1,048,987	
Interest income	-755,290		-308,213	
Dividend income	-12,878		-15,380	
Net (gain) / loss on sale of investments	1,220,034		-717,618	
Net (gain) / loss on Fixed assets discarded	96,235		-	
Rental income from investment properties	-21,544,884		-77,468,885	
		-18,240,312		-77,461,109
Operating profit / (loss) before working capital changes		-33,418,445		-31,832,611
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Inventories	-8,909,071		-5,565,068	
Trade receivables	-5,340,754		-3,410,774	
Short-term loans and advances	-9,742,517		767,828	
Long-term loans and advances	1,305,173		-8,895,722	
Other current assets	9,580		216,830	
Other non-current assets	1,141,755		31,333	
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	5,087,426		-14,190,132	
Other current liabilities	-7,944,384		5,699,570	
Short-term provisions	735,894		5,589,262	
		-26,267,245		-19,756,872
Cash generated from operations		-59,685,691		-51,589,484
Net income tax (paid) / refunds		-		8,500,000
Net cash flow from / (used in) operating activities (A)		-59,685,691		-60,089,484
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital advances	22,036,153		-10,009,773	
Purchase of long-term investments				
- Associates	-		-10,000,000	
- Others	-		-1,420,000	
Proceeds from sale of long-term investments	851,919		1,245,921	
Loans given	-		4,600,000	
Loans received back	-		-	
Interest received	755,290		308,213	
Dividend received	12,877		15,380	
Rental income from investment properties	21,544,884		77,468,885	
		1,128,818		62,208,626
Net cash flow from / (used in) investing activities (B)		1,128,818		62,208,626
C. Cash flow from financing activities				
Proceeds from long-term borrowings	100,757,181		51,478,979	
Repayment of long-term borrowings	-41,790,337		-51,268,968	
Proceeds of other short-term borrowings (Net)	3,673,478		-	
Repayment of other short-term borrowings	-	62,640,321	-	210,011
Net cash flow from / (used in) financing activities (c)		62,640,321		210,011
Net increase / (decrease) in cash and cash equivalents (A+B+C)		4,083,449		2,329,153
Cash and cash equivalents at the beginning of the year		5,044,308		2,715,155
Cash and cash equivalents at the end of the year		9,127,757		5,044,308

Notes forming part of the financial statements

As per our attached Report of even date

For Udayavar Dhanesh Kumar & Associates
Chartered Accountants (FRN : 119401W)Dhanesh Kumar Udayavar
ProprietorPlace : Mumbai
Date : 30/05/2014For and on behalf of the Board
Narain N. Hingorani
Chairman & Managing DirectorPrem L. Vachhani
DirectorPlace : Mumbai
Date : 30/05/2014

NOTICE

NOTICE is hereby given that the **20th Annual General Meeting** of the members of **Ceenik Exports (India) Limited** will be held at 11.00 a.m. on 30th September, 2014 at 10-A, Jeevan Jagruti, Dr.Ambedkar Road, Bandra (W), Mumbai-400050, Maharashtra, to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet and Statement of Profit & Loss for the year ended on 31st March, 2014.
2. To appoint a Director in place of Mr. Prem L. Vachhani, who retires by rotation, but being eligible offers himself for reappointment.
3. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS

- 4) To consider and if though fit, to pass with or without modification(s), the following resolution as a Special Resolution :

“RESOLVED THAT pursuant to the provisions of Section 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, Mr. Chandru K.Bakhtiani (DIN: 02658919), who retires by rotation at the AGM and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Chandru K.Bakhtiani as a candidate for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office upto March 31, 2019.”

- 5) To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution :

“RESOLVED THAT subject to the provisions of Section 188 and other applicable provisions if any, of the Companies Act, 2013 and rules made thereunder, the Equity Listing Agreement (as amended from time to time by the Securities and Exchange Board of India and the Stock Exchanges) and the Memorandum & Articles of Association of the Company, the consent of the members be and is hereby accorded to the Company for entering into various transactions with Viking Advanced Technologies Pvt. Ltd. for an aggregate value of Rs.10 crores, over a period of 36

months starting from 1st April, 2014 on such terms and conditions as may be agreed to by the Board; provided, however, that the transactions so carried out shall at all times be on arms length basis and in the ordinary course of the Company's business."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matter and things and to take all such steps as may be necessary for the purpose of giving effect to this resolution."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any committee of Directors or anyone or more Directors of the Company."

- 6) To consider and if though fit, to pass with or without modification(s), the following resolution as a Special Resolution :

"RESOLVED THAT in reconfirmation of the resolution passed at the Annual General Meeting held on 29.09.2007 the consent of the Company be and is hereby accorded under the provisions of Section 180(1)© and other applicable provisions if any, of the Companies Act, 2013 to the Board of Directors of the Company to borrow from time to time any sum or sums of money together with the moneys already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate for the time being of the paid up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose; provided that the total amount of moneys borrowed by the Company shall not at any time exceed the limit of Rs.40,00,00,000/- (Rupees Forty Crores only)."

- 7) To consider and if though fit, to pass with or without modification(s), the following resolution as a Special Resolution :

"RESOLVED THAT in reconfirmation of the resolution passed at the Annual General Meeting held on 08.09.2000, consent of the company pursuant to Section 180(1)(a) and other applicable provisions if any, of the Companies Act, 2013, be and is hereby accorded to the Board of Directors of the Company to mortgage and /or charge all or any of the movable and/or immovable properties and assets and the whole or the substantially the whole of the undertaking of the Company in such form and manner as the Board of Directors may deem fit or expedient together with power to take over the management of the business and concern of the Company in certain events, for securing loans obtained or as may be obtained from any financial institutions, banks, finance companies or persons together with interest at agreed rates, compound/further interest, commitment charges, charges, expenses and all other

Note 24.14

Deferred tax (liability) / asset		
<u>Tax effect of items constituting deferred tax liability</u>		
On difference between book balance and tax balance of fixed asset	22,023	5,21,806
On expenditure deferred in the books but allowable for tax purposes		
On items included in Reserves and surplus pending amortisation into the Statement of Profit and Loss		
Others		
Tax effect of items constituting deferred tax liability	22,023	5,21,806
<u>Tax effect of items constituting deferred tax assets</u>		
Provision for compensated absences, gratuity and other employee benefits		
Provision for doubtful debts / Advances		
Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961		
On difference between book balance and tax balance of fixed assets		
Unabsorbed depreciation carried forward	41,80,866	18,30,762
Brought forward business losses		
On items included in Reserves and surplus pending amortisation into the Statement of Profit and Loss		
Others		
Tax effect of items constituting deferred tax assets	41,80,866	18,30,762
Net deferred tax (liability) / asset	41,80,866	13,08,956

The Company has recognised deferred tax asset on unabsorbed depreciation to the extent of the corresponding deferred tax liability on the difference between the book balance and the written down value of fixed assets under Income Tax (or) The Company has recognised deferred tax asset on unabsorbed depreciation and brought forward business losses based on the Management's estimates of future profits considering the non-cancellable customer orders received by the Company.

Note 25 Other Notes

(1) Amount of Rs. 14,06,383/- receivable from an overseas party is classified as unsecured but considered good, the Company has filed a suit in Court outside India.

Note 26 Previous year's figures

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

Note 24.12 Related party Transaction
24.12a Details of related parties :

Description of relationship	Particulars
	Names of related parties
Associates	Niktin Properties & Estates Pvt. Ltd., Viking Advanced Technologies Pvt. Ltd. Ceenik Enterprice Ltd.
Key Management Personal (KMP)	Mr. Narain Hingorani - Managing Director (Prop. of M/s Ceenik Fashion) Shareholder
Relatives of KMP	Mrs. Kavita Hingorani (Prop. of M/s September Fashion), Shareholder, Wife of KMP
Relatives of KMP	Mrs. Chandra Hingorani (Prop. of M/s. International Export Corporation), Shareholder, mother of KMP

Note: Related parties have been identified by the Management.

Details of related party transactions during the year ended 31 March, 2014 and balances outstanding as at 31 March, 2014 Rs.

Note 24.12b Related party Transaction	Associates	KMP	Relatives of KMP	Total
Rendering of services, Salary, Rent & Interest Payment	19,968,251 (95,24,583)	616,296 (8,74,532)	583,292 (3,72,634)	21,167,839 (1,07,71,749)
Reimbursement of Expenses / Payment on our behalf	16,460	244,944	848,326	1,109,730
Finance (including loans taken & given and equity contributions in cash or in kind)	- 17,837,410	(742,792) -	(8,41,442) 10,413,935	(15,84,891) 28,251,345
Write off / write back made during the year	(17,234,000) Nil (Nil)	(1,18,45,000) Nil (Nil)	(2,85,15,000) Nil (Nil)	(5,75,94,000) Nil (Nil)
Balances outstanding at the end of the year				
Borrowings	4,600,000 (53,39,252)	- (3,60,808)	- (61,84,460)	4,600,000 (1,18,84,520)
Receivables / Payable	(150,000) (52,60,188)	- (Nil)	- (50,00,000)	(150,000) (1,02,60,188)

Note: Figures in bracket relates to the previous year

Particulars	For the Year Ended 31 March, 2014 Rs	For the Year Ended 31 March, 2013 Rs
Note 24.13		
Earnings per share		
<u>Basic</u>		
<u>Continuing operations</u>		
Net profit / (loss) for the year (before tax)	(12,328,246)	35,642,720
Less: Preference dividend and tax thereon	-	-
Net profit / (loss) for the year attributable to the equity shareholders	(12,328,246)	35,642,720
Weighted average number of equity shares	3,350,000	33,50,000
Par value per share	10	10
Earnings per share from continuing operations - Basic	(3.68)	10.64

monies payable by the Company to be above mentioned lending institutions in terms of the loan agreements entered into/to be entered into by the Company in respect of the said loans.”

For & on behalf of the Board of Directors

Place: Mumbai
Date : 13.08.2014

(Narain N. Higorani)
Chairman & Managing Director

NOTES:

- A Member Entitled To Attend And Vote At The Meeting Is Entitled To Appoint One Or More Proxy(ies) To Attend And Vote Instead Of Himself And ProxyOrrox(ies) So Appointed Need Not Be A Member Of The Company. The Instrument Appointing Proxy Should Be Deposited At The Registered Office Of The Company Not Less Than 48 Hours Before The Commencement Of The Meeting.** A person can act as a proxy on behalf of the members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carryinvoting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- The Share Transfer Register and Register of Members will be kept closed from 22nd September, 2014 to 30th September, 2014 (both days inclusive).
- As required under Clause 49 of the Listing Agreement, profile of Directors seeking reappointments are mentioned in Corporate Governance Report.
- Members desiring any information as regards accounts or operations of the Company are requested to send their queries in writing at least seven days in advance of the date of the meeting so as to enable the management to keep the information ready.
- The members who hold shares in electronic form are requested to write their client ID and DP ID and those who hold shares in physical form, are requested to write their Folio number in the attendance slip for attending the meeting.
- Corporate member, intending to send their authorized representatives to attend the meeting, are requested to send a duly certified copy of the Board resolution, authorizing their representatives to attend and vote at the meeting.
- The shareholders, who still hold share certificates in physical form, are advised to dematerialize their shareholding to avail the benefits of dematerialization, which

includes easy liquidity since the trading is permitted in dematerialized form only, electronic transfer, savings in stamp duty and elimination of possibility of loss of documents and bad deliveries.

