



Arrow Textiles Limited

Annual Report
2013-14



THE BOARD OF DIRECTORS

Mr. Jaydev Mody Chairman
Mr. Chand Arora Managing Director
Mr. Aditya Mangaldas
Ms. Anjali Mody
Mr. Aurobind Patel
Mr. Harshvardhan Piramal
Dr. Vrajesh Udani

Company Secretary & Compliance Officer

Ms. Sushama Vesvikar

Registered Office & Plant Location

Plot No. 101 - 103,
19th Street, Satpur, MIDC,
Nasik - 422 007, Maharashtra.
Website: www.arrowtextiles.com

Statutory Auditors

M/s. Amit Desai & Co
Chartered Accountants

Bankers

Axis Bank Limited
Bank of Baroda

Share Transfer Agents

Freedom Registry Limited
Plot No. 101 / 102, MIDC, 19th Street,
Satpur, Nasik - 422 007, Maharashtra.
Phone : (0253) 2354032, 2363372
Facsimile : (0253) 2351126
e-mail : support@freedomregistry.in

Shares Listed on

Bombay Stock Exchange Limited
National Stock Exchange of India Limited

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NOTICE

Notice is hereby given that the 7th Annual General Meeting of Members of Arrow Textiles Limited will be held on Thursday, 25th September, 2014 at 1.00 p.m. at Hotel Express Inn, Nashik Pathardi Phata, Ambad, Mumbai Agra Road, Nashik - 422 010, Maharashtra, to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2014 and the Balance Sheet as at that date together with the Reports of the Board of Directors and the Auditors thereon.
2. To consider and if thought fit, to pass, with or without modification, the following Resolution as an Ordinary Resolution:
“**RESOLVED THAT** pursuant to provisions of Section 152 and any other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Rules made thereunder (including any statutory modification(s), clarifications, exemptions or re-enactments thereof for the time being in force) the vacancy caused by the retirement by rotation of Mr. Harshvardhan Piramal (DIN : 00044972), Director, who has not sought re-appointment, be not filled in at this meeting or at any adjournment thereof.”
3. To consider and if thought fit, to pass, with or without modification, the following Resolution as an Ordinary Resolution:
“**RESOLVED THAT** pursuant to provisions of Section 139, 142 and any other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the rules made thereunder (including any statutory modification(s), clarifications, exemptions or re-enactments thereof for the time being in force) and pursuant to recommendations of the Audit Committee and Board of Directors, M/s. Amit Desai & Co., Chartered Accountants (Firms Registration No.: 130710W) be and are hereby re-appointed as Statutory Auditors of the Company, provided that the re-appointment of M/s. Amit Desai & Co., shall be from the conclusion of this 7th Annual General Meeting till the conclusion of the 10th Annual General Meeting of the Company, and re-appointment shall be subject to ratification by the Members at every Annual General Meeting to be held during the period.

RESOLVED FURTHER THAT the Board of Directors or Audit Committee thereof, be and is hereby authorised to decide and finalise the terms and conditions of appointment, including the remuneration of the Statutory Auditors.”

Special Business:

4. To consider and if thought fit, to pass, with or without modification, the following Resolution as an Ordinary Resolution:
“**RESOLVED THAT** pursuant to applicable provisions of the Companies Act, 2013 (“the Act”) and Rules made thereunder (including any statutory modification(s), clarifications, exemptions or re-enactments thereof for the time being in force), consent of the members of the Company be and is hereby accorded for amending the terms of re-appointment of Mr. Jaydev Mody (DIN: 00234797), Director of the Company, to the extent that he shall not be liable to retire by rotation.
RESOLVED FURTHER THAT the Board of Directors and/or Company Secretary of the Company be and is hereby jointly and/or severally authorized to do all such acts, deeds, matters and things as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto.”
5. To consider and if thought fit, to pass, with or without modification, the following Resolution as a Special Resolution:
“**RESOLVED THAT** pursuant to provisions of Section 149, 152, 160 and any other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Rules made thereunder, read with Schedule IV of the Act (including any statutory modification(s), clarifications, exemptions or re-enactments thereof for the time being in force) and Clause 49 of the Listing Agreement (as amended from time to time) entered with the Stock Exchanges where shares of the

Company are listed, Ms. Anjali Mody (DIN: 02784924), who was appointed as an Additional Director of the Company in terms of Section 161 of the Act, to hold office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a member, proposing his candidature for the office of the Director, be and is hereby appointed as Non-Executive Non-Independent Director of the Company under the Act, liable to retire by rotation.”

6. To consider and if thought fit, to pass, with or without modification, the following Resolution as a Special Resolution:

“RESOLVED THAT pursuant to provisions of Section 149, 152, 160 and any other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Rules made thereunder, read with Schedule IV of the Act (including any statutory modification(s), clarifications, exemptions or re-enactments thereof for the time being in force) and Clause 49 of the Listing Agreement (as amended from time to time) entered with the Stock Exchanges where shares of the Company are listed, Dr. Vrajesh Udani (DIN : 00021311), who was appointed as an Additional Director of the Company in terms of Section 161 of the Act, to hold office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a member, proposing his candidature for the office of the Director, be and is hereby appointed as Non-Executive Independent Director of the Company under the Act, to hold office for a term of five consecutive years, from the conclusion of this Annual General Meeting, not liable to retire by rotation.”

7. To consider and if thought fit, to pass, with or without modification, the following Resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 149, 152, 160 and any other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and Rules made thereunder, read with Schedule IV of the Act (including any statutory modification(s), clarifications, exemptions or re-enactments thereof for the time being in force) and Clause 49 of the Listing Agreement (as amended from time to time) entered with the Stock Exchanges where shares of the Company are listed, Mr. Aditya Mangaldas (DIN: 00032233), Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Companies Act, 2013 and whose period of office was liable to determination by retirement of Directors by rotation under the provisions of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a member, proposing his candidature for the office of the Director, be and is hereby appointed as Non-Executive Independent Director of the Company under the Act, to hold office for a term of five consecutive years, from the conclusion of this Annual General Meeting, not liable to retire by rotation.”

8. To consider and if thought fit, to pass, with or without modification, the following Resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 149, 152, 160 and any other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and Rules made thereunder, read with Schedule IV of the Act (including any statutory modification(s), clarifications, exemptions or re-enactments thereof for the time being in force) and Clause 49 of the Listing Agreement (as amended from time to time) entered with the Stock Exchanges where shares of the Company are listed, Mr. Aurobind Patel (DIN: 00016628), Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Companies Act, 2013 and whose period of office was liable to determination by retirement of Directors by rotation under the provisions of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a member, proposing his candidature for the office of the Director, be and is hereby appointed as Non-Executive Independent Director of the Company under the Act, to hold office for a term of five consecutive years, from the conclusion of this Annual General Meeting, not liable to retire by rotation.”

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

“RESOLVED THAT pursuant to provisions of Section 148 and any other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and Rules made thereunder (including any statutory modification(s), clarifications, exemptions or re-enactments thereof for the time being in force) and subject to such approvals as may be required, the Company

hereby approves and ratifies the remuneration of ₹ 50,000/- p.a. payable to M/s Shilpa & Co., Cost Accountants as Cost Auditors (Firm Registration No.: 100558) of the Company for the Financial Year 2014-15.”

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and any other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and Rules made thereunder, read with Schedule V of the Act (including any statutory modification(s), clarifications, exemptions or re-enactments thereof for the time being in force), and subject to such approvals, consents, permissions and sanctions of appropriate and/or concerned authorities, and subject to such other conditions and modifications, as may be prescribed, imposed or suggested by any of appropriate and/or concerned authorities while granting such approvals, consents, permissions and sanctions, and as are agreed to by the Board of Directors of the Company without any further approval of the members of the Company (hereinafter referred to as “the Board” which term shall deemed to include any Committee thereof which the Board may have constituted / reconstituted or hereinafter constitute / reconstitute to exercise its powers including the powers conferred by this Resolution) the consent of the members of the Company be and is hereby accorded to the re-appointment of and payment of remuneration to Mr. Chand Arora (DIN: 00016583), as Managing Director of the Company, liable to retire by rotation, for a period of 2 years commencing on 1st April, 2014 and ending on 31st March, 2016 on the terms and conditions stated hereunder and also set out in the letter of re-appointment issued by the Company, with powers to the Board of Directors to alter, amend, vary and modify the terms and conditions of the said appointment/re-appointment and remuneration payable from time to time as it deems fit in such manner as may be mutually agreed upon:

Terms and conditions:

- A) Basic Salary: ₹ 3,00,000/- per month with liberty to the Board of Directors to increase the same as it may in its absolute discretion determine from time to time provided that the salary does not exceed ₹ 5,00,000/- per month during the tenure.
- B) Accommodation/House Rent Allowance: Rent free furnished accommodation or 50% of the salary as house rent allowance in lieu of accommodation.
- C) Perquisites: The appointee shall be entitled to perquisites, allowances, benefits, facilities and amenities (collectively called “perquisites”) such as medical reimbursement, leave travel assistance/allowance, hospitalization and accident insurance, transport allowance, self development allowance, uniform allowance, education allowance, books and periodicals allowance and any other perquisites as per the policy/rules of the Company in force or as may be approved by the Board from time to time.

In addition to the above, the appointee shall also be entitled to the following benefits as per policy/rules of the Company in force or as may be approved by the Board from time to time:

- (i) Company maintained two cars with driver or cash equivalent thereof;
- (ii) Telecommunication facilities at residence;
- (iii) Company paid abroad vacation with spouse every year.

The appointee shall be entitled to following perquisites which will not be included in the computation of the ceiling of remuneration:

- (i) Company’s contribution to Provident Fund and Superannuation Fund;
- (ii) Payment of gratuity and other retiral benefits and;
- (iii) Encashment of leave.

D) Commission: The appointee shall also be entitled to, in addition to the aforesaid salary and perquisites, Commission not exceeding ₹ 18,00,000/- per annum.

E) The Board is authorised to fix actual remuneration and revise it from time to time within the aforesaid ceilings.

RESOLVED FURTHER THAT the Board be and is hereby authorized at its discretion from time to time to fix the actual remuneration and/or perquisites of Mr. Chand Arora and revise such remuneration and/ or perquisites from time to time within the maximum limits specified as above. The Board be and is hereby further authorized to vary/modify/ amend any of the aforesaid terms and conditions, provided such variation/ modification/ amendment is in conformity with the applicable provisions of the Act, as amended from time to time.

RESOLVED FURTHER THAT the Board of Directors and Company Secretary of the Company, be and are hereby severally authorised to make necessary application to such authorities, as may be required, for seeking its approval to the said re-appointment and to do all such acts, deeds, matters and things as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto.”

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF ONLY ON A POLL AND A PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING A PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. A person shall not act as a Proxy for more than 50 members and holding in the aggregate not more than ten percent of the total voting share capital of the Company. However, a single person may act as a proxy for a member holding more than ten percent of the total voting share capital of the Company provided that such person shall not act as a proxy for any other person.
3. An explanatory statement under Section 102 of the Companies Act, 2013 in respect of item No. 4 to 10 to be transacted at the meeting is appended hereto.
4. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
5. In terms of Section 152 of the Companies Act, 2013, Mr. Harshvardhan Piramal, Director, retire by rotation at the ensuing Annual General Meeting and has not sought re-appointment.
6. Brief resume of the Directors proposed to be appointed/ re-appointed, nature of their expertise in specific functional areas, names of the Companies in which they hold directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges are attached as Annexure to this notice.
7. Members are requested to bring their attendance slip duly completed and signed along with their copy of annual report to the Meeting.
8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. The Register of Beneficial Owners, Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 23rd September, 2014, To Thursday, 25th September, 2014 (both days inclusive), for the purpose of the Annual General Meeting of the Company.

10. Members are requested to:

- (a) intimate to the Company's Share Transfer Agents (STA), changes, if any, in their registered addresses at an early date, in case of Shares held in physical form;
 - (b) intimate to the respective Depository Participant, changes, if any, in their registered addresses/ email ID or bank mandates to their DP with whom they are maintaining their demat accounts.
 - (c) quote their folio numbers/Client ID/DP ID in all correspondence; and
 - (d) consolidate their holdings into one folio in case they hold Shares under multiple folios in the identical order of names.
11. Members may please note that, Securities and Exchange Board of India (SEBI) has made Permanent Account Number (PAN) as the sole identification number for all participants transacting in the securities market, irrespective of the amount of such transactions. SEBI has also mandated that for securities market transactions and off market/ private transactions involving transfer of shares in physical form, it shall be necessary for the transferee(s) to furnish copy of PAN card to the Company/ STA for registration of such transfer of shares.

Members may please note that, SEBI has also made it mandatory for submission of PAN in the following cases viz., (i) Deletion of name of the deceased shareholder(s) (ii) Transmission of shares to the legal heir(s) and (iii) Transposition of shares.

12. Pursuant to sections 101 and 136 of the Companies Act, 2013 read with the Rules framed thereunder, the Notice calling the Annual General Meeting along with the Annual Report 2013-14 would be sent by electronic mode to those Members whose e-mail addresses are registered with the Depository or the Company's STA, unless the Members have requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies would be sent by the permitted mode.

Members are requested to register/update their e-mail addresses with the Depository Participant (in case of Shares held in dematerialised form) or with STA (in case of Shares held in physical form).

13. Voting through electronic means:

Pursuant to Section 108 of the Companies Act, 2013, and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its members the facility to exercise their right to vote at the 7th Annual General Meeting (AGM) by electronic means.

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

- (A) The voting period begins on Friday, 19th September, 2014 at 10.00 a.m and ends on Sunday, 21st September, 2014 at 5.30 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22nd August, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.

- (iii) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant Arrow Textiles Limited on which you choose to vote.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a compliance user using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xviii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

In case of members receiving the physical copy:

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

(C) Common Instructions

- (i) E-voting shall not be allowed beyond 5.30 p.m. on 21st September, 2014. During e-voting period, Members of the Company, holding shares either in physical form or in dematerialized form, as on 22nd August, 2014 may cast their vote electronically. Once the vote on a resolution is cast by the members, the members shall not be allowed to change it subsequently.
- (ii) The voting rights of shareholders shall be in proportion to their shares in the paid up equity capital of the Company as on the cut-off date of 22nd August, 2014.
- (iii) Mr. Ashish Kumar Jain (membership no. 6058) from A. K. Jain and Co., Practicing Company Secretary, has been appointed as a scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (iv) The Scrutinizer shall within a period not exceeding 3 working days from the conclusion of e-voting period unblock the votes in presence of at least two witnesses not in the employment of the Company and make a scrutinizers report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- (v) In case of Members who are entitled to vote but have not exercised their right to vote by electronic

means, the Chairman may offer an opportunity to such members to vote at the meeting for all businesses specified in the accompanying Notice. For abundant clarity, please note that the Members who have exercised their right to vote by electronic means shall not vote at the meeting. The voting right of the Members shall be in proportion to their shares of the paid-up equity share capital of the Company. If a Member cast votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.

(vi) The results shall be declared on or after the AGM of the Company. The resolution will be deemed to be passed on the AGM date subject to receipt of the requisite Number of votes in favour of the resolutions. The results declared along with the scrutinizers report shall be placed on the Company's website www.arrowtextiles.com and on the website of CDSL within 2 days of passing of resolutions at the AGM of the Company and communicated to the Stock Exchanges.

14. Members desirous of asking any questions at the Annual General Meeting are requested to send in their questions so as to reach the Company at least 10 days before the Annual General Meeting, so that the same can be suitably replied.

By Order of the Board of Directors,

SUSHAMA VESVIKAR
Company Secretary

Mumbai, 4th August, 2014

Registered Office:

Plot No. 101-103,
19th Street, MIDC,
Satpur, Nasik – 422 007,
Maharashtra.

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

Item No. 4 :

Mr. Jaydev Mody was appointed as Director liable to retire by rotation at Annual General Meeting of the Company held on 7th September, 2013. Keeping in view the experience of Mr. Jaydev Mody, the Board of Directors are of the opinion that it will be in the interest of the Company, if Mr. Jaydev Mody is appointed as Director not liable to retire by rotation.

None of the Directors, Key Managerial Personnel and their relatives except Mr. Jaydev Mody are in any way, concerned or interested, financially or otherwise, in the aforesaid Ordinary Resolution .

The Board recommends the Ordinary Resolution set out in the Notice for approval by the members.

Item No. 5 and 6:

To comply the provisions of Section 149 of the Companies Act, 2013 and rules framed thereunder and in accordance with Clause 49 of the Listing Agreement entered with Stock Exchanges, the Board of Directors pursuant to the recommendation of the Nomination and Remuneration Committee has appointed Ms. Anjali Mody as an Additional Director designated as Non-Independent Director of the Company and Dr. Vrajesh Udani as Additional Director designated as Independent Director with effect from 4th August, 2014, at their Meeting held on 4th August, 2014. They hold office of Director upto this Annual General Meeting.

It may also be noted that the appointment of Ms. Anjali Mody would ensure compliance of Section 149 (1) with respect to appointment of woman director on the Board.

The Company has received notice from a member, under Section 160 of the Companies Act, 2013, signifying his intention to propose the appointment of Ms. Anjali Mody and Dr. Vrajesh Udani. Ms. Anjali Mody and Dr. Vrajesh Udani are not disqualified from being appointed as Director in terms of provisions of Section 164(2) of the Companies Act, 2013.

Further the Company has duly received consent letters from Ms. Anjali Mody and Dr. Vrajesh Udani and declarations from Dr. Vrajesh Udani that he meets with the criteria of Independence as provided under Section 149 (6) of the Companies Act, 2013 and Revised (proposed) Clause 49 of the Listing Agreement and in the opinion of the Board they are independent of the management.

Both Ms. Anjali Mody and Dr. Vrajesh Udani possess appropriate skills, experience, knowledge and qualifications in their field, which is beneficial to the interests of the Company.

In the opinion of the Board, Dr. Vrajesh Udani fulfill the conditions for appointment as Independent Director as specified in the Act and the Rules made thereunder. He is independent of the management.

As per disclosures received, from Ms. Anjali Mody and Dr. Vrajesh Udani, they do not hold any share in the Company.

Brief profile of Ms. Anjali Mody and Dr. Vrajesh Udani, as required under Clause 49 of the Listing Agreement entered with the Stock Exchanges, is forming a part of this Notice.

Copy of the draft letter of appointment of Dr. Vrajesh Udani as Non-Executive Independent Director setting out terms and conditions would be available for inspection of members without payment of any fees at the Registered Office of the Company during business hours on working day excluding Saturday and Sunday between 11.00 a.m. till 6.00 p.m.

None of the Directors, Key Managerial Personnel and their relatives except Mr. Jaydev Mody, Ms. Anjali Mody and Dr. Vrajesh Udani are in any way, concerned or interested, financially or otherwise, in the aforesaid Special Resolution

The Board recommends the Special Resolution set out in the Notice for approval by the members.

Item No. 7 and 8:

Pursuant to provisions of the Companies Act, 2013, an Independent Director can hold office for two consecutive terms of five years and pursuant to provisions of Revised (proposed) Clause 49 of the Listing Agreement, an independent director shall hold office for a term up to five consecutive years on the Board of a Company and shall be eligible for re-appointment for another term of up to five consecutive years on passing of a special resolution by the company. A person who has already served as an independent director for five years or more in a Company shall be eligible for appointment, on completion of his present term, for one more term of up to five years only and can be re-appointment as independent director in the Company only after the expiration of three years of ceasing to be an independent director in the Company.

In order to comply with these provisions it is proposed to seek shareholders approval for appointment of Mr. Aditya Mangaldas and Mr. Aurobind Patel as Non-Executive Independent Director of the Company, for one term of consecutive five years from the conclusions of this Annual General Meeting. Mr. Aditya Mangaldas and Mr. Aurobind Patel were appointed as Directors of the Company at Annual General Meeting of the Company held on 30th September, 2009.

Further, the Company has duly received declarations from Mr. Aditya Mangaldas and Mr. Aurobind Patel that they meets with the criteria of Independence as provided under Section 149(6) of the Companies Act, 2013 and Revised (proposed) Clause 49 of the Listing Agreement and in the opinion of the Board they are independent of the management.

Brief profile of Mr. Aditya Mangaldas and Mr. Aurobind Patel, as required under Clause 49 of the Listing Agreement entered with the Stock Exchanges, is forming a part of this Notice.

None of the Directors, Key Managerial Personnel and their relatives except Mr. Aditya Mangaldas and Mr. Aurobind Patel are in any way, concerned or interested, financially or otherwise, in the aforesaid Special Resolution.

The Board recommends the Special Resolution set out in the Notice for approval by the members.

Item No: 9 :

The Board of Directors after considering the recommendation of Audit Committee, appointed M/s. Shilpa & Co., Cost Accountants as the Cost Auditors at its meeting held on 28th May, 2014 to carry out the audit of cost records of the Company for the financial year ending on 31st March, 2015 and fixed remuneration of ₹ 50,000/- p.a.

As per the provisions of section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration fixed by the Board of Directors shall be ratified by the members by passing a resolution.

Accordingly, the consent of the members is sought for passing an Ordinary Resolution as set out in item No. 9 of the Notice for ratification of remuneration payable to the Cost Auditors for the financial year ending on 31st March, 2015.

Members of the Company are requested to note that the Ministry of Corporate Affairs (MCA) had issued the Companies (Cost and Audit) Rules, 2014 (Rules) on 30th June, 2014, according to which cost audit is not applicable to the Company. However, on 19th July, 2014, MCA vide Office Memorandum bearing No. 52/22/ CAB/2014, constituted a Expert Committee to look into various issues pertaining to cost audit, including the class of companies / industries / sectors, to which the aforesaid Rules shall be made applicable. After receipt of the recommendations of the aforesaid Committee, if MCA notifies that the aforesaid Rules including the amendments if any, shall not be applicable to class of Industry in which your Company currently operates, then in such an event, the Board of Directors may not continue with the appointment of Cost Auditors.

None of the Directors or Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution. Your Directors recommend the passing of resolution as set out at Item No. 9 of the Notice for approval of the shareholders.

Item No: 10 :

Mr. Chand Arora, 61, holds a bachelors degree in science. He is the Managing Director of the Company. Mr. Chand Arora looks after the overall operations of the Company. He has enriched experience of more than 25 years in Textiles Industry. He has knowledge of latest technology and advancement in manufacturing operations as well as a great vision for future of textile industry.

Mr. Chand Arora was re-appointed as Managing Director of the Company by the shareholders at its Annual General Meeting held on 7th September, 2013, for a period of 3 years from 1st April, 2013 to 31st March, 2016. As the resolution re-appointing Mr. Chand Arora was passed under the relevant provisions of the Companies Act, 1956, while granting it's approval to the re-appointment and remuneration of Mr. Chand Arora, the Ministry of Corporate Affairs, vide its letter no. SRN B88622576/5/2013-CL.VII dtd. 23.07.2014, has given its approval for the period of 1 year from 1st April, 2013 to 31st March, 2014. Therefore, it is proposed to obtain fresh approval of the members of the Company for re-appointment and payment of remuneration for the term of 2 years i.e. from 1st April, 2014 to 31st March, 2016, under the provisions of Companies Act, 2013 and Rules made thereunder.

The Board of Directors of the Company, at its meeting held on 4th August, 2014, on the recommendation of Nomination and Remuneration Committee has accorded its approval to the re-appointment of Mr. Chand Arora, as Managing Director of the Company for a period of 2 years i.e. from 1st April, 2014 to 31st March, 2016, on the same terms and conditions including remuneration as that of the previous year.

Approval of the members of the Company by way of Special Resolution is sought for re-appointment of Mr. Chand Arora as Managing Director of the Company on such terms and conditions and remuneration as stated in the Special Resolution forming part of this notice.

None of the Directors, Key Managerial Personnel and their relatives except Mr. Chand Arora, are in any way, concerned or interested, financially or otherwise, in the aforesaid Special Resolution.

STATEMENT AS REQUIRED UNDER SECTION II, PART II OF THE SCHEDULE V TO THE COMPANIES ACT, 2013 IS FURNISHED BELOW

I GENERAL INFORMATION

1. Nature of Industry:

Arrow Textiles Limited ("the Company") is into Textile Industry.

2. Date or Expected Date of Commencement of Commercial Production:

The Company was incorporated on January 30, 2008 under the Companies Act, 1956. The Certificate for Commencement of Business was issued by the Registrar of Companies, Mumbai on July 3, 2008 and it started commercial production soon thereafter.

3. In Case of New Companies, Expected Date of Commencement of Activities as per Project Approved by Financial Institutions appearing in the Prospectus:

Not Applicable.

4. Financial Performance for the Year Ended 31.03.2014:

Particulars	(₹ in '000)
Income for the year	4,27,388.03
Profit before Interest, Depreciation and Tax	1,00,397.97
Finance Charges	15,954.45
Profit before Depreciation and Taxes	84,443.52
Depreciation	31,738.64
Provisions for Taxation/ Deferred Tax	16,928.24
Prior Period Items / Extra Ordinary Items	33.22
Net Profit/(Loss) for the Current Year	35,743.42
Earlier Years Balance Brought forward	30,780.76
Balance carried to Balance Sheet	66,524.18

5. Foreign Investments or Collaborations, if any:

Nil

II. INFORMATION ABOUT THE APPOINTEE

1. Background Details:

Mr. Chand Arora, 61, holds a bachelors degree in science. He is the Managing Director of the Company. Mr. Chand Arora looks after the overall operations of the Company. He has enriched experience of more than 25 years in Textile Industry. He has knowledge of latest technology and advancement in manufacturing operations as well as a great vision for future of textile industry.

2. Past remuneration:

As per previous approval of Central Government dated 23th July, 2014, the Company has paid remuneration to Mr. Chand Arora not exceeding ₹ 85,05,606/- per anum for the period from 01.04.2013 to 31.03.2014.

3. Recognition & Awards:

Nil

4. Job Profile and his Suitability:

Mr. Chand Arora, 61, holds a bachelors degree in science. He is the Managing Director of the Company. Mr. Chand Arora looks after the overall operations of the Company. He has enriched experience of more than 25 years in Textile Industry. He has knowledge of latest technology and advancement in manufacturing operations as well as a great vision for future of textile industry.

5. Remuneration proposed :

As per details given in Resolution above.

6. Comparative Remuneration Profile with respect to Industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):

Taking into consideration the size of the Company, the profile of Mr. Chand Arora, Managing Director of the Company, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level incumbents, in other companies.

7. Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any:

Beside the remuneration proposed, Mr. Chand Arora, Managing Director of the Company, do not have any other pecuniary relationship with the Company and he is not related to any of the Managerial Personnel of the Company.

III. OTHER INFORMATION:

1. Reasons for loss or inadequacy of profits:

Effect of writing off Goodwill

Consequent upon giving effect to Scheme of Demerger, an amount of ₹ 7,16,18,819/- arised as Goodwill (being difference between the aggregate value of equity shares allotted and net book value of the assets under demerger undertaking as on 1st April, 2008). It had been decided to charge Goodwill to Profit and Loss Account in equal amount over a period of five years on straight line basis. Goodwill also includes loan fund and retirement benefit obligation pertaining to textile division transferred subsequently.

In view of the above, it can be concluded that Net Profit before Tax has been affected. Has the amount of Goodwill not written off and charged to Profit and Loss Account, the Net Profit before Tax of the Company would have been different as evident in the table below:

Financial Year	Net Profit/(Loss) Before Tax (₹)	Goodwill written off (₹)	Net Profit/(Loss) Before Tax, if Goodwill not written off (₹)	Net Profit/(Loss) After Tax (₹)
2008-09	(2,17,698)	1,43,23,764	1,41,06,066	(56,03,019)
2009-10	11,91,187	1,43,23,764	1,55,14,951	(44,00,542)
2010-11	2,80,12,469	1,43,23,764	4,23,36,233	1,37,45,620
2011-12	28,86,189	1,43,23,764	1,72,09,953	(27,16,263)
2012-13	1,47,29,230	1,43,23,764	2,90,52,994	2,97,67,380

Financial Year	Net Profit/(Loss) Before Tax (₹)	Goodwill written off (₹)	Net Profit/(Loss) Before Tax (₹)	Net Profit/(Loss) After Tax (₹)
2013-14	5,27,04,880	Nil	5,27,04,880	3,57,43,420

It can be viewed from the above table that under the able and dynamic leadership of Mr. Chand Arora, the Company has year after year constantly performed very well and particularly there was considerable improvement in the profit of the Company in the financial year 2013-14 as compared to that of previous year. This coupled with the fact that the year 2012-2013 was the last year for amortization of the goodwill, justifies the proposed remuneration of Mr. Chand Arora, as Managing Director of the Company.

2. Steps taken by the company to improve performance:

- i. Optimal utilization of the resources available with the Company, by using technologically advanced machines to achieve optimum production mix.
- ii. Aggressive Marketing to capture sizable shares in the Textile Industry. The Company is planning to expand its presence in those domains where small and mid size companies are operating but cannot provide superior

quality products and thus it will help the Company to increase its order book size and in turn help the Company to achieve optimum utilization of its installed capacity as well as optimum product mix.

- iii. New product development to capture untapped areas of Textile Industry. The Company is working on enhancing its R & D activity, wherein the main thrust will be developing new products and where by the existing infrastructure of the Company can be utilized to its optimum level without having to make new investments.
- iv. Concentrating on the Export Market. The Company is actively touching base with new clients in international market, whereby the untapped territories can be explored leading to increase in overall performance of the Company.

3. Expected increase in productivity and profits in measurable terms:

With the above mentioned steps taken by the Company, the Company will be able to improve its sales and profit. Increased production capacity is expected to increase turnover of the Company.

IV. DISCLOSURES:

Disclosures in the Board of Directors' report under the heading 'Corporate Governance' is to be attached to the Financial Statement in respect of the following:

- i. All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc. of all the directors;
- ii. Details of fixed component and performance linked Incentives along with the performance criteria;
- iii. Service contracts, notice period, severance fees;
- iv. Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.

The requisite details in respect of aforesaid is given in the Corporate Governance Report forming the part of current Annual Report.

By Order of the Board of Directors,

SUSHAMA VESVIKAR
Company Secretary

Mumbai, 4th August, 2014

Registered Office:

Plot No. 101-103,
19th Street, MIDC,
Satpur, Nasik – 422 007,
Maharashtra.