8. The Securities and Exchange Board of India (SEBI) has mandated the submission of permanent account number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Share Transfer Agents.
9. Electronic copy of the Annual Report for 2014 is being sent to all the members, whose e-mail IDs are registered with the Company/depository participants for communication purposes unless any member has requested for a hard copy of the same. For the members who have not registered their e-mail address, physical copies of the Annual Report for 2014 is being sent in a permitted mode. Rules 18(3)(i) of the Companies (Management & Administration) Rules, 2014 requires a company to provide advance opportunity at least once in a financial year to the member to registered his e-mail address and any change therein. In compliance with the same, we request the members who do not have their e-mail ID registered with the Company, to get the same registered with the Company.

For & on behalf of the Board of Directors

Place: Mumbai
Date : 13.08.2014

(Narain N. Hingorani)
Chairman & Managing Director

Registered Office :
14-B, Jeevan Satyakam,
Dr. Ambedkar Road,
Bandra (West)
Mumbai 400 050

Note 24.11 Segment information

The Company has identified business segments as its primary segment, and there is no secondary segment. Business segments are primarily Garments Manufacturing and Investment in Realty & Securities, revenues and expenses directly attributable to segment are reported under each reportable segment. Expenses which are not directly identifiable to each reportable segment have been allocated on the basis of associated revenues of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. Fixed assets that are used interchangeably amongst segments are not allocated to primary and secondary segments.

Particulars	For the year ended 31 March 2014		Total
	Business Segments		
	Garments Rs.	Realty & Investments Rs.	
Revenue	70,997,513	21,544,884	92,542,397
	(4,28,01,848)	(7,85,10,326)	(121,312,174)
Inter-segment revenue	0	0	-
	0	0	-
	70,997,513	21,544,884	92,542,397
	(4,28,01,848)	(7,85,10,326)	(121,312,174)
Segment result	(22,284,220)	10,213,414	(12,070,806)
	(-1,61,82,497)	(68,105,821)	(51,923,324)
Unallocable expenses (net)	Total		4,155,461
			(6,294,825)
Operating income			(16,226,267)
			(45,628,499)
Other income (net)			1,048,133
			-
Profit before taxes			(17,274,401)
			(45,628,499)
Tax expenses			2,849,887
			(9,985,779)
Net profit for the year			(20,124,288)
			(35,642,720)
Segment assets	114,338,611	255,281,139	369,619,750
	(115,956,982)	(237,236,641)	(353,193,623)
Unallocable assets			26,002,603
			(1,308,956)
Total assets			395,622,354
			(354,502,579)
Segment Liabilities	88,249,088	22,070,548	110,319,636
	(54,222,318)	(94,263,711)	(148,486,029)
Unallocable Liabilities			91,614,414
			-
Total Liabilities			201,934,050
			(148,486,029)
Other Information			
Capital expenditure (allocable)	20,823,353	-	20,823,353
	(4,232,379)	-	(4,232,379)
Capital expenditure (unallocable)	1,212,800	-	1,212,800
	(5,777,394)	-	(5,777,394)
Depreciation and amortisation (allocable)	6,425,226	-	6,425,226
	(5,689,567)	-	(5,689,567)
Depreciation and amortisation (unallocable)	4,159,053	-	4,159,053
	(2,484,123)	-	(2,484,123)
Other significant non-cash expenses(allocable)(give details)	-	-	-
	-	-	-
Other significant non-cash expenses(unallocable)	-	-	-
	-	-	-

	For the Year Ended 31 March, 2014	For the Year Ended 31 March, 2013
	Rs	Rs
Note : 24.5 Value of imports calculated on cif basis	Nil	Nil
Note : 24.6 Expenditure in foreign currency	1,584,060	Nil
Note : 24.7 Earnings in foreign exchange	Nil	Nil
Note : 24.8 Amounts remitted in foreign currency during the year on account of dividend	Nil	Nil
Note : 24.9 Details of Consumption of imported and indigenous items	Rs	%
Imported		
Raw materials	Nil (Nil)	Nil% (Nil%)
Components	Nil (Nil)	Nil% (Nil%)
Spare parts	Nil (Nil)	Nil% (Nil%)
	Nil	Nil%
Total	(Nil)	(Nil%)
Indigenous		
Raw materials	49,559,280 (33,531,136)	100% (100%)
Total	49,559,280 (33,531,136)	100% (100%)

Note: Figures / percentages in brackets relates to the previous year

Note : 24.10 Employee benefit plans

Note : 24.10a Defined contribution Plans

The Company makes Provident Fund and Superannuation Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 74,342/- (Year ended 31 March, 2013 Rs. 56,370/-) for Provident Fund contributions and Rs. 28,125/- (Year ended 31 March, 2013 Rs. 26,931/-) for Superannuation Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Note : 24.10b Defined benefit Plans

The Company offers the following employee benefit schemes to its employees:

i. Gratuity

The following table sets out the funded status of the defined benefit schemes and the amount recognised in the financial statements:

Particulars	Year ended 31 March, 2014	Year ended 31 March, 2013
	Gratuity	Gratuity
Components of employer expense		
Current service cost	71,500	64,415
Total expense recognized in the Statement of Profit and Loss	71,500	64,415

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF
THE COMPANIES ACT, 2013**

ITEM NO: 4

Mr. Chandru Bakhtiani is an Independent Director of the Company and has held this position for more than 5 (five) years. Pursuant to the coming into force of Section 149 of the Companies Act, 2013 from 1st April, 2014 as also amended Clause 49 of the Listing Agreement by SEBI (which will be effective from 1st October, 2014) inter alia stipulating the conditions for the appointment of an independent director, the Company has re-assessed the status of its directors with a view to determining their qualifying for classification as Independent Directors in term of Section 149 (6) of the Act and amended Clause 49 of the Listing Agreement. Accordingly, Mr. Chandru Bakhtiani fulfills the criteria laid down in Section 149 (6) of the Act and amended Clause 49. Section 149 (10) of the Act and Clause 49 of the Listing Agreements, restricts the tenure of an Independent Director to two terms of upto ten years, with a single term not exceeding five years, which shall be effective from 1st April, 2014. In compliance with the provisions of Section 149 of the Act and Clause 49, it is proposed to appoint Mr. Chandru Bakhtiani as an Independent Director of the Company to hold office for a term upto March 31, 2019.

The Company has received a notices in writing under the provisions of Section 160 of the Companies Act, 2013 from members alongwith a deposit of the prescribed amount proposing the candidature of Mr. Chandru Bakhtiani for the office of Independent Director.

The Company has received form Mr. Chandru Bakhtiani (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014; (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that he is not disqualified under Sub-Section (2) of Sec. 164 of the Companies Act, 2013; and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-Section 6 of Sec. 149 of the Companies Act, 2013.

In the opinion of the Board of Directors, Mr. Chandru Bakhtiani, proposed to be appointed as an Independent Director, fulfills the conditions specified in the act and the Rules made thereunder and is independent of the Management. A copy of the draft letter of appointment proposed to be issued to Mr. Chandru Bakhtiani on his appointment as an Independent Director, setting out the terms and conditions are available for inspection at the Company's Registered Office during the normal business hours on working day upto the date of the Annual General Meeting.

Brief resume of Mr. Chandru Bakhtiani , nature of his experience in specific functional areas and names of companies in which he holds directorships and memberships, chairmanships of Board Committees, shareholding and relationships between director inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges are provided in the report of Corporate Governance.

The Board considers that the continued association of Mr. Chandru Bakhtiani would be of immense benefit to the Company and it is desirable to continue to avail this services as an Independent Director.

Mr. Chandru Bakhtiani and his relatives may be deemed to be interested to the extent of the appointment as an Independent Director and their shareholding interest if any, in the Company. Save and except, none of the Directors or Key Managerial Personnel of the Company including their relatives is, in any way concerned or interested in the proposed Resolutions.

ITEM NO: 5

The Company in the ordinary course of its business and on arm's length basis, has entered into contracts with the Viking Advanced Technologies Pvt. Ltd. for rendering services such as manufacturing of garments on job work basis. The said arrangement was approved by the Ministry of Corporate Affairs for a period of three years upto 24th June 2016. Considering the provisions of Section 188 of the Companies Act, 2013 which became effective from 1st April, 2014 and also the proposed revised Clause 49 of the Listing Agreement, which will be effective from 1st October, 2014, the Board of Directors of the Company proposes to enter into a fresh arrangement with the company for a period of three years effective from 1st April, 2014. The value of the transactions proposed, which would be on an arm's length basis, is based on the Company's estimated transactions value for the financial year 2014-15 and existing approval received from the Ministry of Corporate Affairs.

The proposal has been approved by the Audit Committee in its meeting held on 13.08.2014 in accordance with the Security Exchange Board of India's Circular No. CIR/CFD/POLICY CELL/2/2014 dated 17th April, 2014 and revised Clause 49 of the Listing Agreement, to be effective from 1st October, 2014.

Even though the proposed transactions shall be in the ordinary course of business and at arm's length, the Company is seeking the consent of its shareholders as a measure of good corporate governance. Hence, the Board of Directors recommends the resolution as stated at Item No. 5 of the notice convening the meeting.

In accordance with Section 102 of the Companies Act, 2013 the shareholding interest of the Promoters/ Directors and Key Managerial Personnel of the Company in the aforesaid companies to the extent that such shareholding is in excess of 2% is set out below:

Note 24: Additional information to the financial statements

Particulars	As at 31 March, 2014 Rs.	As at 31 March, 2013 Rs.
Note 24.1 Contingent liabilities and commitments (to the extent not provided for)		
(i) Contingent liabilities		
(a) claims against the Company not acknowledged as debt	-	-
(b) Guarantees	-	-
(c) Other money for which the Company is contingently liable (give details)	-	-
(ii) Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for		
Tangible assets	-	-
Intangible assets	-	-
(b) Uncalled liability on shares and other investments partly paid	5,000,000	5,000,000
(c) Other commitments (specify nature)	-	-
	<u>5,000,000</u>	<u>5,000,000</u>

Note 24.2 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises

Development Act, 2006

(i) Principal amount remaining unpaid to any supplier as at the end accounting year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

The Company has not identified parties as per definition of Micro and Small Enterprises Act.