BRIEF RESUME OF DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT AT THIS ANNUAL GENERAL MEETING (IN PURSUANCE OF CLAUSE 49 OF THE LISTING AGREEMENT)



Name of Director

Ms. Anjali Mody

Date of Birth

1st July, 1986

Date of Appointment

4th August, 2014

Qualification

Bachelors of Fine Arts in Industrial Design from the Rhode Island School of Design.

Profile and Expertise

Anjali Mody graduated from the Rhode Island School of Design in 2009 with a Bachelor of Fine Arts in Industrial Design. After returning to India, with a strong creative passion burning within, Mody engaged in two creative ventures. In 2010 Mody founded Josmo Studio, a boutique furniture design studio, creating individualist, bespoke furniture that caters to the specific needs of the buyer. Despite being a young studio, Josmo has managed to take leaps and bounds in the furniture industry, having collected a reputable clientele base extending throughout the country. She is simultaneously engaged in founding and running Skarma; a Creative Agency where she is one of four partners. Skarma, also founded in 2010, is on its' way to defining the highest standard of design during India's much needed design revolution. Mody's philosophy is to blend "necessity" with "artistry." Through these creative ventures, Mody seeks to transform the arena of design in India, by opening India up to the world, exposing it to new ideas and innovations, and more importantly, by opening the rest of the world up to India and its innate, creative ingenuity.

Number of shares held in the Company, Individually or Jointly / on a beneficial basis.

Nil

Directorship and Committee memberships (Excluding Arrow Textiles Limited)

i) Directorships held in other Companies :

Delta Holdings (USA) Inc.

J M Livestock Private Limited

J M Holdings Limited (U A E)

J M Holdings (USA) Inc

Skarma Consultancy Private Limited

ii) Chairman of Board Committees : Nil

iii) Member of Board Committees : Nil



Arrow Textiles Limited



Name of Director

Dr. Vrajesh Udani

Date of Birth

27th December, 1955

Date of Appointment

4th August, 2014

Qualification

Dr. Vrajesh Udani is a Pediatric Neurologist.

Profile and Expertise

Dr. Vrajesh Udani, 58 years of age, is a Pediatric Neurologist. Dr. Udani is a consultant at the Hinduja National Hospital, Hinduja Healthcare Surgical and Saifee Hospital. Dr. Udani is also an Assistant Professor of Paediatrics at the Grant Medical College and JJ Group of Hospitals, Mumbai. Dr. Udani is also a Member of the Indian Academy of Paediatrics, Neurological Society of India and Indian Academy of Neurology.

Number of shares held in the Company, Individually or Jointly / on a beneficial basis.

Nil

Directorship and Committee memberships (Excluding Arrow Textiles Limited)

i) Directorships held in other Companies :

Delta Magnets Limited

ii) Chairman of Board Committees : Nil

iii) Member of Board Committees : Nil



Name of Director

Mr. Aditya Mangaldas

Date of Birth

16th September, 1963

Date of Appointment

1st October, 2008

Qualification

Mr. Aditya Mangaldas is a Mechanical Engineer from L.D. College of Engineering, Ahmedabad and has an MBA from Babson College, U.S.A.

Profile and Expertise

Mr. Aditya Mangaldas, 50 years of age, is the Chairman and Managing Director of The Victoria Mills Limited. He has been the Chairman and Managing Director of The Victoria Mills Limited since October, 1999. He has wide experience and has spent approximately 20 years in the textile industry. Mr. Aditya is a Mechanical Engineer from L.D. College of Engineering, Ahmedabad and has an MBA from Babson College, U.S.A. Mr. Aditya is actively involved in an organization involved in housing and caring for children with serious chronic diseases.

Number of shares held in the Company, Individually or Jointly / on a beneficial basis.

Nil

Directorship and Committee memberships (Excluding Arrow Textiles Limited)

i) Directorships held in other Companies :

Bromelia Trading Private Limited
Morarjee Textiles Limited
St. Jude India ChildCare Centres
The Victoria Mills Limited
Victoria Land Private Limited

ii) Chairman of Board Committees :

Morarjee Textiles Limited – Audit Committee

iii) Member of Board Committees : Nil



Name of Director

Mr. Aurobind Patel

Date of Birth

7th January, 1952

Date of Appointment

1st October, 2008

Qualification

Mr. Aurobind Patel holds a bachelors degree in Commerce from Mumbai University and an MFA in design from Southeasten Massachusetts University.

Profile and Expertise

Mr. Aurobind Patel, 62 years of age, holds a bachelors degree in commerce from Mumbai University and an MFA in design from Southeasten Massachusetts University. He began his career as a designer in New York before moving to India in 1982 to design and act as design consultant to India Today, a position he occupied till 1987. In 1987 he was appointed Design Director of The Economist, London. He also served as design consultant to leading UK newspapers, The Daily Telegraph and The Times. He is an acknowledged expert in publication design and publishing systems.

Number of shares held in the Company, Individually or Jointly / on a beneficial basis.

Nil

Directorship and Committee memberships (Excluding Arrow Textiles Limited)

i) **Directorships held in other Companies** : Nil

ii) **Chairman of Board Committees** : Nil

iii) **Member of Board Committees** : Nil



Name of Director

Mr. Chand Arora

Date of Birth

16th January, 1953

Date of Appointment

30th January, 2008

Qualification

Mr. Chand Arora holds a bachelors degree in Science.

Profile and Expertise

Mr. Chand Arora, 61 years of age, holds a bachelors degree in science. He is the Managing Director of our Company. Mr. Chand Arora looks after the overall operations of our Company. He has enriched experience of more than 25 years in Textiles Industry. He has knowledge of latest technology and advancement in manufacturing operations as well as a great vision for future of Textiles Industry.

Number of shares held in the Company, Individually or Jointly / on a beneficial basis.

24,877

Directorship and Committee memberships (Excluding Arrow Textiles Limited)

i) Directorships held in other Companies :

Highstreet Cruises and Entertainment Private Limited

J M Realty Management Private Limited

J M Township and Real Estate Private Limited

ii) Chairman of Board Committees : Nil

iii) Member of Board Committees : Nil

DIRECTORS' REPORT

Your Directors present their Seventh Annual Report together with the Audited Statement of Accounts for the year ended 31st March 2014.

Financial Highlights

(₹ in '000)

Particulars	Year Ended 31.03.2013	Year Ended 31.03.2012
Income for the year	4,27,388.03	3,73,449.83
Profit before Interest, Depreciation and Tax	1,00,397.97	87,831.92
Finance Charges	15,954.45	28,481.10
Profit before Depreciation and Taxes	84,443.52	59,350.82
Depreciation & Amortisation	31,738.64	44,621.59
Provisions for Taxation/ Deferred Tax	16,928.24	(15,192.07)
Prior Period Items / Extra Ordinary Items	33.22	153.92
Net Profit for the Current Year	35,743.42	29,767.38
Net Profit available for Appropriation	30,780.76	1,013.38
Balance carried to Balance Sheet	66,524.18	30,780.76

Dividend

The Directors do not recommend any dividend for the Financial Year ended 31st March, 2014.

Operations

During the year under review, your Company recorded a total income of ₹ 427,388.03 (₹ '000). For further information, kindly refer to Management Discussion and Analysis Report, forming part of this Annual report.

Corporate Governance Report

Pursuant to Clause 49 of the Listing Agreement, the Management Discussion & Analysis Report and Corporate Governance Report together with Certificate from Auditors of the Company, on compliance with the conditions of Corporate Governance as laid down, forms part of this Annual Report.

Particulars of Employees

In terms of provisions of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, the names and other particulars of the employees are set out in the Annexure to the Directors' Report. However, having regard to the provisions of Section 219 (1)(b)(iv) of the said Act, the Annual Report excluding the aforesaid

information is being sent to all members of the Company and other entitled thereto. Any member interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

Particulars Regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The particulars as required under Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are furnished in the Annexure A to this Report.

Directors

The Board of Directors of the Company have appointed Ms. Anjali Mody and Dr. Vrajesh Udani, as Additional Directors of the Company at its meeting held on 4th August, 2014, in accordance with the provisions of Section 161 of the Companies Act, 2013 and Rules made thereunder. They hold the office as Additional Directors upto the date of the ensuing Annual General Meeting of the Company. The Company has received a notice from a member, proposing appointment of Ms. Anjali Mody as Director and Dr. Vrajesh Udani as Independent Director at the ensuing Annual General Meeting in accordance with applicable provisions of the Companies Act, 2013 and the Rules framed thereunder.

Further pursuant to provisions of Section 149 of the Companies Act, 2013, it is proposed to seek shareholders approval for appointment of Mr. Aditya Mangaldas and Mr. Aurobind Patel, existing Directors of the Company, as Non-Executive Independent Directors of the Company, for one term of consecutive five years from the conclusions of ensuing Annual General Meeting of the Company.

At the ensuing Annual General Meeting, in accordance with the provisions of the Companies Act, 2013, Mr. Harshvardhan Piramal, Director of the Company, retire by rotation and he has not sought re-appointment and it is proposed not to fill in the vacancy caused by his retirement. The Board of Directors would like to place on record their sincere appreciation for the valuable contribution made by Mr. Harshvardhan Piramal, from time to time, during his tenure as Director of the Company.

Further, at the ensuing Annual General Meeting, it is proposed to alter the terms of re-appointment of Mr. Jaydev Mody, Director, who was re-appointed as liable to retire by rotation at the Annual General Meeting of the Company held on 7th September, 2013, by making him not liable to retire by rotation.

With the appointment of Ms. Anjali Mody as Director and Dr. Vrajesh Udani as Independent Director at the ensuing Annual General Meeting, the composition of the Board of Directors of the Company will be in accordance with provision of Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement including the Revised (proposed) Clause 49 of the Listing Agreement, which shall be effective from 1st October, 2014.

The brief resume/details relating to directors, who are proposed to be appointed/ re-appointed are furnished as an Annexure to the notice of the ensuing Annual General Meeting.

Your directors recommend their appointment/reappointment at the ensuing Annual General Meeting.

Directors' Responsibility Statement

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, the Directors confirm that:

1. in the preparation of the annual accounts for the financial year ended 31st March, 2014, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
2. the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs as at 31st March, 2014 and of the profit of the Company for the year under review;

3. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. the Directors have prepared the accounts for the financial year ended 31st March, 2014 on 'going concern' basis.

Fixed Deposits

During the year under review, the Company has not accepted any fixed deposits from the public.

Auditors

The Board of Directors recommends to re-appoint M/s. Amit Desai & Co., Chartered Accountant, as Statutory Auditors of the Company, from the conclusion of this 7th Annual General Meeting till the conclusion of the 10th Annual General Meeting of the Company subject to ratification by the Members at every Annual General Meeting to be held during the period. M/s. Amit Desai & Co. have given their consent to act as Statutory Auditors, if re-appointed. Members are requested to consider their re-appointment. The auditors comments on the Company's accounts for the year ended on 31st March, 2014 are self explanatory in nature and do not require any explanation as per the provisions of Section 217(3) of the Companies Act, 1956.

Cost Auditor

Your Directors have appointed M/s. Shilpa & Co., Cost Accountants, as the Cost Auditors to conduct the Cost Audit for the year 2014-15.

In accordance with the Cost Audit (Report) Rules, 2011, the Cost Audit Report of the Company for the financial year ended 31st March, 2013 was filed with the Ministry of Corporate Affairs.

Acknowledgements

Your Directors express their sincere appreciation of the co-operation received from shareholders, bankers and other business constituents during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff, resulting in the successful performance of the Company during the year.

By Order of the Board of Directors,

JAYDEV MODY
Chairman

Mumbai, 4th August, 2014

Registered Office:
Plot No. 101-103,
19th Street, MIDC,
Satpur, Nasik, Maharashtra.
Pin – 422 007.

ANNEXURE A

INFORMATION UNDER SECTION 217(1) (e) OF THE COMPANIES ACT,1956, READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2014.

A CONSERVATION OF ENERGY

a) Energy conservation measures taken:

The Company continues its policy of giving priority to energy conservation measures including regular review of energy generation and consumption and effective control on utilization of energy.

The following energy conservation methods were implemented during the year:

- a) Use of energy efficient equipments
- b) Intensified Internal Audit aimed at detecting wastage of electricity.
- c) Campaign based synchronization of utilities with plant operations.

b) Additional investments:

- a) The Company is continuously installing electronic devices to improve quality of power and reduction of energy consumption.
- b) Continuing with energy conservation measures on above lines.
- c) Impact of above measures:

The adoption of energy conservation measures have resulted in savings and increased level of awareness amongst the employees. The energy conservation measures have also resulted in improvement of power factor, consequential tariff benefits.

- d) Total energy consumption and energy consumption per unit of production
As per Form A

B TECHNOLOGY ABSORPTION

As per Form B

FORM - A

Disclosure of particulars with respect to conservation of energy

	2013-14	2012-13
A. Power & Fuel Consumption:		
1. Electricity		
a. Purchased		
Unit: ('000 KWH)	2,966.26	2,835.73
Total Amount (₹ in lacs)	209.78	206.12
Rate / per unit (KWH)	7.07	7.27
b. Own Generation		
(i) Through diesel generator	NIL	NIL
(ii) Through steam turbine/generator	NIL	NIL
2. Coal	NIL	NIL
3. Furnace Oil, LSHS & L.D. Oil	NIL	NIL
4. Others / Internal Generation	NIL	NIL
B. Consumption per unit of Production:		
1. Electricity		
Narrow Fabrics (per mtr.) :	0.33	0.32
Labels (per piece) :	0.03	0.03
2. Coal	NIL	NIL
3. Furnace Oil, LSHS & L.D. Oil	NIL	NIL
4. Others	NIL	NIL

The consumption of electricity depends upon the product mix used and the nature of the product manufactured. Thus the above indicates an average consumption per unit of production.

FORM - B

Disclosure of particulars with respect to technology absorption etc. :

Research and Development (R&D)

- | | |
|--|--|
| 1. Specific Areas in which R&D has been carried out by the Company | Product Research is carried out on an ongoing basis. |
| 2. Benefits derived as a result of the above R&D | Produced different types of products & improved product quality. |
| 3. Future plan of action | To provide variety of improved quality products to customers. |
| 4. Expenditure on R & D | Not identified separately. |

Technology Absorption, Adaptation & Innovation

The Company has developed B2B software through which our customers can see almost all the information they require online 24X7. Using our software, they can create an artwork for multilingual wash-care labels online by punching a few variable information. With help of ERP & B2B software, we have overhauled our entire service approach to exceed our customers growing expectations.

Foreign Exchange Earnings and Outgo:

During the year, the foreign exchange outgo was ₹ 32,560.53 (₹ in '000) (L.Y. ₹ 35,632.12 ₹ in '000) the foreign exchange earned was ₹ 27,040.99 (₹ in '000) (L.Y. ₹ 38,680.18 ₹ in '000).

By Order of the Board of Directors,

JAYDEV MODY
Chairman

Mumbai, 4th August, 2014

Registered Office:
Plot No. 101-103,
19th Street, MIDC,
Satpur, Nasik, Maharashtra.
Pin – 422 007.