Note 24.3 Disclosure as per Clause 32 of the Listing Agreements with the Stock Exchanges

Loans and advances in the nature of loans given to subsidiaries, associates and others and others and investment in shares of the Company by such parties:

Name of the party	Relationship	Amount outstanding as at 31 March, 2014	Maximum balance outstanding during the year
<u>Investments</u>			
Ceenik Enterprises Ltd.	Associate Company	4,600,000 (5,000,000)	5,450,000 (5,000,000)
Niktin Properties & Estates Pvt. Ltd.	Associate Company	- (6,660,000)	5,851,662 (6,660,000)
Viking Advanced Technologies Pvt. Ltd.	Associate Company	31,900,000 (31,900,000)	31,900,000 (31,900,000)
<u>Loan given / Advances / Deposits</u>			
Viking Advanced Technologies Pvt. Ltd.	Associate Company	5,000,000 (5,000,000)	5,000,000 (5,000,000)
Kavita Hingorani	Employee & Wife of Managing Director	5,000,000 (5,000,000)	5,000,000 (5,000,000)

Note: Figures in bracket relate to the previous year.

Note 24.4 Details on unhedged foreign currency exposures

The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

As at 31 March, 2014		As at 31 March, 2013	
Receivable/ (payable) Rs.	Receivable / (payable) in Foreign currency (Indicate amount with currency)	Receivable (payable) Rs.	Receivable / (payable) in Foreign currency (Indicate amount with currency)
Receivable	USD 12,360.96	Receivable/	USD 12,360.96

Note 20b Changes in inventories of finished goods	For the year ended 31 March, 2014 Rs.	For the year ended 31 March, 2013 Rs.
<u>Inventories at the end of the year:</u>		
Finished goods	8,508,147	9,653,101
	<u>8,508,147</u>	<u>9,653,101</u>
<u>Inventories at the beginning of the year:</u>		
Finished goods	9,653,101	15,108,627
	<u>9,653,101</u>	<u>15,108,627</u>
Net (increase) / decrease	<u>1,144,954</u>	<u>54,55,526</u>
Note 21: Employee benefits expense		
Salaries, wages, leave salary and bonus	2,109,006	1,568,055
Remuneration to Managing Director	600,000	-
Contributions to provident and other funds	174,735	148,388
Staff welfare expenses	104,085	-
Total	<u>2,987,826</u>	<u>1,716,443</u>
Note 22: Finance costs		
(a) Interest expense on:		
(i) Borrowings from Banks	18,165,924	14,635,096
(ii) Others		
- Others on Unsecured Loans	951,459	951,459
- Others	261,419	-
	<u>1,479,260</u>	<u>270,295</u>
(b) Other borrowing costs		
Total	<u>20,879,560</u>	<u>15,856,850</u>
Note 23 Other expenses		
Subcontracting Manufacturing Charges	21,629,862	12,690,134
Membership & Subscription	376,427	-
Entertainment Expenses	417,054	-
Rent including lease rentals	67,416	161,590
Repairs and maintenance - Buildings	1,003,077	774,345
Repairs and maintenance - Machinery	82,231	27,950
Insurance	76,951	165,718
Rates and taxes	1,988,969	504,727
Communication	62,675	55,503
Electricity Charges	144,790	360,499
Travelling and conveyance	787,388	222,249
Printing and stationery	35,250	62,333
Sales discount	-	9,758
Business promotion	75,267	206,893
Donations and contributions	10,000	10,000
Legal and professional	639,553	809,637
Motor Car Expenses	176,315	141,297
Photo Shoot Charges	-	104,492
Brokerage charges	-	1,489,500
Payments to auditors {refer Note (i) below}	462,848	302,810
Loss on Sale of Long Term Investments	1,220,034	-
Loss on Fixed Assets discarded	96,235	-
Prior period items (net) {Refer Note (ii) below}	1,738,034	81,267
Miscellaneous expenses	70,231	278,745
Total	<u>31,160,608</u>	<u>18,459,450</u>
Note		
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
As auditors - statutory audit (include fees for previous year)	441,575	224,720
For taxation matters	21,273	-
Total	<u>462,848</u>	<u>302,810</u>
(ii) Details of Prior period items (net)		
Prior period expenses		
- Property Tax	1,547,600	-
- Electricity	190,434	-
- VAT paid	-	81,267
Total	<u>1,738,034</u>	<u>81,267</u>

Name of Promoter/ Director/Key Managerial Personnel	Holding in Viking Advanced Technologies Pvt Ltd
Mr. Narain Hingorani	26.84%
Mrs. Kavita Hingorani	32.69 %
Mrs. Chandra Hingorani	32.04 %

Nature of relationship:

- a) Mr. Narain Hingorani ,Managing Director and Chairman of the Company, is a Director and member in M/s. Viking Advanced Technologies Pvt. Ltd .
- b) Mrs. Kavita Hingorani , wife of Narain Hingorani, is a member and director of Viking Advanced Technologies Pvt. Ltd .
- c) Mrs. Chandra Hingorani , mother of Narain Hingorani, is a member of Viking Advanced Technologies Pvt. Ltd .

Except as set out herein above, none of the Directors and/or key managerial personnel of the Company and their relatives is concerned or interested financially or other otherwise in the resolution as set out at item No.5 of this notice.

A copy of approval No. RD/297/129/6/2013 dated 11th October ,2013 received from the Ministry of Corporate Affairs as referred to herein above, is available for inspection by the members during normal course of the business hours of the Company except on Sundays and public holidays.

ITEM NO: 6

At the Annual General Meeting held on 29.09.2007, the Members of the Company had passed the necessary resolution under the provisions of Section 293(1)(d) of the Companies Act, 1956 granting the borrowing powers to the Board of Directors to borrow sum or sums of money upto a limit of Rs.40 crores. The said resolution was passed as an Ordinary Resolution. The provisions of Section 180(1)© of the Companies Act, 2013, which came into force from 1st April, 2014 inter alia provides for passing of a Special Resolution for such borrowing powers to the Board of Directors. Further, the Ministry of Corporate Affairs has also clarified a limited life for such resolution passed earlier. Therefore, the Board of Directors proposes to seek a fresh mandate by way of Special Resolution proposed to be passed in the forthcoming Annual General Meeting.

None of Directors, key managerial personnel or their relatives are interested in the proposed resolution.

ITEM NO. 7

In pursuance to the provisions of Section 293(1)(a) of the Companies Act, 1956 the Board was authorized to mortgage/charge the properties of the Company to secure the borrowings. In this regard, the members of the Company had passed an Ordinary Resolution in the Annual General Meeting held on 8th September 2000.

The provisions of Section 180(1)(a) of the Companies Act, 2013, which came into force from 1st April, 2014 inter alia provides for passing of a Special Resolution for such powers to the Board of Directors. Further, the Ministry of Corporate Affairs has also clarified a limited life for such resolution passed earlier. Therefore, the Board of Directors proposes to seek a fresh mandate by way of Special Resolution proposed to be passed in the forthcoming Annual General Meeting.

None of Directors, key managerial personnel or their relatives are interested or in any way concerned in the proposed resolution.

For & on behalf of the Board of Directors

(Narain N. Hingorani)
Chairman & Managing Director

Place: Mumbai
Date : 13.08.2014

Note 19 Other income	For the Year Ended 31 March, 2014 Rs	For the Year Ended 31 March, 2013 Rs
(a) Interest income (Refer Note (i) below)	755,290	308,213
(b) Dividend income:		
others	12,877	15,380
(c) Net gain on sale of:		
long-term investments	-	717,619
(d) Net gain on foreign currency transactions and translation (other than considered as finance cost)	-	229
(e) Other non-operating income (Refer Note (ii) below)	21,544,884	77,853,602
Total	<u>21,544,884</u>	<u>78,895,043</u>

Note	For the Year Ended 31 March, 2014 Rs	For the Year Ended 31 March, 2013 Rs
(i) Interest income comprises:		
Interest from banks on:		
Deposits & Others	52,618	76,480
Interest on loans and advances	355,152	231,733
Rent Receivables	347,520	-
Total-Interest income	<u>755,290</u>	<u>308,213</u>
(ii) Other non-operating income comprises:		
Rental income from investment properties	21,544,884	77,468,885
Sales Tax Refund	-	22,066
Interest on Sales Tax Refund	-	362,651
Total-Other non-operating income	<u>21,544,884</u>	<u>77,853,602</u>

Note 20a Cost of materials consumed	For the Year Ended 31 March, 2014 Rs	For the Year Ended 31 March, 2013 Rs
Opening stock	39,557,797	28,537,203
Add: Purchases	59,613,305	44,551,730
	<u>99,171,102</u>	<u>73,088,933</u>
Less: Closing stock	49,611,822	39,557,797
Cost of material consumed	<u>49,559,280</u>	<u>33,531,136</u>
Material consumed comprises:		
Fabric & Yarn	40,104,022	26,806,613
Dyeing, Tailoring, Printing & Packing Material	7,498,275	5,886,349
Cost incidental to purchase of Raw Materials	1,956,983	838,173
Total	<u>49,559,280</u>	<u>33,531,136</u>

Note 16 Short-term loans and advances

	As at 31 March, 2014 Rs	As at 31 March, 2013 Rs
(a) Prepaid expenses - Unsecured, considered good (For e.g. Insurance premium, etc.)	823,486	9,663
	823,486	9,663
(b) Balances with government authorities Unsecured, considered good (i) VAT credit receivable	2,492,958	406,801
	2,492,958	406,801
(c) Others (Receivable in kind) Secured, considered good	68,42,538	-
Unsecured, considered good	-	-
Doubtful	-	-
	68,42,538	-
Less: Provision for other doubtful loans and advances	-	-
	68,42,538	-
Total	10,158,982	416,464

Note 17 Other current assets

	As at 31 March, 2014 Rs	As at 31 March, 2013 Rs
(a) Accruals (i) Interest accrued on deposits	32,782	42,363
(d) Others (i) Duty Drawback receivable	201,939	201,939
Total	234,939	244,302

Note 18 Revenue from operations

	As at 31 March, 2014 Rs	As at 31 March, 2013 Rs
(a) Sale of products (Refer Note (i) below)	70,99,513	42,710,517
(b) Other operating revenues (Refer Note (ii) below)	-	91,331
	70,99,513	42,801,848
Less:		
(c) Excise duty	-	-
Total	70,99,513	42,801,848

Note

	As at 31 March, 2014 Rs	As at 31 March, 2013 Rs
(i) Sale of products comprises :		
<u>Manufactured goods</u>		
Garments	61,059,099	23,518,188
Fabric	10,007,326	19,192,330
Less: Local Body Tax recovered	(70,273)	-
Total-Sale of manufactured goods	70,996,151	42,710,517
Traded goods		
Tailoring Material	1,362	-
Total-Sale of traded goods	1,362	-
Total-Sale of Products	70,997,513	42,710,517
(ii) Other operating revenues comprise:		
Others (Discount - Purchases & Jobwork)	-	91,331
Total-Other operating revenues	-	91,331

DIRECTORS' REPORT

To,
The Members,
Ceenik Exports (India) Ltd.
Your Directors hereby present their TWENTIETH ANNUAL REPORT along with the Audited Financial Statements for the year ended 31st March, 2014.