MANAGEMENT DISCUSSIONS & ANALYSIS REPORT

Introduction

Arrow Textiles Limited ("Arrow Textiles / The Company") has been in the business of manufacturing Elastic and Non-Elastic Tapes and Woven and Fabric Printed Labels. Company has a modern & young plant at Plot No.101, 102 & 103, MIDC, Satpur, Nasik. The Company has an installed capacity as on 31st March, 2014, of 19 Nos. woven label looms, 17 Nos. printed label machines and 56 Nos. woven tapes looms. The Company has acquired an edge over its competitors with quick turnaround of samples and perfect color matching. The Company has the ability to process multiple deliveries daily, offer real-time information and has a range of innovative products.

The Company has been perfecting systems on these very abilities. It is no wonder that we process more than 95 to 100 orders a day for customers in and around India and produce more than 10,000 different items.

Industry Structure & Development

Indian Textile Industry has an overwhelming presence in the economic life of the country. Apart from one of the basic necessities of life, it contributes significantly to the industrial output, employment generation and export earnings of the country.

Though, it was predominantly unorganized industry even a few years back, but the scenario started changing after the economic liberalization of Indian economy in 1991. The opening up of economy gave the much-needed thrust to the Indian textile industry, which has now successfully become one of the largest in the world.

During 2013-14, Indian Textiles and Clothing exports increased by 14% over the previous year. It contributes about 14% to the industrial production, 4% to the GDP and 17% to the country's export earnings. It provides direct employment to over 35 million people. The textile sector is the second largest provider of employment after agriculture. Thus, the growth and all round development of this industry has a direct bearing on the improvement of the economy of the nation.

Indian Textile Industry can be divided into several segments, some of which can be listed as below :

- Cotton Textiles
- Silk Textiles
- Woolen Textiles
- Readymade Garments
- Hand-crafted Textiles
- Jute and Coir

Opportunities and Threats

Opportunities

- Replacement of the Multi-Fiber Arrangement (MFA) and full integration of textile industry has resulted in huge opportunities for export.
- Increase in consumption pattern across the country along with the rising demand for high quality premium fabrics.
- Large and potential domestic and international market.
- Promising Export Potential.

Threats

- Pricing pressure due to opening up of quotas.
- Enhanced competition from other countries.

- Rising production cost from increasing wages, power and interest cost.

Productwise Performance

Particulars	Unit	Sales for FY 2013-14	
		Quantity	Value (₹ in '000)
Elastic Tape	Mtrs.	16,671	1,16,039
Woven Labels	Nos.	2,65,219	1,30,428
Printed Labels	Nos.	1,71,794	1,35,485
Export Sales	Nos.	17,933	37,041
		TOTAL	4,18,993

Outlook

The Company manufactures woven labels, fabric printed labels, elastic & non-elastic tapes (also known as garment trims). These products form a part of garment packaging products and are used for apparels and made-ups such as terry towels and home furnishings.

The Company remains the preferred choice of many leading Indian brands, both for hosiery & outer wear. The Company has an excellent track record when it comes to 'intensity of innovation', with around fifty per cent of our business being based on products developed in the past 3 years. The manufacturing and other core processes are digital.

Risks and Concerns

Risk is an inherent part of any business. There are various types of risks, that threat the existence of a company like Credit Risk, Market Risk, Operational Risk, Liquidity Risk, Interest Rate Risk, Strategic Risk, Regulation Risk etc. Your Company aims at enhancing and maximizing shareholders value by achieving appropriate trade-off between risk & returns.

Internal Control System and Adequacy

The Company has adequate internal control systems and is in process of further strengthening the existing internal control systems. The financial statements are reviewed periodically by the management. The Company has set up an Internal Audit trail whereby deviations, if any, can be brought to the notice of the management quickly and remedial actions are initiated immediately.

Financial and Operational Performance

(₹ In '000)

Particulars	Year ended 31.03.2014	Year ended 31.03.2013
Income for the year	4,27,388.03	3,73,449.83
Profit before Interest, Depreciation and Tax	1,00,397.97	87,831.92
Finance Charges	15,954.45	28,481.10
Depreciation	31,738.64	44,621.59
Provisions for Taxation/ Deferred Tax	16,928.24	(15,192.07)
Prior Period Items / Extra Ordinary Items	33.22	153.92
Net Profit/(Loss) for the Current Year	35,743.42	29,767.38

Human Resources and Industrial Relations

The industrial relations remained cordial throughout the year. The employees of the Company have extended a very productive co-operation in the efforts of the management to carry the Company to greater heights. Continuous training down the line is a normal feature in the Company to upgrade the skills and knowledge of the employees and workmen of the Company.

Cautionary Statement

The statements made above may be construed as Forward Looking Statements within the meaning of the applicable laws and regulations. Actual performance of the Company may vary substantially depending upon the business structure and model from time to time. Important external and internal factors may force a downtrend in the operations of the Company.

CORPORATE GOVERNANCE REPORT

Company's Philosophy on Corporate Governance

The Company fully subscribes to the principles and spirit of Corporate Governance. The Company has adopted transparency, disclosure, accountability and ethics as its business practices. The management believes that these principles will enable it to achieve the long-term objectives and goals. As part of its Corporate Governance philosophy, the Company focuses its energies in safeguarding the interests of its stakeholders and utilising its resources for maximizing the benefits to them.

The Company constantly reviews its Corporate Governance policy to not only comply with the business, legal and social framework in which it operates but also to implement the best international practices in that regard.

A report on compliance with the Code of Corporate Governance as on 31st March, 2014, as prescribed by the Securities and Exchange Board of India and incorporated in the Listing Agreement with the Stock Exchanges is given below. Further the members of the Company are requested to note that the Board of Directors of the Company, at its meeting held on 4th August, 2014, after appointing Additional Directors, have re-named, reconstituted and redefined the terms of reference of Audit Committee, Remuneration Committee and Investors Grievance Committee, as applicable to the respective Committees, in terms of provisions of the Companies Act, 2013 and Revised (proposed) Clause 49 of the Listing Agreement (to be effective from 1st October, 2014). Details of the same shall be given in the next Annual Report.

Board of Directors

A. Composition of the Board

The Board of Directors consists of professionals drawn from diverse fields, which bring in a wide range of skills and experience to the Board. The majority of the Directors on the Board including the Chairman are Non-Executive Directors. More than fifty percent of the Board comprises of Independent Directors. The composition of the Board is in conformity with Clause 49 of the Listing Agreement, as amended from time to time.

As on 31st March, 2014, none of the Director of the Company is a member of the Board of more than fifteen Public Companies (including Private Companies which is subsidiary of Public Companies) or a member of more than ten Board level committees or Chairman of more than five such committees.

The Board reviews and approves strategy and oversees the results of management to ensure that the long term objectives of enhancing stakeholder's value are met. The day-to-day management of the Company is conducted by the Managing Director subject to the supervision and control of the Board of Directors.

The brief profile of your Company's Board of Directors is as under:



Mr. Jaydev Mody, has been creating, developing and managing businesses for more than 36 years, over 25 of them in real estate development. He played a leading role in building and developing India's first truly global mall 'Crossroads' in South Mumbai (then Bombay). A humanities graduate from Mumbai University, Mr. Mody has been instrumental in the development of several large residential and commercial complexes and retail destinations in and around Mumbai, among them Peninsula Corporate Park, Ashok Towers, Ashok Gardens, and Peninsula I.T. Park, all of them now established Mumbai landmarks. He is an entrepreneur and has interests in various businesses including gaming and hospitality, textiles and magnet manufacturing. His keen eye has helped him identify lucrative business opportunities and has pioneered several first of its kind ventures.



Mr. Aditya Mangaldas, 50 years of age, is the Chairman and Managing Director of The Victoria Mills Limited. He has been the Chairman and Managing Director of The Victoria Mills Limited since October, 1999. He has wide experience and has spent approximately 20 years in the textile industry. Mr. Aditya is a Mechanical Engineer from L.D.College of Engineering, Ahmedabad and has an MBA from Babson College, U.S.A. Mr. Aditya is actively involved in an organization involved in housing and caring for children with serious chronic diseases.



Mr. Aurobind Patel, 62 years of age, holds a bachelors degree in commerce from Mumbai University and an MFA in design from Southeasten Massachusetts University. He began his career as a designer in New York before moving to India in 1982 to design and act as design consultant to India Today, a position he occupied till 1987. In 1987 he was appointed Design Director of The Economist, London. He also served as design consultant to leading UK newspapers, The Daily Telegraph and The Times. He is an acknowledged expert in publication design and publishing systems.



Mr. Chand Arora, 61 years of age, holds a bachelors degree in science. He is the Managing Director of our Company. Mr. Chand Arora looks after the overall operations of our Company. He has enriched experience of more than 25 years in Textiles Industry. He has knowledge of latest technology and advancement in manufacturing operations as well as a great vision for future of Textiles Industry.



Mr. Harsh Piramal, 40, is vice-Chairman of Morarjee Textiles, PMP Auto and Piramal Renewable Energy, all part of the Ashok Piramal Group. Harsh has been responsible for leading a turnaround at Morarjee Textiles since he began leading the company in 2004. The company is now planning to expand its operations and regain its position as one of India's leading textile companies. Under his stewardship, PMP Auto Components Private Limited has acquired two companies in Europe and scaled up and internationalized its operations. Since its inception last year, Piramal Renewable Energy has entered the fast-growing renewable energy sector in India. He began his career as an analyst at venture capital firm Indocean Chase Capital Partners (subsequently part of JP Morgan Chase). After completing his MBA, he founded Thundercloud Technologies (India) Private Limited, an IT Company, in May 2000. In August 2001, he was appointed COO – Allied Pharma Businesses at Nicholas Piramal India Limited (now Piramal Enterprises Limited), where he was responsible for the turnaround of the loss-making vitamins division and expansion and robust growth of all divisions. He was also responsible for launching a branded pathology lab chain for the company. He was in this position till April 2004, when he took up his current positions. Harsh plays competitive polo at the national level and is a keen football player and fan. He co-founded Pune Football Club, which plays in Indian football's top division, in 2007. His other hobbies are travelling to remote locations all over the globe. He also travels to the forests of India to watch, photograph and help save tigers. Harsh holds a Bachelor of Science (Physics) degree from Kings College London and a MBA (specializing in Finance and Strategy) from the London Business School.

B. Board Procedure

A detailed Agenda folder is sent to each Director in advance of Board and Committee meetings. The Board members, in consultation with the Chairman, may bring up any matter for the consideration of the Board. All major agenda items are backed by comprehensive background notes and other material information to enable the Board to take informed decisions. Agenda papers are circulated at least a week in advance to the Board meeting.

C. Information placed before the Board

Apart from the items that are required under the statutes, to be placed before the Board for its approval, the following are placed before the Board periodically for its review / information in compliance with the Listing Agreement as amended from time to time.

1. Annual operating plans and budgets, capital budgets and any updates.
2. Quarterly results for the Company.
3. Minutes of meetings of Audit Committee and other Committees of the Board.
4. The information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of Chief Financial Officer and the Company Secretary.
5. Materially important show cause, demand, prosecution notices and penalty notices.
6. Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
7. Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company.
8. Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have passed strictures on the Conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
9. Details of any joint venture or collaboration agreement.
10. Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
11. Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front.
12. Sale of material nature, of investments, subsidiaries, assets, which is not in normal course of business.
13. Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
14. Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.

D. Post - meeting follow - up systems

The Governance system in the Company include an effective post - meeting follow-up, review and reporting process for action taken / pending on decisions of the Board and its Committees.

E. Board Support

The Company Secretary of the Company attends all the meetings of the Board and its Committees and advises / assures the Board and Committee on compliance and governance principles.

F. Code of Conduct

The Board has laid down Code of Conduct for the Board members and for Senior Management and Employees of the Company. The same has been posted on the website of the Company. All Board members and Senior Management Personnel have affirmed compliance with this Code.

G. CEO / CFO Certification

As required under Clause 49 V of the Listing Agreement with the Stock Exchanges, the Managing Director and the Group C.F.O. of the Company have certified to the Board regarding the Financial Statements for the year ended 31st March, 2014.

H. Details of the Board Meetings held during the financial year

During the financial year ended 31st March, 2014, 4 (Four) meetings of the Board were held, as follows:

No.	Date	Board Strength	No. of Directors present
1	7 th May, 2013	5	3
2	7 th August, 2013	5	4
3	31 st October, 2013	5	5
4	7 th February, 2014	5	4

The maximum gap between two Board Meetings was less than four months.

I. Attendance at the Board Meetings and at Annual General Meeting (AGM), no. of Directorship in other Public Companies, no. of Committee positions held in other Public Companies

As on 31st March, 2014, composition of the Board of Directors and attendance of the Directors at the Board Meetings as well as their directorship/membership in Committees of Public Companies is as follows:

(Other Directorships do not include Alternate Directorships, Directorships of Private Limited Companies, Unlimited Companies, Section 25 Companies and of Companies incorporated outside India. Chairmanships/Memberships of Board Committees include only Audit and Shareholders/ Investors Grievance Committees of other Public Companies.)

Name of the Director	Category	Number of Board Meetings during the year 2013-2014		Whether attended the last AGM held on 07.09.13	Number of Directorships in other Public Companies	Number of Committee positions held in other Public Companies	
		Held	Attended			Chairman	Member
Mr. Jaydev Mody (Chairman)	Non-Executive, Promoter	4	3	No	3	2	—
Mr. Chand Arora (Managing Director)	Executive, Non-Independent	4	4	Yes	1	—	—
Mr. Harshvardhan Piramal	Non-Executive, Independent	4	3	Yes	10	2	—
Mr. Aditya Mangaldas	Non-Executive, Independent	4	3	No	2	—	—
Mr. Aurobind Patel	Non-Executive, Independent	4	3	No	—	—	—

Details of the Directors being re-appointed

Pursuant to provisions of Section 149 of the Companies Act, 2013 and Rules made thereunder, it is proposed to seek shareholders approval for appointment of Mr. Aditya Mangaldas and Mr. Aurobind Patel, existing Directors of the Company, as Non-Executive Independent Director of the Company, for one term of consecutive five years from the conclusion of ensuing Annual General Meeting of the Company.

At the ensuing Annual General Meeting, in accordance with the provisions of the Companies Act, 2013, Mr. Harshvardhan Piramal, Director of the Company, is retiring by rotation. Mr. Harshvardhan Piramal has not sought re-appointment and it is proposed not to fill in the vacancy caused by his retirement. The Board of Directors would like to place on record their sincere appreciation for the valuable contribution made by Mr. Harshvardhan Piramal, from time to time, during his tenure as Director of the Company.

Committees of the Board

A. Audit Committee

The Audit Committee acts as a link between Statutory and Internal Auditors and the Board of Directors.

The Audit Committee provides reassurance to the Board regarding the existence of an effective internal control environment that ensures:-

- Efficiency and effectiveness of operations.
- Safeguarding of assets and adequacy of provisions for all liabilities;
- Reliability of financial and other management information and adequacy of disclosures;
- Compliance with all relevant statutes.

Powers

The Audit Committee is empowered, pursuant to its terms of reference, to:

- Investigate any activity within its terms of reference
- Seek any information it requires from any employee
- Obtain legal or other independent professional advice and
- Secure the attendance of outsiders with relevant experience and expertise, when considered necessary.

Terms of Reference

The terms of reference of Audit Committee are in accordance with Section 292A of the Companies Act, 1956 and the guidelines set out in Clause 49 of the Listing Agreement with the Stock Exchanges. The Audit Committee is entrusted with the responsibility to supervise the Company's financial control and reporting process and inter-alia perform the following functions:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommending to the Board the appointment and removal of statutory auditors, fixation of audit fees and approval of payment of fees for any other services rendered by the auditors;
- Reviewing with the management the quarterly and annual financial statements before submission to the Board for approval ;

- Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Reviewing with the management performance of Statutory and Internal Auditors, the adequacy of internal control systems;
- Reviewing the adequacy of the internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;
- Discussion with Internal Auditors any significant finding and follow up thereon;
- Reviewing reports of internal audit and discussion with Internal Auditors on any significant findings and follow-up thereon;
- Reviewing the findings of any internal investigations by the Internal Auditors and the executive management's response on matters where there is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with the Statutory Auditors, before the audit commences, on nature and scope of audit, as well as after conclusion of the audit, to ascertain any areas of concern and review the comments contained in their management letter;
- Reviewing the Company's financial and risk management policies;
- Looking into the reasons for substantial defaults, if any, in payment to shareholders (in case of non-payment of declared dividends) and creditors;
- Approval of appointment of CFO;
- Considering such other matters as may be required by the Board;
- Reviewing any other areas which may be specified as role of the Audit Committee under the Listing Agreement, Companies Act and other statutes, as amended from time to time.

Review of Information

The Company has systems and procedures in place to ensure that the Audit Committee mandatorily reviews:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the Statutory Auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Chief Internal Auditor;
- Financial statements as well as investments made by unlisted subsidiaries.

Composition

The Audit Committee of the Company as on 31st March, 2014 comprised of three Directors i.e. Mr. Harshvardhan Piramal, Mr. Aditya Mangaldas and Mr. Aurobind Patel, all members are Independent Directors. The constitution of the Committee is in line with Clause 49 of the Listing Agreement with the Stock Exchanges read with Section 292A of the Companies Act, 1956.

The Chairman of the Committee is Mr. Harshvardhan Piramal, who is an Non-Executive and Independent Director. The Group C.F.O., Internal Auditors, Statutory Auditors and Cost Auditors are invitees to the meetings of the Audit Committee. The Secretary of the Company acts as the Secretary to the Committee. All the members of the Committee are financially literate and have accounting and financial management expertise.

Meeting and attendance

During the financial year ended 31st March, 2014, 4 (four) meetings of the Audit Committee were held, as follows :

No.	Date	Committee Strength	No. of Members present
1	3 rd May, 2013	3	2
2	7 th August, 2013	3	3
3	31 st October, 2013	3	3
4	7 th February, 2014	3	2

The maximum gap between any two meetings of the Audit Committee of the Company was not more than four months.

The previous Annual General Meeting of the Company held on Saturday, 7th September, 2013, was attended by Mr. Harshvardhan Piramal, Chairman of the Audit Committee.

B. Remuneration Committee

Terms of reference

- Recommending remuneration including periodic revision, performance bonus, incentives, commission, stock options, other services, perquisites and benefits payable to the executive directors;
- Formulation of the detailed terms and conditions of stock options, granting of administration and superintendence thereof;
- Such other matters as the Board may from time to time request the Compensation Committee to examine and recommend / approve.

Composition

The Remuneration Committee as on 31st March, 2014 comprised of four members i.e. Mr. Harshvardhan Piramal, Mr. Jaydev Mody, Mr. Aditya Mangaldas and Mr. Aurobind Patel. All of them are Non Executive Directors. The Chairman of the Committee is Mr. Harshvardhan Piramal, who is a Non-Executive and Independent Director. The Remuneration Committee was re-constituted during the year.

The Secretary of the Company acts as the Secretary to the Committee.

Meeting and attendance

During the financial year ended 31st March, 2014, 1 (one) meeting of the Remuneration Committee was held on 31st October, 2013 and the same was attended by all the members of the Committee.

Remuneration Policy

The remuneration policy of the Company for the Executive Directors is based on the following criteria:

- Performance of the Company;
- Performance of the individual Executive Director;
- External competitive environment.

Service contract, Severance Fee and Notice Period

The Company has appointed Mr. Chand Arora as Managing Director of the Company by way of appointment letter. As per the appointment letter, Mr. Chand Arora is required to give notice of 90 days for cessation of service.

Employee Stock Option Scheme

The Company does not have any Employees Stock Option Scheme.

Details of remuneration paid to Executive and Non Executive Directors for the year ended 31st March, 2014 and their relationship with other directors of the Company

Executive Director

Name	Relationship with other Directors	Salary (₹)	Benefits, perks and allowances (₹)	Commission (₹)	Contribution to Provident Fund (₹)	Stock Option granted upto 31 st March, 2014
Mr. Chand Arora	None	60,71,540	40,000	18,00,000	4,72,008	Nil

Non-Executive Director

Name	Relationship with other directors	Sitting Fees (₹)	Commission (₹)	Total (₹)
Mr. Jaydev Mody	None	15,000/-	—	15,000/-
Mr. Harshvardhan Piramal	None	25,000/-	—	25,000/-
Mr. Aditya Mangaldas	None	22,500/-	—	22,500/-
Mr. Aurobind Patel	None	15,000/-	—	15,000/-

During the financial year ended 31st March, 2014, except payment of sitting fees, the Company does not have any pecuniary relationship or transactions with the Non - Executive Directors.

Shareholding of Non-executive Directors

The Individual shareholding of Non-executive Directors (including shareholding as joint holder) as on 31st March, 2014 is given below:

Names	No. of shares held
Mr. Jaydev Mody	281
Mr. Harshvardhan Piramal	Nil
Mr. Aditya Mangaldas	Nil
Mr. Aurobind Patel	Nil

C. Investors Grievance Committee

Terms of reference

The Committee oversees and reviews all matters connected with transfer of securities and also approves issue of duplicate, split of share certificates, etc. Also the Committee looks into redressal of Shareholder's/Investor's' complaints/grievances pertaining to transfer or credit of shares / transmissions / dematerialisation / rematerialisation / split / issue of duplicate Share Certificates, non receipt of annual reports, dividend payments and other miscellaneous complaints. The Committee reviews performance of the Share Transfer Agent and recommends measures for overall improvement in the quality of investor services.

Composition

The Investors Grievance Committee as on 31st March, 2014 comprised of three members i.e. Mr. Jaydev Mody, Mr. Aditya Mangaldas and Mr. Aurobind Patel. All of them are Non-Executive Directors. The Chairman of the Committee is Mr. Jaydev Mody.

Meeting and attendance

During the financial year ended 31st March, 2014, 5 (five) meetings of the Investors Grievance Committee meetings were held, as follows :

No.	Date	Committee Strength	No. of Members present
1	5 th April, 2013	3	3
2	12 th July, 2013	3	3
3	8 th October, 2013	3	2
4	3 rd January, 2014	3	2
5	31 st March, 2014	3	3

Compliance officer

Ms. Sushama Vesvikar, Company Secretary is the Compliance Officer for complying with the requirements of SEBI Regulations and the Listing Agreement with the Stock Exchanges.

Listing Fees

The Company has paid the listing fees to all the Stock Exchanges till 31st March, 2014.

Redressal of Investors Grievances

The Company addresses all complaints, suggestions and grievances expeditiously and replies have been sent /issued usually within 7-10 days except in case of dispute over facts or other legal impediments.

During the financial year under review, no investor's complaint were received and pending as at the end of the financial year.

Details of Annual General Meetings

Location, date and time of Annual General Meetings held during the last 3 years:

Year	Location	Date	Day	Time	No. of Special Resolutions
2010-11	The Gateway Hotel, P-17 MIDC, Ambad, Mumbai Agra Road, Nasik, Pin-422 010, Maharashtra	September 29, 2011	Thursday	1.00 p.m.	1
2011-12	The Gateway Hotel, Ambad, Nasik, Pin-422 010, Maharashtra	September 24, 2012	Monday	2.00 p.m.	1
2012-13	The Gateway Hotel, Ambad, Nasik, Pin-422 010, Maharashtra	September 7, 2013	Saturday	1.00 p.m.	1

During the last year, no resolution was passed by Postal Ballot.

At present the Company is proposing to pass Special Resolutions by way of Postal Ballot pursuant to Section 110 and the applicable provisions of the Companies Act, 2013 read together with the Companies (Management and Administration) Rules, 2014 for the following matters:-

1. Consent of the Company under Section 180(1)(c) of the Companies Act, 2013 and Rules made thereunder.
2. Consent of the Company under Section 180(1)(a) of the Companies Act, 2013 and Rules made thereunder.
3. Consent of the Company under Section 186 of the Companies Act, 2013 and Rules made thereunder.

Disclosures

- a) During the financial year 2013-2014 there were no materially significant transactions entered into between the Company and its promoters, Directors or the management or relatives etc. that may have potential conflict with the interests of the Company at large.

The Register of Contracts detailing the transactions, in which the Directors are interested, is placed before the Board /Audit Committee regularly. Transactions with related parties are disclosed by way of Notes to the Accounts, which forms part of this Annual Report.

- b) The Company has complied with the requirements of Stock Exchanges, SEBI and all other statutory authorities on all matters related to the capital markets during the last three years. There were no penalty imposed nor did any strictures pass on the Company by Stock Exchanges, SEBI and all other statutory authorities relating to above.
- c) The Company has adopted a Code of Conduct for its Directors and Employees. This Code of Conduct has been communicated to each of them. The Code of Conduct has also been put on the Company's website www.arrowtextiles.com.
- d) The Company is fully compliant with the applicable mandatory requirements of Clause 49 of the Listing Agreement. As far as Non-mandatory requirements are concerned, the Company has constituted Remuneration Committee.

Means of Communication

Financial Results

Quarterly financial results are regularly submitted to the Stock Exchanges in accordance with the Listing Agreement and published in following leading newspapers:

- Free Press Journal (English)
- Navshakti (Marathi)

The financial results are displayed on Company's website on www.arrowtextiles.com.

The Management Discussion & Analysis Report forms part of this Annual Report.

General Shareholder Information

Annual General Meeting:

Date and Time

Thursday, the 25th day of September, 2014, at 1.00 P.M

Venue

Hotel Express Inn, Nashik Pathardi Patha,
Ambad, Mumbai-Agra Road, Nashik - 422 010, Maharashtra.

As required under Clause 49 (IV) (G)(i) of the Listing Agreements with the Stock Exchanges, particulars of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting (AGM) are given in the Annexure to the Notice of the AGM to be held on Thursday, 25th, September, 2014.

Financial Year : 1st April to 31st March

Dates of Book Closure : From Tuesday the 23rd day of September, 2014 to Thursday, 25th day of September, 2014 (both days inclusive.)

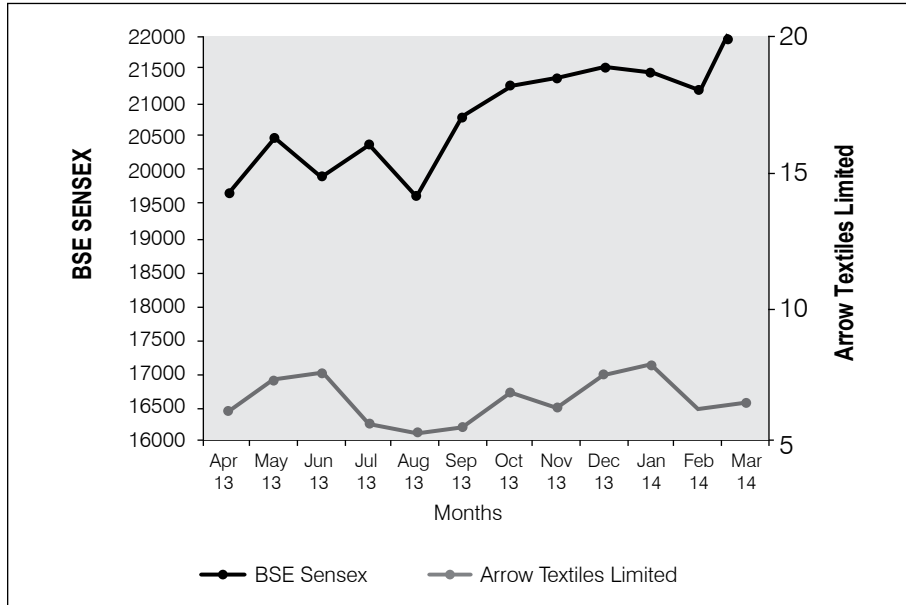
Dividend Payment Date : Not Applicable

Stock Exchange where Company's shares are listed : Bombay Stock Exchange Limited
Phiroz Jeejeebhoy Towers, Dalal Street,
Mumbai 400 001, Maharashtra.
Scrip Code: 533068

National Stock Exchange Of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai 400 051, Maharashtra.
Scrip Symbol: ARROWTEX

Stock Market Price data : High /Low during each month for the financial year ended 31st March, 2014

Months	Bombay Stock Exchange Ltd.		National Stock Exchange of India Ltd.	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2013	6.11	5.02	5.85	5.00
May 2013	7.25	4.56	0	0
June 2013	7.49	4.90	0	0
July 2013	5.58	4.58	0	0
August 2013	5.25	4.17	0	0
September 2013	5.49	4.53	0	0
October 2013	6.74	4.74	0	0
November 2013	6.17	4.86	0	0
December 2013	7.40	4.59	0	0
January 2014	7.75	4.86	5.90	5.15
February 2014	6.14	5.11	6.20	4.95
March 2014	6.39	4.85	5.90	4.80



Share Transfer Agents

Freedom Registry Limited

Plot No. 101 / 102, 19th Street,
MIDC, Satpur,
Nasik - 422 007, Maharashtra.

Tel: (0253) 2354032, 2363372
Email: support@freedomregistry.in
Fax: (0253) 2351126

Share Transfer Process

Shares in physical form are processed by the Registrar and Share Transfer Agent within 15 days from the date of receipt, if the documents are complete in all respects. Chairman, Managing Director and Company Secretary have been severally empowered to approve transfers. The same shall be ratified by the Investors Grievances Committee.

Distribution of Equity Shareholding according to Numbers as at 31st March, 2014

Category	No. of Shareholders	% to total number of shareholders	No. of shares held in that slab	% to total number of shares
1 to 5000	9680	98.48	2472511	12.98
5001 to 10000	69	0.70	510685	2.68
10001 to 20000	40	0.41	560662	2.94
20001 to 30000	15	0.15	348150	1.83
30001 to 40000	05	0.05	180268	0.95
40001 to 50000	07	0.07	324158	1.70
50001 to 100000	08	0.08	534622	2.81
100001 and above	06	0.06	1411283	74.11
Total	9830	100	19043939	100

Distribution of Equity Shareholding according to categories of Shareholders as at 31st March, 2014

Sr. No.	Category of Shareholder	Number of Share holders	Number of shares	%
(A)	Shareholding of Promoter and Promoter Group	17	13069016	68.63
(B)	Public shareholding			
1	Institutions			
	(a) Mutual Funds / UTI	0	0	0
	(b) Financial Institutions / Banks	01	2287	0.01
	(c) Insurance Companies	0	0	0
	(d) Foreign Institutional Investors	0	0	0
2	Non-Institutions			
	(a) Bodies Corporate	187	1392086	7.31
	(b) Individuals			
	Individuals - (i) Individual shareholders holding nominal share capital up to ₹ 1 lakh	9587	4415856	23.19
	(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh.	1	134500	0.71
	(c) Any Other (specify)			
	(i) NRI	27	26656	0.14
	(ii) Clearing Member	10	3538	0.02
	Total (B)	9813	5974923	31.37
	TOTAL (A) + (B)	9830	19043939	100.01

Dematerialisation of shares and liquidity

As on 31st March, 2014, 1,85,75,314 Equity Shares (97.54% of the total number of shares) are in demat form as compared to 1,85,67,750 Equity Shares (97.50% of the total number of shares) as on 31st March, 2013.