FINANCIAL HIGHLIGHTS:

	(Rupees) 2013-2014	(Rupees) 2012-2013
Profit before Financial Cost, Depreciation & Tax	73,99,433	6,25,34,336
Less: Financial Cost	1,98,21,096	1,58,56,850
Less: Depreciation	27,56,470	10,48,987
Profit/Loss before Tax	(1,51,78,133)	4,56,28,499
Less: Provision for Tax	-	85,00,000
Add/Less: Deferred Tax Expenses(Income)	(28,49,887)	(4,70,364)
Add/Less: Short Provision of Tax	-	-
Net Profit for the year	(1,23,28,246)	3,56,42,720
Balance brought forward from Previous Year	16,31,72,168	12,75,29,448
Balance Carried Forward	15,08,43,922	16,31,72,168

DIVIDEND

In view of the loss for the year, your Directors have not recommended any dividend.

MANAGEMENT DISCUSSION & ANALYSIS**INDUSTRY STRUCTURE AND DEVELOPMENTS**

Your Company belongs to the Garment and apparel industry which is susceptible to fast changing trends and styles. It is a labour intensive industry and requires skilled and unskilled labour. The new Government has laid emphasis on job oriented industries to generate employment.

PERFORMANCE REVIEW

Domestic sales for the year under review were Rs.709.97 lacs, a jump of 65% compared to last year. Income from the real estate and investment activities was down about 50% without considering the exceptional income of Rs 460.26 lacs received pursuant to a settlement of a long dispute in the last financial year.

The total income for the year under review was Rs.933.10 lakhs and pre-tax loss of Rs.151.78 lacs as against Rs. 1216.97 lakhs and profit of Rs.456.28 lacs for the previous year respectively.

DYEING UNIT :

As a measure of backward integration your company has decided to set-up Yarn Dyeing unit. For this purpose, land is acquired on lease in MIDC, Ambarnath, Dist. Thane, Maharashtra. Necessary steps are being taken and the production will commence by the end of September, 2014

OPPORTUNITIES & THREATS

Your Company is strengthening its manufacturing facilities and is able to procure the entire range of Men's wear at low cost with reasonably good quality. The growing young population of our country gives tremendous scope for the development of this industry.

The unavailability of skilled labour and high sticky inflation has caused a cascading effect on the growth rates of wages and manpower costs.

RISKS AND CONCERNS

Manpower availability and increased cost of power continue to be a big risk, which is also making Indian companies uncompetitive.

FINANCE

The finance cost for the year was Rs.198.21 lakhs as against Rs.158.56 lakhs in the previous year due to lesser income from the property division and increasing capital expenditure on Purchase of Machineries.

INTERNAL CONTROLS

The Company has in place adequate internal control systems and procedures so that all assets and resources are used efficiently and are adequately protected.

SAFETY, HEALTH & ENVIRONMENTAL PROTECTION

Garment manufacturing is non-polluting industry. The Company is providing appropriate training to employees in order to optimise the contribution of each employee

PERSONNEL

The Company had 15 employees as on 31st March, 2014. Industrial relations continued to be cordial through out the year. None of the employees is covered by the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

FUTURE PROSPECTS

Your Directors are of opinion that the slowdown in the Indian economy has bottomed out and things can only get better. Future prospects of Apparel Industry is bright as the young Indian people prefer ready made garments.

RISK MANAGEMENT

Your Directors regularly review the steps required to mitigate the business risk. The assets of the company are adequately insured.

CAUTIONARY NOTE

Certain statement in the above report may be forward looking and are stated as required by legislation in force. The actual results may be affected by many factors which may be different from what the Directors/ Management envisage in terms of future performance and outlook.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 217 (2AA) of Companies Act, your Directors state as follows:

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

DIRECTORS

Mr. Chandru K. Bakhtiani and Mr. Brijlal S. Bachani were categorized as Independent Directors in accordance with the existing Clause 49 of the Listing Agreement. After coming into force of Section 149 of the Companies Act, 2013 from 1st April 2014, the Company has re-assessed the status of its Directors with a view to determining whether Mr. Chandru K. Bakhtiani and Mr. Brijlal S. Bachani qualify for classification as Independent Directors in terms of Section 149(6) of the Companies Act, 2013. Accordingly, they fulfill the criteria as laid down in Section 149(6) of the Companies Act, 2013 in this regard.

Section 149 (10) of the new Companies Act, 2013 restricts the tenure of the Independent Director to two terms of upto ten years with a single term not exceeding five years. This has been made effective from 1st April, 2014. The proposed revised Clause 49 of the Listing Agreement issued by the Securities and Exchange Board of India (SEBI) and which shall be effective from 1st October, 2014 also contains the provisions in similar line. Mr. Chandru K. Bakhtiani retires by rotation at the forthcoming Annual General Meeting and he being eligible has offered himself for appointment as an Independent Director in pursuance to the provision of the Companies Act, 2013 and revised Clause 49 as aforesaid, to hold the office for a period upto 31st March, 2019

Pursuant to the provisions of Section 160 of the Companies Act, 2013 read with the relevant rules, the Company has also received a notice in writing from some of its members proposing his candidature for the office of Independent Director.

To comply with the requirement of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Prem Vachhani shall retire by rotation and being eligible, offers himself for reappointment.

Particulars	As at 31 March, 2014 Rs.	As at 31 March, 2013 Rs.
Note 12: Other non-Current Assets		
(A) Accruals		
(i) Interest accrued on deposits	-	1,141,755
Total	-	1,141,755

Note 13: Inventories

(At lower of cost and net realisable value)

Particulars	As at 31 March, 2014 Rs.	As at 31 March, 2013 Rs.
(A) Raw materials	49,611,822	39,557,797
(b) Finished goods (other than those acquired for trading)	8,508,147	9,653,101
Total	58,119,969	49,210,898

Note 14: Trade receivables

Particulars	As at 31 March, 2014 Rs.	As at 31 March, 2013 Rs.
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Secured, considered good	-	830,306
Unsecured, considered good {Refer Note 25 (iii)}	4,900,403	3,057,725
Doubtful	-	-
	4,900,403	3,888,031
Less: Provision for doubtful trade receivables	-	-
	4,900,403	3,888,031
Other Trade receivables		
Secured, considered good	-	6,471,024
Unsecured, considered good	10,799,406	-
Doubtful	-	-
	10,799,406	6,471,024
Less: Provision for doubtful trade receivables	-	-
	10,799,406	6,471,024
Total	15,699,809	10,359,055

Note 15: Cash and cash equivalents

Particulars	As at 31 March, 2014 Rs	As at 31 March, 2013 Rs
(a) Cash on hand	8,511,332	2,920,549
(b) Balances with banks		
(i) In current accounts	543,209	1,422,519
(iii) In deposit accounts	73,215	701,241
Total	9,127,757	5,044,309
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements	9,127,757	5,044,309

Note 11 Long-term loans and advances

	As at 31 March, 2014 Rs	As at 31 March, 2013 Rs
(a) Security deposits		
Secured, considered good	-	-
Unsecured, considered good	11,172,861	10,656,191
Doubtful	-	-
	<u>11,172,861</u>	<u>10,656,191</u>
Less: Provision for doubtful deposits	-	-
	<u>11,172,861</u>	<u>10,656,191</u>
(b) Advance income tax # (net of provisions Rs. Nil (As at 31 March, 2013 Rs. Nil) - Unsecured, considered good	11,061,471	9,735,115
(c) Other loans and advances (receivable in kind)		
Secured, considered good	-	-
Unsecured, considered good	17,015,222	17,553,075
Doubtful	-	-
	<u>17,015,222</u>	<u>17,553,075</u>
Less: Provision for other doubtful loans and advances	-	-
	<u>17,015,222</u>	<u>17,553,075</u>
	<u>39,249,554</u>	<u>37,944,381</u>

Note: Long-term loans and advances include amounts due from:

	As at 31 March, 2014 Rs	As at 31 March, 2013 Rs
Directors *	-	-
Other officers of the Company *	-	-
Firms in which any director is a partner (given details per firm)	-	-
Private companies in which any director is a director or member		
Kavita Hingorani	5,000,000	5,000,000
Viking Advanced Technologies Pvt. Ltd.	5,000,000	5,000,000
	<u>10,000,000</u>	<u>10,000,000</u>
Total	<u>10,000,000</u>	<u>10,000,000</u>

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement a separate report on Corporate Governance and a certificate from the Auditors of the Company regarding compliance of the conditions of Corporate Governance are annexed to the Directors' Report.

CONSERVATION OF ENERGY ETC.

Your Company is not using any specific energy, which could be conserved by exercising any device. Further, the Company is using its in-house technology and hence, question of absorbing technology does not arise. Therefore, information under Section 217 (1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 is not given.

Expenditure in Foreign Currency Rs.15.44 Lacks
Earning in Foreign Currency Rs.NIL

AUDITORS

The observations made in the Auditor's, Report and details provided in Notes to the Accounts are self-explanatory and therefore, do not call for any further comments under the Companies Act, 1956. The Auditors, M/s. Udayavar Dhanesh Kumar & Associates, hold Office until the conclusion of the ensuing Annual General Meeting and are eligible for reappointment.

Pursuant to Section 139 (2) of the Companies Act, 2013, Audit Committee and the Board of Directors of the Company have recommended their appointment for a period of one year i.e from the conclusion of the 20th AGM till the conclusion of the 21st AGM, subject to approval of the members in the AGM of the Company. M/s. Udayavar Dhanesh Kumar & Associates have confirmed that their appointment, if made, will be within the eligibility criteria prescribed under Section 141(3) of the Companies Act, 2013.

APPRECIATION

Your Directors thank The Karnataka Bank Ltd., HDFC Bank Ltd and ICICI Bank Ltd for their support. Your Directors also wish to place on record their appreciation the dedicated services rendered by all employees of the Company. Directors also thank all the Shareholders for their confidence reposed in the management.

For & on behalf of the Board of Directors

Place : Mumbai
Date : 13/08/2014

(Narain N. Hingorani)
Chairman & Managing Director

REPORT ON CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement, a Report on Corporate Governance is given below:

A. MANDATORY REQUIREMENT

I. COMPANIES PHILOSOPHY ON CODE OF GOVERNANCE

The basic philosophy of corporate governance in the Company is to achieve business excellence, comply with laws and regulations and dedicate itself for increasing long term shareholder value.

II. BOARD OF DIRECTORS

a) As on 31st March, 2014, the strength of the Board of Directors was four, comprising of Chairman and Managing Director, and three other Non Executive Directors. During the financial year under review, ten Board Meetings were held, namely on 30.05.13, 27.06.13, 13.08.13, 16.09.13, 30.09.13, 24.10.13, 14.11.13, 14.02.14, 26.02.14 and 24.03.14. Attendance of each Director at the Board Meetings and last Annual General Meeting and the number of Companies and Committees where he is Director/Member (as on 31st March, 2014), is as under:

Name of Director	Category of Directorship	No. of Board Meetings attended	Attendance at last AGM held on 30.09.2013	No. of other Companies in which Director	Member of Committee other than Private & Foreign Co.	No. of Share held
Mr. Narain Hingorani	Chairman & Managing Director	10	Yes	3	1	4,50,000
Mr. Brijlal Bachani	Independent Non-Executive	05	No	1	1	500
Mr. Prem Vachhani	Non-Executive	10	Yes	0	2	3,600
Mr. Chandru Bakhtiani	Independent Non-Executive	08	Yes	1	2	Nil

Particulars of Director retiring by rotation and seeking re-appointment are given below

Name of Director	Mr. Chandru Bakhtiani	Mr. Prem L. Vachhani
Date of Birth	22.12.1947	06.04.1938
Date of Appointment	30.01.1998	31.01.1999
Business Experience	40 years	47 years
Qualification	B.Sc	Diploma in Engineering
Directors in other Companies incorporated in India	None	None
Chairman/Member of Committee of Companies other than Ceenik Exports (India) Ltd.	None	None
No. of Shares held	Nil	3,600

b) Board Procedure

All the Directors on the Board are informed the date and venue of each Board Meeting in advance alongwith Agenda. To enable the Board to discharge its responsibilities effectively, the Managing Director and Accounts Manager apprise the Board the performance of the Company. The Board reviews the strategy, business plan, annual operating and capital expenditure budgets, projections, compliance reports of all laws applicable to the Company as well as the steps taken to rectify instances on non-compliances, taking on record of unaudited quarterly/ half yearly/ annual results, minutes of the meetings of the Audit and other Committees of the Board and information on recruitment of Managers just below the Board level.

c) Code of Conduct

The Board has laid down Code of Conduct for the Board Members and other senior management and employees of the Company. All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct. A declaration signed by the Managing Director to this effect is enclosed at the end of this report.

Details of investment in Quoted Equity (Fully paid up)

Sl. No.	Name	As at 31 March, 2014			As at 31 March, 2013		
		Qty	Face value per share	Cost	Qty	Face value per share	Market Value
1	Alok Industries Ltd.	3,500	10	97,190	3,500	10	28,700
2	Crompton Greaves Ltd.	-	-	-	150	2	14,070
3	Denso India Ltd.	-	-	-	800	10	34,960
4	Gillette India Ltd.	75	10	26,688	75	10	150,356
5	Glaxo Smithline Pharma Ltd.	-	-	-	100	10	220,525
6	IDBI Ltd.	500	10	55,550	500	10	40,125
7	Morepan Laboratories Ltd.	3,600	2	114,490	3,600	2	9,180
8	Novartis India Ltd.	75	2	19,773	75	2	44,910
9	Shree Renuka Sugar Ltd.	2,000	1	3,880	2,000	1	44,400
10	Sterite Technologies Ltd.	5,500	2	-	5,750	2	133,975
		15,250		317,573	16,550		721,201

Details of investment in Unquoted Equity Shares (Fully paid up)

Sl. No.	Name	As at 31 March, 2014			As at 31 March, 2013		
		Qty	Face value per share	Cost	Qty	Face value per share	Paid up per share
Others		100,000	10.00	1,000,000	100,000	10.00	10.00
Global Ispat Ltd.		7,000	10.00	3,500,000	7,000	10.00	50.00
Scorpia India Ltd.		-	-	-	10,000	10.00	200.00
Shrimia Goli Pvt. Ltd.		5,000	10.00	1,000,000	5,000	10.00	200.00
Shrija Ispat Pvt. Ltd.		185,000		7,500,000	185,000		
Associate Companies		269,000	10.00	6,660,000	269,000	10.00	10.00
Nitin Properties & Estates Pvt. Ltd.		270,000	10.00	31,900,000	270,000	10.00	118.00
Viking Advanced Technologies Pvt. Ltd.		528,000		38,580,000	528,000		
Details of investment in Unquoted Equity Shares (Partly paid up)							
Others		50,000	10.00	5,000,000	50,000	10.00	5.00
Ankita Paper Mills Pvt. Ltd.		50,000		5,000,000	50,000		
Details of investment in Unquoted Preference Shares (Fully paid up)							
Associate Companies		500,000	10.00	5,000,000	500,000	10.00	10.00
Ceenik Enterprises Ltd. (9% Pref shares)		500,000		5,000,000	500,000		

Note 9 Fixed assets

Tangible assets	Gross block			Depreciation			Net Block	
	Cost as at 1 April, 2013	Additions	Disposals	Cost as at 31 March, 2014	As at 1 April, 2013	Additions	Disposals	As at 31 March, 2014
(a) Plant and Equipment	10,372,716 (6,142,670)	19,767,687 (4,230,046)	442,115	29,698,288 (10,372,716)	4,734,012 (4,156,237)	1,014,760 (577,775)	345,880	5,402,892 (4,734,012)
(b) Furniture and Fixtures	346,524 (346,524)	-	-	346,524 (346,524)	318,243 (311,995)	5,119 (6,248)	-	323,361 (318,242)
(c) Vehicles	8,092,941 (2,315,547)	1,212,800 (5,77,394)	-	9,305,741 (8,092,941)	2,484,123 (2,061,939)	1,674,930 (422,184)	-	4,159,053 (2,484,123)
(d) Office equipment	697,985 (695,652)	125,381 (2,333)	-	823,365 (697,984)	637,312 (594,532)	61,661 (42,780)	-	698,973 (637,312)
(e) Capital work in Progress	-	930,285	-	930,285	-	-	-	930,285
Total Previous year	19,510,166 (9,500,393)	22,036,163 (10,009,773)	442,115	41,104,203 (19,510,165)	8,173,689 (7,124,702)	2,756,470 (1,048,987)	345,880	10,584,279 (8,173,689)

Note 10 Non-current investments

Particulars	As at 31 March, 2014			As at 31 March, 2013		
	Quoted Rs.	Unquoted Rs.	Total Rs.	Quoted Rs.	Unquoted Rs.	Total Rs.
Investments (At cost):						
A. Trade						
(a) Investment in equity instruments (give details separately for fully / partly paid up instruments)						
(i) of associates	317,573	38,560,000	38,560,000	389,527	38,560,000	38,560,000
(ii) of other entities (Refer note blow)	317,573	10,500,000	10,500,000	389,527	12,500,000	12,889,527
(b) Investment in preference shares (give details separately for fully / partly paid up shares)		51,060,000	51,060,000		51,060,000	51,449,527
(i) of associates		5,000,000	5,000,000		5,000,000	5,000,000
Total - Trade (A)	317,573	56,060,000	56,060,000	389,527	56,060,000	56,449,527
B. Other investments						
(a) Investment property						
Commercial Properties (Rented) - At Cost		181,485,983	181,485,983		181,485,983	181,485,983
Total - Other investments (B)		181,485,983	181,485,983		181,485,983	226,907,425
Less: Provision for diminution in value of investments		237,545,983	235,863,556	389,527	237,545,983	237,935,510
Aggregate amount of quoted investments	389,527		389,527			
Aggregate market value of listed and quoted investments			235,863,556			237,935,510
Aggregate value of listed but not quoted investments			235,863,556			237,935,510
Aggregate amount of unquoted investments			235,863,556			237,935,510
			317,573			389,527
			420,855			721,201
			49,060,000			51,060,000
			54,060,000			56,060,000

d) Disclosures

- CEO Certificate:** The Managing Director has given a certificate to the Board as contemplated in Clause 49 of the Listing Agreement and the same was placed before the Board.
- There was no transaction of material nature with its promoters, the Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large.
- Transaction with related parties are disclosed under clause no. Note no. 24.3 forming part of the Accounts. The register of contracts containing the transactions in which Directors are interested is placed before the Board for its approval.
- During the last three years, there were no strictures or penalties imposed by either the Securities Exchange Board of India or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital market.

III. COMMITTEE OF THE BOARD**a) Audit Committee:**Terms of Reference and Composition, Number of Members and Chairman.

The Audit Committee comprises of Mr. Brijlal S. Bachani, Chairman, Mr. Prem Vachhani, Member, Mr. Chandru Bakhtiani, Member, all of whom are independent Directors; except Mr. Prem Vachhani.

The terms of reference of this Committee cover the matters specified under the clause 49 of the Listing Agreement and in Section 292A of the Companies Act, 1956.

During the year under review, the Audit Committee held four meetings which were attended by all the members.

b) Remuneration Committee:

The Remuneration Committee comprises of Mr. Chandru Bakhtiani and Mr. Prem Vachhani. The Committee was not required to meet during the year.

Remuneration of Directors

The details of remuneration paid to the Directors during the financial year April, 2013 - March, 2014 are given below:

a) Executive Directors :

Name of Directors	Salary and Allowances	Commission (Provision made) Rs.	Perquisites	Retirement Benefits*
Mr. Narain Hingorani	Rs.6,00,000/-	NIL	NIL	NIL

* Excluding provision for Gratuity.

Notes:

1. Notice period for termination of appointment of Managing Director is three months, on either side.

2. Presently the Company does not have a scheme for grant of stock options either to the Executive Directors or employees.

3. The Managing Director is not entitled to commission on the net profits of the Company.

b) Non-Executive Directors Non-Executive Directors are not paid any sitting fees for attending Board/ Committee Meetings.

c) Investor's Grievance Committee

The Company's Investors' Grievance Committee has been constituted on 31.07.2002

The Members of the Committee are Mr. Narain Hingorani and Mr. Chandru Bakhtiani.

Mr. Narain Hingorani, Managing Director, is also the Compliance Officer of the Company.

The Committee met 4 times during the year under review.

The Committee looks into redressing of shareholders'/ investors complaints, issue of duplicate Share Certificate.

The Company's Registrars, M/s. Universal Capital Securities Pvt. Ltd. has confirmed that they have not received any compliant during the year under review on behalf of the company. The Company has also not received any complaint from the Shareholders'/ Investors.

IV. GENERAL BODY MEETINGS

The last three Annual General Meetings were held as under:

Financial Year	Date	Time	Location
2010-11	28.12.2011	11.00 a.m.	10-A, Jeevan Jagruti , Dr.Ambedkar Road, Bandra(w), Mumbai -50.
2011-12	29.09.2012	11.00 a.m.	14-B, Jeevan Satyakam , Dr.Ambedkar Road, Bandra(w), Mumbai -50.
2012-13	30.09.2013	11.00 a.m.	14-B, Jeevan Satyakam , Dr.Ambedkar Road, Bandra(w), Mumbai -50.

All the resolutions set out in the respective Notices were passed by the Shareholders.