Outstanding GDRs/ADRs/Warrants or any convertible instruments

The Company has not issued any GDR's/ADR's, Warrants or any convertible instruments during the financial year ended 31st March, 2014.

Plant location:

Arrow Textiles Limited
Plot No. 101-103,
19th Street, Satpur, MIDC,
Nasik - 422 007, Maharashtra.

Investor Correspondence

Shareholders can contact the following official for secretarial matters of the Company.

Name	Address	Telephone No. / Fax No.	Email id
Ms. Sushama Vesvikar Company Secretary & Compliance Officer	Bayside Mall, 2 nd Floor, Opp. Sobo Central Mall, Tardeo Road, Haji Ali, Mumbai-400034, Maharashtra.	(022) 4079 4700 (022) 4079 4777	secretarial@arrowtextiles.com

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT (Pursuant to Clause 49 of Listing Agreement)

DECLARATION

I, Chand Arora, Managing Director of Arrow Textiles Limited hereby declare that all the members of the Board of Directors and Senior Management Personnel have affirmed Compliance with the Code of Conduct for the year ended 31st March, 2014.

For Arrow Textiles Limited

CHAND ARORA
Managing Director

Date: 4th August, 2014

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
Arrow Textiles Limited.

We have examined the compliance of conditions of Corporate Governance by Arrow Textiles Limited ("the Company") for the year ended 31st March, 2014 as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchanges of India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of 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 the Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

For Amit Desai & Co
Chartered Accountants
Firm's Registration No. 130710W

(AMIT DESAI)
Partner

Membership No. 032926

Mumbai: 4th August, 2014

INDEPENDENT AUDITORS' REPORT

To the Members of ARROW TEXTILES LIMITED

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

Managements Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of Sub-Section (4A) of Section 227 of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by Section 227(3) of the Companies Act, 1956, we report that:
- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub Section (3C) of Section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
 - (e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-Section (1) of Section 274 of the Companies Act, 1956.

For **Amit Desai & Co**
Chartered Accountants
Firm's Registration No.130710W

(Amit Desai)
Partner
Membership No. 032926

Mumbai: 28th May, 2014

ANNEXURE TO AUDITORS' REPORT

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of **ARROW TEXTILES LIMITED** on the financial statements for the year ended 31st March, 2014.

- (i) (a) Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, the Company has a policy to carry out a physical verification of fixed assets in a phased manner at regular intervals which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. We are informed that no material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us, the Company has not disposed off a substantial part of fixed assets during the year.
- (ii) (a) The inventory (excluding stocks with third parties) has been physically verified by the management during the year. In respect of inventory lying with third parties, these have been substantially confirmed by them. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
- (c) Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification carried out at the end of the year
- (iii) In our opinion and according to the information and explanations given to us, the Company has not granted/taken loan to / from parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, paragraphs 4(iii) (a), (b), (c), (d), (e), (f) & (g) of the Companies (Auditor's Report) Order, 2003 are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets, inventories and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the Company.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956 that need to be entered into the register maintained under Section 301 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, there are no such transactions made in pursuance of contracts or arrangements which exceeds the value of Rupees Five Lakhs in value.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA and directions issued by the Reserve Bank of India or any other relevant provisions of the Act and the rules framed there under.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government of India under clause (d) of Sub-Section (1) of Section 209 of the Act and are of the opinion that prima facie the prescribed cost records have been maintained. We have however, not made detailed examination of the costs records with a view to determine whether they are accurate or complete.
- (ix) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax,

sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable to it.

- (b) According to the information and explanations given to us, no undisputed dues in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other statutory dues which were outstanding, at the year end for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, there are no dues outstanding as at the year end, of income tax, sales-tax, wealth-tax, service tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.
- (x) The Company does not have any accumulated losses at the year end. Further, the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution or bank. There are no debentures issued by the Company.
- (xii) In our opinion and according to the information and explanations given to us, 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.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the Company.
- (xiv) In respect of dealing/trading in shares, securities, debentures and other investments, in our opinion and according to the information and explanations given to us, generally the Company did not deal or trade in it. However, on short term basis, surplus funds were invested in mutual funds for which proper records for the transactions and contracts have been maintained and timely entries have been made therein. These have been held by the Company, in its own name.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions.
- (xvi) In our opinion and on overall examination, we report that the term loans have been applied for the purpose for which the loans were raised.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) According to the information and explanations given to us, the Company has not made any preferential allotment of equity shares to the parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
- (xix) The Company has not issued debentures during the year.
- (xx) During the year the Company has not raised any money by way of public issue.
- (xxi) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the management.

For **Amit Desai & Co**
Chartered Accountants
Firm's Registration No.130710W

(Amit Desai)
Partner

Membership No. 032926

Mumbai: 28th May, 2014

BALANCE SHEET AS AT 31ST MARCH, 2014

(₹ in '000')

Particulars	Note No.	As at March 31, 2014		As at March 31, 2013	
I. EQUITY AND LIABILITIES					
Shareholder's Funds					
(a) Share Capital	2	190,439.39		190,439.39	
(b) Reserves and Surplus	3	66,625.51	257,064.90	30,882.10	221,321.49
Non-Current Liabilities					
(a) Long-Term Borrowings	4	49,787.98		72,897.13	
(b) Deferred Tax Liabilities (Net)	5	14,565.44		14,149.54	
(c) Long-Term Provisions	6	1,797.48	66,150.91	1,540.25	88,586.91
Current Liabilities					
(a) Short-Term Borrowings	7	12,439.07		75,237.87	
(b) Trade Payables	8	16,135.25		11,516.42	
(c) Other Current Liabilities	9	34,344.79		41,977.62	
(d) Short-Term Provisions	10	518.90	63,438.01	541.36	129,273.26
TOTAL			386,653.82		439,181.66
II. ASSETS					
Non-Current Assets					
(a) Fixed Assets	11				
(i) Tangible Assets		203,892.82		225,305.27	
(ii) Intangible Assets		307.49		—	
(iii) Capital Work-In-Progress		999.34		—	
		205,199.64		225,305.27	
(b) Long-Term Loans and Advances	12	8,854.54	214,054.18	2,480.76	227,786.03
Current Assets					
(a) Current Investments	13	—		14,894.16	
(b) Inventories	14	53,599.88		49,684.43	
(c) Trade Receivables	15	105,410.41		127,702.84	
(d) Cash and Bank Balance	16	1,469.10		4,025.31	
(e) Short-Term Loans and Advances	17	11,989.48		14,981.00	
(f) Other Current Assets	18	130.77	172,599.64	107.90	211,395.63
TOTAL			386,653.82		439,181.66
Summary of Significant Accounting Policies and Notes to the Financial Statements	1-26				

As per Our Report of Even Date

For **Amit Desai & Co.**
Chartered Accountants
Firm's Regn. No. 130710W
Amit Desai
Partner
Membership No. 032926
Mumbai: 28th May, 2014

For Arrow Textiles Limited

Jaydev Mody Chairman
Chand Arora Managing Director
Aurobind Patel Director
Aditya Mangaldas Director
Harshvardhan Piramal Director
Sushama Vesvikar Company Secretary

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

(₹ in '000')

Particulars	Note No.	Year Ended 31 st March, 2014	Year Ended 31 st March, 2013
INCOME:			
Sale of Products		4,24,572.06	3,73,202.47
Less: Excise Duty		(5,579.05)	(4,500.70)
Revenue From Operations		4,18,993.01	3,68,701.77
Other Income	19	8,395.02	4,748.06
Total Revenue		4,27,388.03	3,73,449.83
EXPENSES:			
Cost of Materials Consumed	20	1,73,755.94	1,46,296.43
Purchase of Stock in Trade	21	4,779.94	2,359.41
Changes in Inventories of Finished Goods Work-in-Progress and Stock-in-Trade	22	(1,538.21)	223.52
Employees Benefits Expense	23	73,288.06	62,935.35
Finance Costs	24	15,954.45	28,481.10
Depreciation And Amortization Expenses	11	31,738.64	44,621.59
Other Expenses	25	76,704.33	73,803.19
Total Expenses		3,74,683.15	3,58,720.60
Profit Before Exceptional And Extraordinary Items and Tax		52,704.88	14,729.23
Exceptional Items		—	—
Profit Before Extraordinary Items and Tax		52,704.88	14,729.23
Extraordinary Items		—	—
Profit Before Tax		52,704.88	14,729.23
Tax Expenses			
– Current Year		(16,815.10)	(8,544.71)
– Earlier Year Tax Adjustments		302.76	13,866.45
– Earlier Year MAT Credit		—	2,685.32
– Deferred Tax	5	(415.91)	7,185.01
Total Tax Expenses		(16,928.24)	15,192.07
Profit after tax for the year		35,776.63	29,921.30
Prior Period Items		33.22	153.92
Profit after Tax for the year		35,743.42	29,767.38
Earnings Per Equity Share (Face Value of ₹ 10/- each)			
Basic & Diluted	26(d)	1.88	1.56
Summary of Significant Accounting Policies and Notes to the Financial Statements	1-26		

As per Our Report of Even Date

For **Amit Desai & Co.**
Chartered Accountants
Firm's Regn. No. 130710W
Amit Desai
Partner
Membership No. 032926
Mumbai: 28th May, 2014

For Arrow Textiles Limited

Jaydev Mody Chairman
Chand Arora Managing Director
Aurobind Patel Director
Aditya Mangaldas Director
Harshvardhan Piramal Director
Sushama Vesvikar Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH , 2014

(₹ in '000')

Particulars	For year Ended 31 st March, 2014	For year Ended 31 st March, 2013
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit Before Tax and Extraordinary Items	52,704.88	14,729.23
Adjustments For :		
Depreciation / Amortization and Goodwill w/off	31,738.64	44,775.51
Provision for Doubtful Debts Reversed	(5,625.12)	—
(Profit)/Loss on Sales of Fixed Assets	263.31	(128.78)
Employees Benefits (Gratuity & Leave Encashment)	1,440.65	1,220.70
Bad Debts Written Off	2,309.00	2,056.37
Finance Cost	15,954.45	28,481.10
Interest Income	(886.31)	(1,996.47)
Dividend Income	(120.22)	(963.78)
Prior Period Expense	(33.22)	(153.92)
Operating Profit Before Working Capital Changes	97,746.08	88,019.95
Adjustments For :		
Trade Receivables	25,608.54	(28,570.67)
Inventories	(3,915.45)	146.56
Loans & Advances	(5,928.89)	2,849.27
Trade Payables	4,618.84	(3,836.64)
Other Liabilities	(8,838.71)	(18.05)
Operating Profit after Working Capital Changes	1,09,290.40	58,590.42
Taxes Paid (Net of Refund)	(13,988.58)	(4,612.03)
Net Cash Generated from / (Used in) Operating Activities (A)	95,301.83	53,978.39
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets (including Capital Work in Progress)	(12,387.01)	(18,008.74)
Sale of Fixed Assets	490.69	173.61
Dividend Income	120.22	963.78
Interest Income	886.31	1,996.47
Purchase / Sale of Current Investment	14,894.16	(963.78)
Net Cash Generated from / (Used in) Investing Activities (B)	4,004.36	(15,838.65)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH , 2014

(₹ in '000')

Particulars	For year Ended 31st March, 2014	For year Ended 31st March, 2013
C. CASH FLOW FROM FINANCING ACTIVITES :		
Finance Cost	(15,954.45)	(28,481.10)
Proceeds from Long Term Borrowing	(23,109.15)	(15,523.01)
Proceeds from Short Term Borrowing	(62,798.80)	5,395.76
Net Cash Generated from / (Used in) Financing Activist (C)	(1,01,862.39)	(38,608.35)
Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(2,556.21)	(468.61)
Cash & Cash Equivalents as at Beginning of Year	4,025.31	4,493.92
Cash & Cash Equivalents as at End of the Year	1,469.10	4,025.31

Notes :

- 1) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on Cash Flow Statement issued by The Institute of Chartered Accountants of India.
- 2) Previous Year's figures have been regrouped / rearranged / reclassified wherever necessary to confirm the current year's classification.

As per Our Report of Even Date

For **Amit Desai & Co.**
Chartered Accountants
Firm's Regn. No. 130710W
Amit Desai
Partner
Membership No. 032926
Mumbai: 28th May, 2014

For Arrow Textiles Limited

Jaydev Mody Chairman
Chand Arora Managing Director
Aurobind Patel Director
Aditya Mangaldas Director
Harshvardhan Piramal Director
Sushama Vesvikar Company Secretary

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Use of Estimates

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

(b) Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention, on accrual basis and in accordance with the generally accepted accounting principles in India ("GAAP") and comply with the accounting standards referred to in Section 211 (3C) of the Companies Act, 1956 ("The Act") read with the General circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. The Financial statements are presented in Indian Rupees rounded off to the nearest thousand.

(c) Revenue Recognition

- i. Income from sale of product / goods is recognized when significant risks and rewards of ownership of products / goods are passed on to customers or when the full / complete services have been provided. Sales are stated at contractual realizable value and net of goods returned.
- ii. Full provision is made for any loss in the year in which when it is first foreseen.
- iii. Interest income is generally recognized on a time proportion method.
- iv. Claims for price variation/exchange rate variation in case of contracts are accounted for on acceptance.
- v. Interest refund on loan under 'TUF' scheme is accounted on receipt basis.
- vi. Dividend Income is recognized when the right to receive dividend is established.

(d) Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation. Cost comprises the purchase price and any, attributable cost of bringing the asset to its working condition for its intended use. Finance cost relating to acquisition of fixed assets is included to the extent they relate to the period till such assets are ready to be put to intended use.

(e) Capital Work-In-Progress

Expenses incurred for acquisition of Capital Assets outstanding at each Balance Sheet date are disclosed under Capital work-in-Progress. Advances given towards the acquisition of Fixed Assets are shown separately as Capital Advances under heading Long Term Loans & Advances.

(f) Depreciation

Depreciation on fixed assets is provided as per the Straight Line Method at the rates and in the manner as specified in Schedule XIV of the Companies Act, 1956. Depreciation on additions / deletions of assets during the year is provided on pro-rata basis.

(g) Inventories

Inventories are valued as follows:

- | | |
|--|-------------------------------|
| 1) Raw Materials | Valued at Cost on FIFO basis. |
| 2) Components, Stores and Spares,
Packing Materials | Valued at Cost on FIFO basis. |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

- | | |
|---------------------|---|
| 3) Work-in-Progress | Valued at Cost on FIFO basis. Cost includes direct materials and labour cost and proportionate manufacturing overheads based on normal operating capacity. |
| 4) Finished goods | Valued at Cost or net realizable value whichever is lower. The cost comprises of cost of purchase, cost of conversion and other cost including manufacturing overheads incurred in bringing them to present location and condition, as the case may be. |

In accordance with Accounting Standard - 2, issued by Institute of Chartered Accountants of India, provision is made of excise duty on closing stock of finished goods.