No resolution was required to be put through postal ballot at any of the above General Meetings.

V. MEANS OF COMMUNICATIONS

Half yearly report sent to each household of Shareholders No, as the Results of the Company are published in the Newspapers having wide reach.
 Quarterly Results -do-
 Any Website where displayed No
 Whether presentations made to Institutional Investors or to the Analysts No
 Newspapers in which Results are normally published in Business Standard & Dainik Sagar or Mumbai Lakshadeep/ or Financial Express and Dainik Sagar
 Whether Management Discussion and Analysis is a part of the Annual Report Yes

VI. GENERAL SHAREHOLDER INFORMATION

AGM Date, Time and Venue 30.09.2014 at 11.00 a.m. at B-14, Jeevan Satyakam, Dr. Ambedkar Road, Bandra (West), Mumbai - 400 050.
 Financial Calendar April, 2014 to March, 2015
 Financial Year April to March
 First Quarter Results By 13th August, 2014
 Second Quarter Results By 14th November, 2014
 Third Quarter Results By 14th February, 2015
 Fourth Quarter Results By 15th May, 2015
 Audited Results of the year ending 31st March, 2015 By 30th May, 2015
 Date of Book Closure 22th to 30th September, 2014.
 Dividend Payment Date No dividend declared
 Listing on Stock Exchanges The Stock Exchange, Mumbai. The Company has paid the Listing Fees to the Stock Exchange upto the Financial year ended 31st March, 2015
 Stock Code – Physical 531119
 Demat ISIN Number for NSDL & CDSL INE418D01010

Market Price Data:
 Share Price – Face Value Rs. 10/-

The high & low price during the months in which the Company's shares were traded is as follows:

Month	High	Low	Month	High	Low
Apr'13	7.6	6.65	Oct'13	-	-
May'13	6.5	6.5	Nov'13	-	-
Jun'13	-	-	Dec'13	-	-
Jul'13	-	-	Jan'14	6.82	6.82
Aug'13	-	-	Feb'14	-	-
Sep'13	-	-	Mar'14	6.48	5.61

Registrars & Share Transfer Agents UNIVERSAL CAPITAL SECURITIES PVT. LTD. 21, Shakil Niwas, Mahakali Caves Road, Andheri(E), Mumbai – 400 093.
 Person to Contact Mr. Ravi Utekar
 Telephone No. 022 2836 6620
 Fax No. 022 2821 1996
 Share Transfer System The power to approve transfer of shares purchased by an investors in physical form has been delegated by the Board of Directors to Investors' Grievance Committee. Transfers are approved as and when received. Transfers in favour of NSDL/CDSL on dematerialisation requests are approved by Managing Director

Note 4 Long-term borrowings		As at 31 March, 2014 Rs.	As at 31 March, 2013 Rs.
(b) Term loans			
From banks			
Secured		145,746,315	86,779,472
Unsecured		-	-
Total		145,746,315	86,779,472

(a) Details of terms of repayment for the other long-term borrowings and security provided in respect of the secured other long-term borrowings:			
Security		As at 31 March, 2014 Secured Rs	As at 31 March, 2013 Secured Rs
Term loans from banks:			
HDFC Bank Ltd.	Loans are secured against immovable properties of the company.	-	13,762,198
ICICI Bank Ltd.	Loans are secured against immovable properties and against hypothecation of cars.	53,669,522	71,333,779
Karnataka Bank	Loans are secured against Machinery	616,702	1,683,495
Indiabulls Hosing Finance Ltd.	Loans are secured against immovable properties of the company.	25,111,911	-
Religare Finvest Ltd.	Loans are secured against immovable properties of the associate company.	23,939,396	-
PNB Housing Finance Ltd.	Loans are secured against immovable properties of the company.	42,408,784	-
Total - Term loans from banks and financial institutions	Total	145,746,315	8,67,79,472

Note 5 Short-term borrowings			
Overdraft facility from Karnataka Bank Ltd.		10,101,696	-
Loans and advances from related Unsecured		4,600,000	11,028,218
Total	Total	14,701,696	11,028,218

(a) Details of security provided in respect of the secured other than long-term borrowings:			
Overdraft facility from Karnataka Bank Ltd.	Secured against immovable property of the Company	10,101,696	-
Total		10,101,696	-

Note 6 Trade payables			
Trade payables:			
Acceptances		-	-
Other than Acceptances		7,913,148	2,825,722
Total	Total	7,913,148	2,825,722

Note 7 Other current liabilities		As at 31 March, 2014 Rs	As at 31 March, 2013 Rs
(a) Current maturities of long-term debt (Refer Note (I) below)		24,602,562	22,718,375
(b) Interest accrued but not due on borrowings		1,574,538	744,423
(c) Interest accrued and due on borrowings (unsecured)		-	856,302
(d) Other payables			
(i) Statutory remittances (Withholding Taxes, Local Body Cess, Service Tax, etc.)		1,019,893	796,562
(ii) Trade / security deposits received		3,189,180	13,139,758
(iii) Advances from customers		770,000	439,528
(iv) Others - Expenses		13,497	419,106
Total	Total	31,169,670	39,114,055

Note (i): Current maturities of long-term debt (Refer Note 4 - Long-term borrowings for details of security and guarantee):			
(b) Term loans			
From banks			
Secured		24,602,562	22,718,375
Unsecured		-	-
Total	Total	24,602,562	22,718,375
Note 8 Short-term provisions			
(a) Provision for employee benefits:			
(i) Provision for bonus		29,583	22,700
(ii) Provision for compensated absences		48,667	5,390
(iii) Others		277,867	-
		356,117	28,090
(b) Provision - Others:			
(i) Provision for tax (net of advance tax Rs. Nil (As at 31 March, 2013 Rs. Nil))		9,150,000	9,150,000
(ii) Provision - others		407,867	-
Total	Total	9,557,867	9,150,000
		9,913,984	9,178,090

20TH ANNUAL REPORT 2013-2014

Note 2 : Share Capital

Particulars	As at 31 March, 2014		As at 31 March, 2013	
	No. of Shares	Rs.	No. of Shares	Rs.
(a) Authorised				
Equity shares of Rs.10 each with voting rights	7,500,000	75,000,000	7,500,000	75,000,000
(b) Issued,Subscribed but fully paid up				
Equity shares of Rs.10 each with voting rights	3,350,000	33,500,000	3,350,000	33,500,000
Total	3,350,000	33,500,000	3,350,000	33,500,000

(c) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Equity shares with voting rights	Opening Balance	Fresh issue	Bonus	ESOP Conversion Buy back	Closing Balance
Year ended 31 March, 2014					
Number of shares	33,50,000	-	-	-	33,50,000
Amount (Rs. 10)	33,500,000	-	-	-	33,500,000
Year ended 31 March, 2013					
Number of shares	3,350,000	-	-	-	3,350,000
Amount (Rs. 10)	33,500,000	-	-	-	33,500,000

(d) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2014		As at 31 March, 2013	
	Number of sharesheld	% holding in that class of shares	Number of sharesheld	% holding in that class of shares
Equity shares with voting rights				
Mrs. Kavita Hingorani	1,050,500	31.36%	1,050,500	31.36%
Mr. Narain Hingorani	450,000	13.43%	450,000	13.43%

(e) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date: Rs. Nil

Equity shares with voting rights	Aggregate number of shares	
	As at 31 March, 2014	As at 31 March, 2013
Fully paid up pursuant to contract(s) without payment being received in cash	Nil	Nil
Fully paid up by way of bonus shares	Nil	Nil
Shares bought back	Nil	Nil

(f) Details of calls unpaid

Equity shares with voting rights	As at 31 March, 2014		As at 31 March, 2013	
	No. of Shares	Rs.	No. of Shares	Rs.
Aggregate of calls unpaid				
- by directors	Nil	Nil	Nil	Nil
- by officers	Nil	Nil	Nil	Nil
- by others	Nil	Nil	Nil	Nil

(g) Details of forfeited shares

Equity shares with voting rights	As at 31 March, 2014		As at 31 March, 2013	
	No. of Shares	Amt. Originally paid up Rs.	No. of Shares	Amt. Originally paid up Rs.
Equity shares with voting rights	Nil	Nil	Nil	Nil

Note 3 Reserves and surplus

	As at 31 March, 2014		As at 31 March, 2013	
	Rs.	Rs.	Rs.	Rs.
(a) Capital reserve				
Opening balance		9,344,382		9,344,382
Add: Additions during the year (give details)		-		-
Less: Utilised / transferred during the year (give details)				
Closing balance		9,344,382		9,344,382
(k) Surplus / (Deficit) in Statement of Profit and Loss				
Opening balance		163,172,167		127,529,448
Add: Profit / (Loss) for the year		(12,328,246)		35,642,720
Closing balance		150,843,921		163,172,168
Total		160,188,303		172,516,550

20TH ANNUAL REPORT 2013-2014

Distribution of Shareholding as on 31.03.2014

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1-500	946	79.899	1,29,253	3.858
500-1000	63	5.321	53,554	1.599
1001-2000	113	9.544	1,92,169	5.736
2001-3000	14	1.182	34,813	1.039
3001-4000	7	0.591	26,285	0.785
4001-5000	7	0.590	32,015	0.956
5001-10000	10	0.845	73,525	2.195
10001 And Above	24	2.027	28,08,386	83.832
TOTAL	1184	100.00	33,50,000	100.00

Shareholding Pattern as on 31.03.2014

Categories of Shareholders	Percentage %
Indian Promoters	54.09
Non Resident Indians	0.08
Private Bodies Corporate	2.66
Indian Public	43.17
Dematerialisation of Shares and Liquidity as on 31.03.2014	Dematerialised – 26,37,975

Outstanding GDRs/ ADRs/ Warrants
Factory Location

Not Issued
D/396/2, TTC Indi. Area MIDC, Turbhe,
Navi Mumbai - 400709

Address for correspondence

Shareholder correspondence should be addressed to the Company's Registrars.Universal Capital Securities Pvt. Ltd. 21, Shakil Niwas, Mahakali Caves Road, Andheri (E), Mumbai - 400 093.

Shareholders holding shares in dematerialised form should address all their correspondence (including change of address, nomination, bank details to be incorporated on dividend warrants, Powers of Attorney, etc.) to their Depository Participants.

B. NON MANDATORY REQUIREMENTS

a) Chairman of the Board

Whether Chairman of the Board is entitled to maintain a Chairman's Office at the Company's expense and also allowed reimbursement of expenses incurred in performance of his duties

Expenses incurred in performance of his duties are reimbursed.

b) Remuneration Committee

Formed

c) Shareholder Rights

The half yearly declaration of financial performance including summary of the significant events in last six months should be sent to each household of Shareholders.

The Company's half yearly Results are published in English and Marathi newspapers having wide circulation. Hence same are not sent to Shareholders.

d)Postal Ballot

The company will make use of postal ballot for obtaining approval for such items as are mandated under the listing agreements and by Section 192 A of the Companies Act, 1956.

To, DECLARATION BY THE MANAGING DIRECTOR UNDER CLAUSE 49 OF THE LISTING AGREEMENT

The Members of Ceenik Exports (India) Ltd.

I, Narain Hingorani, Managing Director of Ceenik Exports (India) Ltd., declare that all the Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct.

Place : Mumbai

Date : 13/08/2014

For & on behalf of the Board

(Narain N. Hingorani)

Chairman & Managing Director

COMPLIANCE CERTIFICATE

To:
The Members
Ceenik Exports (India) Limited

I have examined the registers, records, books and papers of Ceenik Exports (India) Limited (the Company) as provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended 31st March, 2014. In my opinion and to the best of my information and according to the examinations carried out by me and explanation furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure A to this certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate with the Registrar of Companies, Maharashtra, within the time prescribed under the Act and the rules made thereunder. The Company has not filed any form/return with the Regional Director, Central Government, Company Law Board or other authorities.
3. The Company being a Public Limited company, comments on invitation to public to subscribe for shares/debentures or acceptance of deposits as applicable to a Private Limited Company are not required.
4. The Board of Directors duly met ten times namely on 30.05.13, 27.06.13, 13.08.13, 16.09.13, 30.09.13, 24.10.13, 14.11.13, 14.02.14, 26.02.14 and 24.03.14. in respect of which meetings proper notices were given and the proceedings were properly recorded and signed. No circular resolutions was passed during the financial year.
5. The Company had closed its Register of Members from 22/09/2013 to 30/09/2013 (both days inclusive) during the financial year.
6. The Annual General Meeting for the financial year ended on 31st March, 2013 was held on 30th September, 2013 after giving due notices to the members of the Company and the resolutions passed there at were duly recorded in Minutes Book maintained for the purpose.
7. No Extra-Ordinary General Meeting was held during the financial year.
8. The Company has not advanced any loan to its Directors and/or persons or firms or companies referred to in Section 295 of the Act.
9. The Company has duly complied with the provisions of Section 297 of the Act in respect of contracts specified in that section.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. As there was no appointment falling within the purview of Section 314 of the Act during the year, the Company has not obtained approval from the Board of Directors, members or Central Government.
12. Company has not issued any duplicate share certificate during the financial year.
13. (i) The Company has delivered all the certificates on lodgment thereof for transfers in accordance with the provisions of the Act. There was no allotment or transmission of shares during the financial year.
(ii) As the Company did not declare any dividend during the financial year, the need to deposit any amount of dividend in a separate Bank Account did not arise.
(iii) The Company was not required to post warrants to any member of the Company as no dividend was declared during the financial year.
(iv) There was no such amount in unpaid dividend account, application money due for refund, matured deposits, matured debentures and interest accrued thereon which have remained unclaimed or unpaid for a period of seven years;
(v) The Company has complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and the appointment of Directors have been duly made. There was no appointment of an Additional Director, Alternate Director and Director to fill casual vacancy during the financial year.
15. The appointment of Managing Director has been made in compliance with the provisions of Section 269 read with Schedule XIII to the Act. Company has not appointed Whole-time Director or Manager.
16. The Company has not appointed sole selling agents.
17. The Company was not required to obtain any approval of the Central Govt, Company Law Board, Registrar of Companies, Regional Director or such other authorities as prescribed in the various provisions of the Act during the financial year.
18. The Directors have disclosed their interest in other firms/Companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any shares or securities during the financial year ended 31st March, 2014.

(l) Impairment

At each Balance Sheet date, the Company assesses whether there is any indication that the fixed assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. Where it is not possible to estimate the recoverable amount of the individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

As per the assessment conducted by the company at March 31st., 2014, there were no indication that the fixed assets have suffered an impairment loss.

(m) Employee benefits

Employee benefits include provident fund, superannuation fund, gratuity and leave encashment.
Defined contribution plans

The Company's contribution to provident fund and superannuation fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.

Defined benefit plans

For defined benefit plans in the form of gratuity fund are accounted on cash basis.

(n) Business Segments

The Company is engaged mainly in the business of manufacturing of garments and renting of properties. These, in context of Accounting Standard 17 on Segment Reporting, as specified in the Companies (Accounting Standard) Rules, 2006, are considered to two primary segments. Further, there is no reportable secondary segment i.e. Geographical Segment.

(o) Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

(p) Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax is net of credit for entitlement for Minimum Alternate Tax (MAT).

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised.

Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

(q) Provisions and contingencies

The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For losses that are possible (but not probable), the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

Notes Forming Part of the Financial Statements

(1) Significant accounting policies**(a) Basis of accounting and preparation of financial statements**

The financial statements are prepared under the historical cost convention on an accrual basis of accounting in accordance with the generally accounting principles. Accounting Standards notified under section 211 (3C) of the Companies Act, 1956 and the relevant provisions thereof.

(b) Use of estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of these financial liabilities and the reported amounts of revenues and expenses for the year under review. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable and in conformity with Indian GAAP. Actual results may differ from these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known or materialised. Estimates and underlying assumptions are reviewed on an ongoing basis.

(c) Inventories

Inventories of raw material are valued at the lower of cost and the net realisable value on FIFO basis after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of manufacturing facility, including octroi and other levies. Inventories of finished goods are valued at the lower of cost and net realisable value after providing for obsolescence. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies. Net realisable value is estimated selling price in the ordinary course of business less estimated cost of completion and selling expenses.

(d) Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value

(e) Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

(f) Depreciation and amortization

Depreciation has been provided on written down method as per the rates prescribed in Schedule XIV to the Companies Act, 1956.

(g) Revenue recognitionSale of goods

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales exclude sales tax and value added tax.

Income from Rented Properties

Income from Commercial properties rented are recognised on accrual basis and for invoices raised. Rental income is inclusive of related deducted at source but excluding service tax.

(h) Other income

Interest income from Bank Fixed Deposit and other interest is accounted on accrual basis, inclusive of related tax deducted at source. Dividend income is accounted on receipt basis.

(i) Fixed assets

Fixed Assets are stated at cost of acquisition less accumulated depreciation / amortisation. Cost includes purchase price, taxes and duties and other direct costs incurred upto the date the asset is ready for its intended use.

(j) Foreign currency transactions and translationsInitial recognition

Transactions in foreign currencies entered into by the Company and its integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement of foreign currency monetary items at the Balance Sheet date

Foreign currency monetary items (other than derivative contracts) of the Company and its net investment in non-integral foreign operations outstanding at the Balance Sheet date are restated at the year-end rates. Exchange differences arising out of these translations are recognised in the Statement of Profit and Loss.

(k) Investments

Long-term investments (including investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

20. The Company has not bought back any shares during the financial year ending 31st March, 2014.
21. The Company has not redeemed any preference shares/debentures during the financial year.
22. The Company was not required to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposit including any unsecured loans falling within the purview of Section 58A of the Act during the financial year.
24. The amount borrowed by the Company from Directors, members, public, financial institution, banks and others during the financial year ended 31st March, 2014 are within the borrowing limits of the Company and that necessary resolution as per Section 293(1)(d) of the Act have been passed in duly convened Annual General Meeting.
25. The Company has made loans and investments in compliance with the provisions of the Act and has made necessary entries in the register kept for the purpose. The Company has not given any guarantee or provided security to other bodies corporate.
26. Company has not altered the provisions of the Memorandum with respect to the situation of the Company's Registered Office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to the name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to Share Capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. There was no prosecution initiated against or show cause notice received by the Company or any other punishment imposed on the Company during the financial year, for offenses under the Act.
32. The Company has not received any money as security from its employees during the year under certification.
33. The Company has deposited both employees' and employer's contribution to Provident Fund with prescribed authorities pursuant to Section 418 of the Act.

Place: Mumbai
Date : 13/08/2014

(UPENDRA C. SHUKLA)
COMPANY SECRETARY
FCS: 2727/CP No: 1654

ANNEXURE A

Registers as maintained by the Company

- 1) Minutes Book of the Board Meeting u/s 193 of the Act.
- 2) Minutes Book of the General Meeting u/s 193 of the Act.
- 3) Register of Members of the Company u/s 150 of the Act.
- 4) Register of Directors u/s 303 (2) of the Act.
- 5) Register of Directors' Shareholding u/s 307
- 6) Register of Charges u/s 143
- 7) Register of Contracts u/s 301

ANNEXURE B

Forms and returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ended on 31st March, 2014 :

- 1) Compliance Report for the year ended 31/03/2013 filed u/s 383A on 26/10/2013;
- 2) Annual Return as on 30/09/2013 filed u/s 159 on 27/11/2013.
- 3) Annual Accounts for the year ended 31.03.2013 filed u/s 220 on 28/12/2013.
- 4) Form No 17 pertaining to Satisfaction of charge created in favour of HDFC Bank Ltd. filed u/s 138 on 26/10/2013.
- 5) Form No. 8 – registration of Charge created on 29/08/2013 for Rs.50 lacs in favour of Karnataka Bank Ltd., filed u/s 125 on 14/09/2013.
- 6) Form No 18 pertaining to shifting of Registered office within the limits of Mumbai w.e.f. 27/06/2013 filed u/s 146 on 23/07/2013.
- 7) Form No. 8 – registration of Charge created on 30/09/2013 for Rs.460 lacs in favour of PNB Housing Finance Ltd., filed u/s 125 on 18/10/2013.

Place: Mumbai
Date : 13.08.2014

(UPENDRA C. SHUKLA)
COMPANY SECRETARY
FCS: 2727/CP No: 1654

Certificate of Compliance from Auditors as stipulated under clause 49 of the listing agreement of the Stock Exchanges in India

CERTIFICATE

To the Shareholders

We have examined the compliance of conditions of Corporate Governance by Ceenik Exports (India) Ltd. for the year ended on 31st March, 2014, 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 management. Our examination was limited to 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, We certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We state that in respect of investor grievances received during the year ended 31st March, 2014 no investor grievances are pending against the Company as per the records maintained by the Company and presented to the Investor Grievances 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.

For Udayavar Dhanesh Kumar & Associates
Chartered Accountants

Place : Mumbai
Date : 13.8.2014

Dhanesh Kumar Udayavar
Proprietor

Independent Auditors' Report

To the Members of Ceenik Exports (India) Ltd.