(h) Investments

Investments that are readily realizable and intended to be held but not more than a year are classified as Current Investments. All other investments are classified as Long Term Investments. Carrying amount of the individual investment is determined on the basis of the average carrying amount of the total holding of the investments.

Long-Term Investments are stated at cost less provision for other than temporary diminution in value. Current Investments are carried at lower of cost and fair value.

(i) Employee Benefits

Liability is provided for retirement benefits for Provident Fund, Gratuity and Leave Encashment in respect of all eligible employees. The Company has Gratuity Scheme with Life Insurance Corporation of India. Premium thereof is paid in terms of policy and charged to Profit & Loss Account. The liability in respect of defined benefit schemes like gratuity and leave encashment is provided in the accounts on the basis of actuarial valuations as at year end. Contributions under the defined contribution schemes are charged to revenue.

(j) Foreign Currency Transactions

Foreign exchange transactions are recorded at the closing rate prevailing on the dates of the respective transactions. Exchange difference arising on foreign exchange transactions settled during the year is recognized in the Profit and Loss Account.

Monetary assets and liabilities denominated in foreign currencies are converted at the closing rate as on Balance Sheet date. The resultant exchange difference is recognized in the Profit and Loss Account.

Exchange rate differences arising on a monetary item that, in substance, forms part of the company's net investment in a non-integral foreign operation are accumulated in foreign currency transaction reserve in the company's financial statements until the disposal of net investment.

Non monetary assets and liabilities denominated in foreign currencies are carried at the exchange rate prevalent on the date of the transaction.

(k) Borrowing Costs

Borrowing costs that are directly attributable to and incurred on acquiring qualifying assets (assets that necessarily takes a substantial period of time for its intended use) are capitalized. Other borrowing costs are recognized as expenses in the period in which the same are incurred.

(l) Taxation

Tax expenses are the aggregate of current tax and deferred tax charged or credited in the statement of Profit & Loss Account for the period.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

Current Tax

The charge of income tax is calculated in accordance with the relevant tax regulations applicable to the Company.

Deferred Tax

Deferred Tax charge or credit reflects the tax effects of timing difference between accounting income and taxable income for the period. The Deferred Tax charge or credit and the corresponding Deferred Tax Liabilities or Assets are recognized using the tax rates that have been enacted or substantially enacted by the Balance Sheet date. Deferred Tax Assets are recognized only to the extent if there is reasonable certainty that the asset can be realized in future, however, where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed at each Balance Sheet date.

Minimum Alternate Tax (MAT)

In case the Company is liable to pay income tax under Minimum Alternate Tax u/s 115JB of Income Tax Act, 1961, the amount of tax paid in excess of normal income tax liability is recognized as an asset only if there is convincing evidence for realization of such asset during the specified period. MAT Credit Entitlement is recognized in accordance with the Guidance Note on accounting treatment in respect Minimum Alternate Tax (MAT) issued by The Institute of Chartered Accountants of India.

(m) Impairment of Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to Profit & Loss Account in the year in which an asset is identified as impaired. The impairment loss is recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(n) Contingent Assets, Contingent Liabilities and Provisions

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources and the amount of which can be reliably estimated.

Contingent Liabilities are not recognized but are disclosed in the Notes. Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future event not wholly within the control of the Company.

Contingent Assets are neither recognized nor disclosed in the financial statements. Provisions Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet Date.

(o) Earning Per Share (EPS)

The earning considered in ascertaining the company's EPS comprises of the net profit after tax. Basic earnings per share is computed and disclosed using the weighted average number of common shares outstanding during the year. Diluted Earnings Per Share is computed and disclosed using the weighted average number of common and dilutive common equivalent shares outstanding during the year, except when the results would be anti-dilutive.

(p) Miscellaneous Expenses

Miscellaneous Expenses are written off in the year in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

(₹ in '000')

Particulars	As at March 31, 2014		As at March 31, 2013	
	No.	₹	No.	₹
2 SHARE CAPITAL				
Authorised Shares :				
Equity Shares of ₹ 10/- each	210,00,000	210,000.00	210,00,000	210,000.00
Issued,Subscribed and Fully Paid-Up:				
Equity Shares of ₹ 10/- each	19,043,939	190,439.39	19,043,939	190,439.39
TOTAL	19,043,939	190,439.39	19,043,939	190,439.39
a) Reconciliation of the Shares at the beginning and end of the reporting period				
Equity Shares				
At the Beginning of the Year	19,043,939	190,439.39	19,043,939	190,439.39
Issued during the Year	—	—	—	—
Brought Back During the Year	—	—	—	—
Outstanding at the End of the Year	19,043,939	190,439.39	19,043,939	190,439.39
b) Details of Shareholders holding more than 5% Shares in the Company	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares				
Aryanish Finance and Investments Private Limited*	4,184,476	21.97	4,184,476	21.97
Bayside Property Developers Private Limited*	4,184,477	21.97	4,184,477	21.97
Delta Real Estate Consultancy Private Limited*	4,184,477	21.97	4,184,477	21.97

Note:

*Aryanish Finance and Investments Pvt. Ltd., Bayside Property Developers Pvt. Ltd., Delta Real Estate consultancy Pvt. Ltd. are holding Equity Shares in the capacity of trustees for Aarti J Mody Trust, Aditi J Mody Trust and Anjali J Mody Trust, respectively.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

c) Terms & Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. This distribution will be in proportion to the number of equity shares held by the shareholders.

d) Aggregate number of Equity Shares Issued for Consideration Received other than Cash During the Period of Five Years Immediately Preceding the Reporting Date.

Particulars	Aggregate No. of Shares F.Y. 2013-14	Aggregate No. of Shares F.Y. 2012-13	Aggregate No. of Shares F.Y. 2011-12	Aggregate No. of Shares F.Y. 2010-11	Aggregate No. of Shares F.Y. 2009-10
Equity Shares :					
Fully paid up pursuant to the Scheme of Arrangement without payment being received in cash.	Nil	Nil	Nil	Nil	Nil

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

(₹ in '000')

Particulars	As at March 31, 2014	As at March 31, 2013
3 RESERVES & SURPLUS		
Security Premium		
Opening Balance	101.34	101.34
Add : On Issue of Shares (Net)	—	—
Closing Balance	101.34	101.34
Surplus		
Opening balance	30,780.76	1,013.38
Add ; Net Profit/(Net Loss) For the current year	35,743.42	29,767.38
Closing Balance	66,524.18	30,780.76
TOTAL	66,625.51	30,882.10
4 LONG TERM BORROWINGS		
Secured Term Loan		
From a Bank	48,920.00	71,674.00
(Secured By first charge on entire Land, Building, Plant & Machineries, Electrical Installations, Book Debts and Stocks of the Company and comfort letter provided by one of the Company belonging to promoters.)		
i) Axis Bank Term Loan II ₹ 106 lacs, only one installment of ₹ 5.30 lacs is payable in May 2014, including current maturities amount		
ii) Axis Bank Term Loan III ₹ 200 lacs, only two quarterly installment of ₹ 10 lacs each is payable in April & July 2014 including current maturities amount		
iii) Axis Bank Term Loan IV ` 200 lacs, seven quarterly installment of ` 10 lacs each is payable in 2014-15 & 2015-16 including current maturities amount		
Axis Bank Term loans carrying rate of Interest @12.75% p.a.		
iv) Bank of Baroda Term Loan payable in 26 Monthly Installment of ₹ 13.52 lacs each and balance 12 monthly installments of ₹ 22.50 Lacs. including current maturities amount		
Bank of Baroda Term loans carrying rate of Interest @12.75% p.a.		
	48,920.00	71,674.00
Unsecured		
Deferred Payment Liabilities		
From a Financial Institution	867.98	1,223.13
Installment are payable annually and and last installment is due on 30.04.2019		
	867.98	1,223.13
TOTAL	49,787.98	72,897.13

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

(₹ in '000')

Particulars	As at March 31, 2014	As at March 31, 2013
5. DEFERRED TAX LIABILITY		
Difference between Book & Tax Depreciation (A)	16,391.21	17,713.04
Deferred Tax Asset		
Disallowances under Income Tax Act, 1961 (B)	1,825.77	3,563.50
Net Deferred Tax Liability/(Assets) (A-B)	14,565.44	14,149.54
<p>In accordance with Accounting Standard 22 "Accounting for Tax on Income" issued by the Institute of Chartered Accountants of India, the Company has accounted the Deferred Tax Assets to the extent recognized and Deferred Tax Liabilities as on 31st March, 2014 as above.</p>		
6. LONG TERM PROVISIONS		
Provision for Employee Benefits		
Leave Encashment (unfunded)	1,797.48	1,540.25
Total	1,797.48	1,540.25
7. SHORT TERM BORROWINGS		
Secured		
From Banks (Loan is repayable on demand and is secured by charge on Book Debts and Stocks of the Company and carries interest rate 12.50% p.a. for Axis Bank 12.75% p.a. for Bank of Baroda)	12,439.07	75,237.87
Total	12,439.07	75,237.87
8. TRADE PAYABLES		
Micro, Small and Medium Enterprises	—	—
Others	16,135.25	11,516.42
Total	16,135.25	11,516.42
<p>Details of Dues to Micro and small Enterprises as defined under the MSMED Act, 2006. The Company has sent letters to suppliers to confirm whether they are covered under Micro Small and medium Enterprises Development Act, 2006 as well as they have filed required memorandum with the prescribed authorities. Out of the letters sent to the parties some confirmation have been received till the date of finalization of Balance Sheet. Based on the confirmations received, the details of outstanding are as under:</p>		

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

(₹ in '000')

Particulars	As at March 31, 2014	As at March 31, 2013
The principal amount remaining unpaid at the end of the year	—	—
The Interest amount remaining unpaid at the end of the year	—	—
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year.	—	—
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006	—	—
The amount of interest accrued and remaining unpaid at the end of each accounting year.	—	—
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	—	—
9. OTHER CURRENT LIABILITIES		
Current Maturities of Long-Term Debt	23,109.15	26,760.36
Interest Accrued But Not Due on Borrowings	113.68	258.29
Advance Received from Customers	17.42	361.17
Duties and Taxes	3,350.22	6,286.35
Other Current Liabilities	7,754.33	8,311.46
Total	34,344.79	41,977.62
10. SHORT TERM PROVISIONS		
Leave Encashment - (Unfunded)	518.90	541.36
Total	518.90	541.36

11 FIXED ASSETS Current Year

(₹ in '000)

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 1 April 2013	Additions	Disposals	Balance as at 31 March 2014	Balance as at 1 April 2013	Depreciation charge for the year	On disposals	Balance as at 31 March 2014	Balance as at 31 March 2013	Balance as at 31 March 2014
a. Tangible Assets (Not Under Lease)										
Buildings	35,565.86	4,140.30	—	39,706.17	4,320.40	1,258.07	—	5,578.46	31,245.47	34,127.70
Plant and Equipments	279,272.66	3,408.96	43.29	282,638.33	96,060.40	29,086.45	27.79	125,119.07	183,212.26	157,519.27
Furniture and Fixtures	1,016.85	96.26	166.39	946.73	243.04	157.61	44.05	356.59	773.81	590.14
Vehicles	2,256.43	2,880.96	971.22	4,166.18	1,038.75	254.90	499.11	794.54	1,217.69	3,371.63
Office Equipments	1,368.89	81.80	131.51	1,319.19	175.51	67.27	22.71	220.07	1,193.38	1,099.12
Electrical Installations	6,893.99	221.94	—	7,115.93	1,157.97	328.88	—	1,486.85	5,736.02	5,629.08
Computer Hardware	3,224.09	204.27	79.89	3,348.47	1,878.83	532.28	44.63	2,366.48	1,345.25	981.99
Total (i)	329,598.78	11,034.50	1,392.28	339,241.00	104,874.90	31,685.45	638.29	135,922.06	224,723.88	203,318.93
Tangible Assets (Under Lease)										
Land	742.80	—	—	742.80	161.42	7.50	—	168.92	581.39	573.88
Total (ii)	742.80	—	—	742.80	161.42	7.50	—	168.92	581.39	573.88
Total (i+ii)	330,341.59	11,034.50	1,392.28	339,983.80	105,036.32	31,692.95	638.29	136,090.98	2,25,305.27	203,892.82
b. Intangible Assets										
Goodwill	71,618.82	—	—	71,618.82	71,618.82	—	—	71,618.82	—	—
Computer Software	—	353.18	—	353.18	—	45.69	—	45.69	—	307.49
Total	71,618.82	353.18	—	71,972.00	71,618.82	45.69	—	71,664.51	—	307.49
c. Capital Work-In-Progress										
	—	999.34	—	999.34	—	—	—	—	—	999.34
	—	999.34	—	999.34	—	—	—	—	—	999.34
Current Year Total	4,01,960.41	12,387.01	1,392.28	4,12,955.13	1,76,655.14	31,738.64	638.29	2,07,755.49	2,25,305.27	2,05,199.64
Previous Year Total	3,84,015.48	39,856.48	21,911.55	4,01,960.41	1,31,898.60	44,775.51	18.97	1,76,655.13	2,52,116.88	2,25,305.27

Note : ₹ Nil (PY ₹ 486.57 ('000)) is the amount of borrowing cost capitalised during the year.