- We have audited the accompanying financial statements of **Ceenik Exports (India) Ltd.** as at **31st March, 2014** which comprise the Balance Sheet as at 31st March 2014, the Statement of Profit and Loss and Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.
- The Company's 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 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 and in accordance with the accounting principles generally accepted in India. The responsibility includes the design, implementation and maintenance of internal control 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.
- 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 risks 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

STATEMENT OF PROFIT AND LOSS
for the year ended 31st March, 2014

	Note No.	For the year ended 31 March, 2014	For the year ended 31 March, 2013
CONTINUING OPERATIONS			
		Rs	Rs
Revenue from operations (gross)	18	70,997,513	42,801,848
Less: Excise duty		-	-
Revenue from operations (net)		70,997,513	42,801,848
Other income	19	22,313,052	78,895,043
Total revenue		93,310,565	121,696,891
Expenses			
(a) Cost of materials consumed	20.a	49,559,280	33,531,136
(b) Purchases of stock-in-trade		-	-
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	20.b	1,144,954	5,455,526
(d) Employee benefits expense	21	2,987,826	1,716,443
(e) Finance costs	22	20,879,559	15,856,850
(f) Depreciation and amortisation expense	9	2,756,470	1,048,987
(g) Other expenses	23	31,160,609	18,459,451
Total expenses		108,488,698	76,068,393
Profit / (Loss) before exceptional and extraordinary items and tax		(15,178,133)	45,628,499
Exceptional items		-	-
Profit / (Loss) before extraordinary items and tax		(15,178,133)	45,628,499
Extraordinary items		-	-
Profit / (Loss) before tax		(15,178,133)	45,628,499
Tax expense:			
(a) Current tax expense for current year		-	8,500,000
(b) Current tax expense for previous year		-	1,956,143
(c) Net current tax expense		-	10,456,143
(e) Deferred tax Asset		2,849,887	470,364
		(2,849,887)	9,985,779
Profit / (Loss) from continuing operations		(12,328,246)	35,642,720
Earnings per share			
(a) Basic		(3.68)	10.64
(b) Diluted		(3.68)	10.64

Notes forming part of the financial statements

As per our attached report of Even Date

For Udayavar Dhanesh Kumar & Associates
Chartered Accountants
Firm Registration No 119401W
Dhanesh Kumar Udayavar
Proprietor
Membership No. 102031

Place : Mumbai
Date : 30/05/2014

For and on behalf of the Board
Narain N. Hingorani
Chairman & Managing Director

Prem L Vachhani
Director

Place : Mumbai
Date : 30/05/2014

BALANCE SHEET as at 31st March, 2014			
EQUITY AND LIABILITIES	Note No.	As at 31 March, 2014	As at 31 March, 2013
1 Shareholders' funds		Rs	Rs
(a) Share capital	2	33,500,000	33,500,000
(b) Reserves and surplus	3	160,188,303	172,516,550
(c) Money received against share warrants		-	-
		<u>193,688,303</u>	<u>206,016,550</u>
2 Share application money pending allotment		-	-
3 Non-current liabilities			
(a) Long-term borrowings	4	145,746,316	86,779,472
		<u>145,746,316</u>	<u>86,779,472</u>
4 Current liabilities			
(a) Short-term borrowings	5	14,701,697	11,028,218
(b) Trade payables	6	7,913,148	2,825,722
(c) Other current liabilities	7	31,169,670	39,114,055
(d) Short-term provisions	8	9,913,984	9,178,090
		<u>63,698,499</u>	<u>62,146,084</u>
ASSETS	TOTAL	<u>403,133,118</u>	<u>354,942,107</u>
1 Non-current assets			
(a) Fixed assets/ (i) Tangible assets	9	30,519,924	11,336,476
		<u>30,519,924</u>	<u>11,336,476</u>
(b) Non-current investments	10	235,863,556	237,935,510
(c) Deferred tax assets (net)		4,158,843	1,308,956
(d) Long-term loans and advances	11	39,249,554	37,944,381
(e) Other non-current assets	12	-	1,141,755
		<u>279,271,953</u>	<u>278,330,602</u>
2 Current assets			
(a) Inventories	13	58,119,969	49,210,898
(b) Trade receivables	14	15,699,810	10,359,055
(c) Cash and cash equivalents	15	9,127,758	5,044,309
(d) Short-term loans and advances	16	10,158,982	416,464
(e) Other current assets	17	234,722	244,302
		<u>93,341,241</u>	<u>65,275,028</u>
	TOTAL	<u>403,133,118</u>	<u>354,942,107</u>

Notes forming part of the financial statements

As per our attached report of Even Date
For Udayavar Dhanesh Kumar & Associates
Chartered Accountants
Firm Registration No 119401W
Dhanesh Kumar Udayavar
Proprietor
Membership No. 102031
Place : Mumbai
Date : 30/05/2014

For and on behalf of the Board
Narain N. Hingorani
Chairman & Managing Director
Prem L. Vachhani
Director
Place : Mumbai
Date : 30/05/2014

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the 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.

- 4) 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.
- In the case of the Balance Sheet, of the State of affairs of the Company as at **31st March 2014**;
 - In the case of the statement of Profit and Loss, of the loss for the year ended on that date.
 - In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.
- 5) As required by the Companies (Auditors Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
- 6) As required by Section 227(3) of the Companies Act, 1956, we report that:-
- 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.
 - In our opinion, proper books of accounts as required by law have been kept by the company, so far as appears from our examination of those books.
 - The Balance Sheet, the Statement of Profit & Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - In our opinion, the Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement comply with Accounting Standard 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.
 - On the basis of the written representations received from the directors, as on **31st March 2014** and taken on record by the Board of Directors, we report that none of the directors is disqualified as on **31st March 2014** from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.

For **UDAYAVAR DHANESH KUMAR & ASSOCIATES**
Chartered Accountants
Firm Registration No: 119401W

DHANESH KUMAR UDAYAVAR
Proprietor
Membership No. 102031

Place: Mumbai
Date: 30th May 2014

ANNEXURE TO THE AUDITORS REPORT
(Referred to in Paragraph 3 of our Report of even date)

- The Company has maintained proper records to show full particulars, including quantitative details and situation of the fixed assets.
 - As explained to us, all the assets have been physically verified by the management during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
 - In our opinion, the Company has not disposed off a major part of fixed assets during the year and the going concern status of the Company is not affected.
- As explained to us, the inventory and cash has been physically verified by the management. According to the information and explanations given to us, we are of the opinion, the frequency of the verification is reasonable.
 - In our opinion and according to the information and explanations given to us, the procedures of the physical verification of the inventories followed by the company are reasonable and adequate in relation to the size of the company and the nature of its business.

c. The company has maintained records of inventories. As explained to us and explanation given to us, no material discrepancies are noticed on verification between the physical stocks and the book records. However, the Company needs to improve methods of maintaining records of inventories of raw materials sent for processing, stitching, washing and other processes.

3. a. The following are the particulars of unsecured loans taken from Companies, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956.

Sr. No.	Name of the party	Amount (in Rs.)	Relationship	Year end Balance (Rs.)
1.	International Exports Corporation	45,89,000.00	Proprietor is Shareholder & Promoter	Nil
2.	September Fashion	54,25,000.00	Proprietor is Shareholder	Nil
3.	Niktin Properties & Estates Pvt. Ltd.	123,15,000.00	Company under same management	Nil
4.	Ceenik Enterprises Ltd.	54,00,000.00	Company under same management	46,00,000.00

b. No loans are given to Companies, firms and other parties listed in the register maintained under section 301 of the Companies Act, 1956.

c. Interest are paid on loans taken from Companies, firms and other parties listed in the register maintained under section 301 of the Companies Act, 1956. In our opinion, the rate of interest and other terms and conditions on which loans have been taken / given are not prime facie prejudicial to the interest of the company.

d. The company is regular in repaying the principal amounts as stipulated and the parties have repaid the principal amounts as stipulated.

e. There is no overdue amount of loans taken / given from / to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.

4. In our opinion and according to the information and explanations given to us, there is an adequate internal control procedure commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct weakness in internal controls.

5. In respect of the contracts or arrangements referred to in section 301 of the Companies Act, 1956:

a. In our opinion and according to the information and explanations given to us, the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.

b. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts / arrangements entered in the register maintained in pursuance of section 301 of the Companies Act, 1956; following are the transactions entered for an amount exceeding Rs. 5 lacs and have been made at prices which appear reasonable as per information available with the Company:

Sr. No.	Name of the Party	Nature of Transaction	Amount (in Rs.)
1.	Viking Advanced Technologies Pvt. Ltd.	Labour Charges Paid	2,18,23,974
2.	Narain Hingorani	Remuneration to Director	6,00,000

6. According to the information and explanations given to us, the company has not accepted deposits from public, under section 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975. Therefore, the provisions of clause (vi) of paragraph 4 of the Order are not applicable to the Company.

7. In our opinion, the company has an internal audit system commensurate with size and nature of its business.

8. The Company is not required to maintain any Books of Accounts pursuant to the rules made by the Central Government for the maintenance of Cost Records under section 209(1) (d) of the Companies Act, 1956.

9. a. According to the records of the Company, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, Investor Education Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Cess and other material statutory dues applicable to it and no amount were in arrears as at 31st. March, 2014 for a period of more than six months from the date they became payable, except for local body tax of Rs 32,890/-.

b. Details of dues of Service tax which have not been deposited as on 31st. March 2014 on account of disputes are given below:

Sr.No.	Name of Statute	Nature of the Dues	Amount (Rs, in Lacs)	Period to which it relates	Forum where dispute is pending
1.	Finance Act, 1994	Service Tax	880,879	Financial Year 2007-08 to 2010-11	Commissioner of Service Tax

10. There are no accumulated losses at the beginning of the year, and the accumulated losses are not more than fifty percent of its net worth. The company has incurred cash losses during the financial year covered under audit and but not in the immediately preceding financial year.

11. Based on our audit procedures and on the information and explanations given to us, we are of the opinion that the company has not defaulted in repayment of dues to a financial institutions and or bank.

12. In our opinion and according to the explanations given to us and based on the information available, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities, during the year under audit.

13. In our opinion, the company is not a chit fund or a nidhi mutual benefit fund/ society. Therefore, the provisions of clause 4 (xii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.

14. Based on our audit procedures and on the information and explanations given to us, the Company has maintained proper records of the transactions and contracts in respect of dealings or trading in shares, securities, debentures and other investments. The company timely records the transactions and the shares, securities, debentures and other securities are held by the company in its own name.

15. According to the information and explanations given to us, the company has not given guarantees for the loans taken by others from banks or financial institutions.

16. The Company has raised new term loans during the year. The term loans granted to the company have been applied for the purpose for which they were raised.

17. According to the information and explanations given to us and on overall examinations of the Balance Sheet of the Company, we are of the opinion that there are no funds raised on short term basis that have used for long term investment.

18. The company has not made preferential allotment of shares to parties and Companies covered in the register maintained under section 301 of the Companies Act, 1956 during the year.

19. The company has not issued debentures during the year. Therefore, the provisions of clause 4 (xix) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.

20. The company has not made a public issue of any of its securities. Therefore, the provisions of clause 4 (xx) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.

21. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For UDAYAVAR DHANESH KUMAR & ASSOCIATES
Chartered Accountants
Firm Registration No: 119401W

DHANESH KUMAR UDAYAVAR
Proprietor
Membership No. 102031

Place: Mumbai
Date: 30th. May 2014