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

(₹ in '000')

Particulars	As at March 31, 2014	As at March 31, 2013
12. LONG TERM LOANS AND ADVANCES		
Unsecured, considered good		
Security Deposits	1,895.96	1,499.75
Advances to Suppliers (Capital Assets)	6,958.58	981.00
Total	8,854.54	2,480.76

(₹ in '000')

Particulars	Current Year No.	Previous Year No.	Face Value ₹	As at March 31, 2014	As at March 31, 2013
13. CURRENT INVESTMENTS					
Investments in Mutual Funds					
JP Morgan India Liquid Fund Retail-Daily Dividend Plan	—	825,382	10/-	—	8,266.05
ICICI Pru.Money Market Fund Cash Option- Daily Dividend Plan	—	66,225	100/-	—	6,628.11
TOTAL				—	14,894.16
Aggregate amount of Quoted Investments (Market value of ₹ NIL (Previous Year ₹ NIL))				—	—
Aggregate amount of Unquoted Investments (Previous Year ₹ NIL)				—	14,894.16
14. INVENTORIES					
Raw Materials				33,966.87	32,693.63
Work-in-Progress				3,053.20	2,399.87
Finished Goods				9,009.68	8,588.20
Stock-in-Trade				797.65	334.24
Stores and Spares				6,493.91	5,438.99
Packing Materials				278.57	229.49
TOTAL				53,599.88	49,684.43

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

(₹ in '000')

Particulars	As at March 31, 2014	As at March 31, 2013
15. TRADE RECEIVABLES		
Unsecured, Considered Good		
Outstanding for a period Less than Six Months from the Date they are Due for Payment	98,784.73	1,12,829.84
Others	6,625.68	14,873.00
	1,05,410.41	1,27,702.84
Unsecured Considered Doubtful	2,321.76	7,946.87
Less: Provision for Doubtful Debts	(2,321.76)	(7,946.87)
Total	1,05,410.41	1,27,702.84
Provision for Doubtful Debts		
The Company periodically evaluates all customers dues. The need for provisions is assessed based on various factors including collectivity of specific dues, risk perceptions of the industry in which customer operates, general economic factors.		
16. CASH AND BANK BALANCES		
Cash and Cash Equivalents		
Balances with Banks	1,334.93	3,891.23
Cash on Hand	134.17	134.08
Total	1,469.10	4,025.31
17. SHORT-TERM LOANS AND ADVANCES		
Unsecured, Considered Good		
Advances to Staff	156.58	119.13
Advances to Suppliers (Raw Materials)	1,502.09	1,660.89
Advances with Statutory Authorities	7.81	86.83
Advances with Income Tax Authorities (Net off Tax Provision)	7,527.37	10,051.13
Advances to Others	2,795.64	3,063.03
Total	11,989.48	14,981.00

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

(₹ in '000')

Particulars	As at March 31, 2014	As at March 31, 2013
18. OTHER CURRENT ASSETS		
Interest Receivable	130.77	107.90
Total	130.77	107.90

(₹ in '000')

Particulars	Year Ended March 31, 2014	Year Ended March 31, 2013
Revenue From Operation		
Sale of Products	4,24,572.06	3,73,202.47
Less : Excise duty	(5,579.05)	(4,500.70)
Total	418,993.01	368,701.77
19. OTHER INCOME		
Interest Income	886.31	1,996.47
Dividend Income on Mutual Funds	120.22	963.78
Provision for Doubtful Debts Reversed	5,625.12	—
Miscellaneous Income	68.50	92.28
Foreign Exchange Fluctuation Gains	1,694.87	1,566.75
Net Gain/ (Loss) on Sale / Discard of Fixed Assets	—	128.78
Total	8,395.02	4,748.06
20. COST OF MATERIALS CONSUMED		
Inventory at the Beginning of the Year	32,693.63	32,883.73
Add: Material Purchases	167,956.27	140,530.22
Other Direct Costs	7,072.91	5,576.12
Chemical for woven tape	692.86	861.85
Carriage inward on material purchase	2,799.53	1,966.81
Octroi/LBT charges on material purchase	3,580.52	2,747.46
	207,722.82	178,990.07
Less: Inventory at the End of the Year	33,966.87	32,693.63
Total	173,755.94	146,296.43

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

(₹ in '000')

Particulars	Year Ended March 31, 2014	Year Ended March 31, 2013
21. PURCHASE OF STOCK IN TRADE		
Purchase of Materials	4,779.94	2,359.41
Total	4,779.94	2,359.41
22. CHANGES IN INVENTORY OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE		
Opening Stocks		
Work in Progress	2,399.87	2,678.24
Finished Goods	8,588.20	8,867.60
Stock in Trade	334.24	—
	11,322.31	11,545.84
Less: Closing Stocks		
Work in Progress	3,053.20	2,399.87
Finished Goods	9,009.68	8,588.20
Paper Tag	151.31	334.24
	12,860.52	11,322.31
(Increase) / Decrease Total	(1,538.21)	223.52
23. EMPLOYEE BENEFITS EXPENSE		
Salaries and Incentives	66,005.70	56,553.21
Contribution to Provident Fund and Other Funds	4,963.27	4,584.07
Gratuity Fund	1,172.79	732.96
Staff Welfare Expenses	1,146.30	1,065.12
Total	73,288.06	62,935.35
24. FINANCE COSTS		
Interest	15,155.44	27,071.46
Bank Charges	799.01	1,409.64
Total	15,954.45	28,481.10

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

(₹ in '000')

Particulars	Year Ended March 31, 2014	Year Ended March 31, 2013
25. OTHER EXPENSES		
Advertisements	236.67	330.03
Auditor's Remuneration	418.81	412.75
Bad Debts	2,309.00	2,056.37
Cash Discount on Sales	687.50	355.23
Commission on Sales	9,679.84	9,181.20
Consumption of Packing Materials	3,637.93	3,571.95
Consumption of Stores and Spare Parts.	8,503.17	6,851.20
Conveyance	958.87	1,320.19
Directors Sitting Fees	77.50	100.00
Freight & Forwarding	9,418.82	8,843.85
Labour Charges	6,424.45	5,798.48
Miscellaneous Expenses	2,282.60	2,014.74
Net Gain/ (Loss) on Sale/Discard of Fixed Assets.	263.31	—
Power and Fuel	20,977.66	20,612.01
Processing Charges	3,215.77	3,480.57
Professional & Legal Fees	1,251.82	1,502.15
Provision for Doubtful Debts	—	—
Rates and Taxes	948.97	1,264.59
Rent	200.89	139.00
Insurance	807.40	723.03
Repairs to Building	2,049.20	1,074.80
Repairs to Other Assets	548.73	509.19
Travelling Expenses	1,055.86	2,915.35
Vehicle Expenses	749.56	746.54
	76,704.33	73,803.19

25. NOTES TO ACCOUNTS

- a) The Company has obtained licenses under the Export Promotion Capital Goods (EPCG) Scheme for importing capital goods at concessional rates of custom duty.

Under the terms of the said scheme, the Company is required to earn foreign exchange value equivalent to 8 times of the CIF value of imports and / or the duty saved in respect of license where export obligation has been fixed by the order of the Director General Foreign Trade, Ministry of Finance as applicable within a period of 8 years from date of license of capital goods. The Export Promotion Capital Goods Schemes, Foreign Trade Policy 2009-14 as issued by the Central Government of India covers manufacturers, exporters and service providers. Accordingly, in accordance with the chapter 5 of Foreign Trade Policy – 2009-14, the Company has to fulfill the specific export obligation against the said EPCG license. The pending export obligation for the year ended 31st March, 2014 is ₹ Nil and in USD Nil, [(Previous Year ₹ 2,196.73 (,000) and in USD 48.04 ('000)] and further the average export obligation against the EPCG license pending for the year ended 31st March, 2014 is ₹ 17,141.76 ('000) [(Previous Year of ₹ 23,330 ('000)]

The Company has also obtained Advance License on 7th March, 2012 under the Foreign Trade Policy 2009-14 as issued by the Central Government of India (FTP) for importing Raw Material i.e. Polyester Satin Tape at a free of custom duty. The said license was valid till 06/03/2014 to Import Raw Material i.e. Polyester Satin Tape up to 60,000 kgs however, the Company has imported material of 57,743 Kgs. only till license validity.

Under the terms of the said scheme, the Company is required to fulfill export obligation of ₹ 4 crores and import of 60,000 kgs of Raw Material. The said import has been fixed by the order of the Director General Foreign Trade, Ministry of Finance within a period of 2 years from date of license to import of raw material. The said export obligation has been fixed by the order of the Director General Foreign Trade, Ministry of Finance within a period of 3 years from date of License to export the finished goods product made out of imported raw material. Accordingly, in accordance with the Chapter 3 of Foreign Trade Policy - 2009-14, the Company has to fulfill export obligation. The pending export obligation for the year ended 31st March, 2014 is ₹ Nil [(Previous Year ₹ 13,600 ('000)].

b) Segment Reporting

The Company is engaged in the business of manufacturing of textile woven labels, fabric printed labels and elastic/woven tape primarily in India. As the Company primarily operates in a single segment, the reporting requirement of primarily and secondary segment disclosures prescribed by Accounting Standard – 17 (Segment Reporting) issued by the Institute of Chartered Accountants of India, have not been provided in these financial statement as it is not applicable.

c) Payment to Auditors (including Service Tax):

(₹ in '000')

Particulars	For the Year ended March 31, 2014	For the Year ended March 31, 2013
– Audit Fees	252.80	286.27
– Taxation Matters	107.56	56.18
– Company Law Matters	42.86	41.36
– Reimbursement of Expenses	15.59	28.94
TOTAL	418.81	412.75

(d) Earnings Per Share:

(₹ in '000') except EPS and Share Nominal Value

Particulars	For the Year ended March 31, 2014	For the Year ended March 31, 2013
Numerator used for calculating Basic and Diluted Earnings Per Share—Profit after Prior Period Adjustments.	35,743.42	29,767.38
Weighted average number of Equity Shares used as Denominator for calculating Basic Earnings per Share	19,043,939	19,043,939
Weighted average number of equity shares used as denominator for calculating diluted earnings per share	19,043,939	19,043,939
Nominal value per equity share (₹)	10	10
Basic Earnings Per Share (₹)	1.88	1.56
Diluted Earnings Per Share (₹) *	1.88	1.56

* Anti Dilutive EPS

- (e)** Debit & Credit balances of various parties are subject to confirmation/reconciliation and consequent adjustments, if any. The Company is of the view that reconciliation(s), if any, arising out of final settlement of accounts with these parties is not likely to have any material impact on the accounts. Current Assets are stated in the Balance Sheet at least at the value which is reasonably certain to recover in ordinary course of business.

(f) Related Party Disclosures

(1) Related parties and transactions with them during the year as identified by the Management are given below:

(i) Key Management Personnel's and their Relatives:

a) Mr. Chand Arora-Managing Director (CA)

(ii) Individuals owning directly/indirectly an interest in the voting power that gives them significant influence:

Mr. Jaydev Mody (JM)

Mrs. Zia Mody (ZM)

(iii) Enterprises over which persons or their relatives mentioned in (i) & (ii) above exercise significant influence:

AZB & Partners (AZB)

Freedom Registry Limited (FRL)

Highstreet Cruises & Entertainment Private Limited (HCEPL)

(2) Details of transactions carried out with related parties in the ordinary course of business.

(₹ in '000)

Nature of transactions	Key Management Personnel/ Individuals		Enterprises over / which Individuals/ KMP exercising significant influence		Total	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
Expenses:						
Professional Fees Paid AZB	—	—	116.22	100.78	116.22	100.78
Postage & Folio charges paid: FRL	—	—	17.88	17.32	17.88	17.32
Remuneration paid: CA	6,100.54	6,100.54	—	—	6,100.54	6,100.54
Commission Paid: CA	1,800.00	1,800.00	—	—	1,800.00	1,800.00
Director Sitting Fees: JM	15.00	10.00	—	—	15.00	10.00
Income :						
Sale of goods HSCEPL	60.00	—	—	—	60.00	—
Sharing of Resources:						
HCEPL*	—	—	—	—	—	—
FRL*	—	—	—	—	—	—

*Transactions are non-monetary in nature.

(g) Employee Benefits

Disclosure required under Accounting Standard-15 (revised 2005) for “Employee Benefits” are as under:

- The Company has recognized the expected liability out of the Compensated Absence and Gratuity as at 31st March, 2014 based on actuarial valuation carried out using the Project Credit Method.
- The below disclosure have been obtained from independent actuary. The other disclosure are made in accordance with AS-15 (revised) pertaining to the Defined Benefit Plan is as given below:

(₹ in '000)

Sr. Particulars No.	Gratuity (Funded)		Leave Encashment (Unfunded)	
	2013-14	2012-13	2013-14	2012-13
a) Assumption:				
Discount Rate	9.36%	8.25%	9.36%	8.25%
Salary Escalation	5.00%	5.00%	5.00%	5.00%
Attrition Rate	2.00%	2.00%	2.00%	2.00%
Retirement	58 Yrs	58 Yrs	58 Yrs	58 Yrs

Sr. Particulars No.	Gratuity (Funded)		Leave Encashment (Unfunded)	
	2013-14	2012-13	2013-14	2012-13
b) Changes in Benefit Obligations:				
Recent Value of Benefit Obligation at the beginning of the year	9,178.25	7,634.33	2,081.61	1,713.79
Interest Cost	757.20	648.92	171.73	145.67
Current Service Cost	392.87	332.65	409.58	330.07
Benefit Paid	(401.50)	(140.64)	(33.09)	(119.93)
Actuarial (Gain) Loss obligations	1,061.11	703.00	(313.45)	11.99
Recent Value of Benefit Obligation at the end of the year	10,987.93	9,178.25	2,316.38	2,081.61
c) Amount recognized in the Balance Sheet:				
Liability at the end of the year	10,987.93	9,178.25	2,316.38	2,081.61
Fair value of Plan Assets at the end of the year	12,915.28	11,428.10		
Difference	1,927.35	2,249.85	(2,316.38)	(2,081.61)
Amount recognized in the Balance sheet	1,927.35	2,249.85	(2,316.38)	(2,081.61)
d) Expenses recognized in the Profit and Loss Account:				
Current Service Cost	392.87	332.65	409.58	330.07
Interest Cost	757.20	648.92	171.73	145.67
Expected Return on Plan Assets	(994.25)	(826.94)	Nil	Nil
Past Service Cost (non-vested benefit) recognized	Nil	Nil	Nil	Nil
Past Service Cost (vested benefit)	Nil	Nil	Nil	Nil
Recognition of Transport Liability	Nil	Nil	Nil	Nil
Actuarial Gain or (Loss)	(1,016.95)	(578.45)	313.45	(11.99)
Expenses recognized in the Profit and Loss Account	1,172.78	733.07	267.86	487.74
e) Balance Sheet Reconciliation:				
Opening Net Liability	(2,249.85)	(1,981.31)	2081.60	1,713.79
Expenses as above	1,172.78	733.07	267.86	487.74
Employer's Contribution	(850.28)	(1,001.62)	(33.87)	(119.93)
Closing Net Liability	(1,927.35)	(2,249.85)	2,316.38	2,081.60

iii) Under Define Contribution Plan

(₹ in '000)

Particular	2013-14	2012-13
Contribution to Provident Fund	3,733.36	3,245.35
Contribution to ESIC	941.36	831.26

h) Additional Information Pursuant to the Provisions of Paragraphs 3, 4C and 4D of Part II of Schedule VI to the Companies Act, 1956.

- (i) Value of Imported and Indigenous Material Consumed & Percentage of Total Consumption:
Percentage of Total Consumption

(₹ in '000)

Particulars	For the year 31 st March, 2014		For the year 31 st March, 2013	
	Amount	Percentage	Amount	Percentage
1] Raw Materials:				
– Imported	35,134.71	20.22	21,244.58	14.52
– Indigenous	138,621.23	79.78	125,051.85	85.48
TOTAL	173,755.94	100.00	146,296.43	100.00
2] Packing Materials-Indigenous	3,637.93	100.00	3,571.95	100.00
3] Spare Parts and Components:				
– Imported	2,042.81	24.02	3,174.61	46.34
– Indigenous	6,460.36	75.98	3,676.59	53.66
Total	8,503.17	100.00	6,851.20	100.00

- (ii) Value of Imports on CIF Basis:

(₹ in '000)

Particulars	For the year 31 st March, 2014	For the year 31 st March, 2013
Raw Materials	29,901.44	24,444.05
Components and Spare Parts	1,732.93	2,123.12
Plant and Machinery	829.82	8,799.22

- (iii) Expenditure in Foreign Currency :

(₹ in '000)

Particulars	For the year 31 st March, 2014	For the year 31 st March, 2013
Travelling Expenses	59.48	265.73

- (iv) Earning in Foreign Currency

(₹ in '000)

Particulars	For the year 31 st March, 2014	For the year 31 st March, 2013
Export of Goods Calculated on FOB Basis	27,041.00	38,680.18

i) Note on utilization of funds raised through Rights Issue of Equity Shares

During the F.Y.2011-12, the Company has raised ₹ 59,852.39 ('000') through allotment of 54,41,126 shares of ₹ 10 each at a price of ₹ 11 per equity share to Promoters Group. The details of utilization of the above proceeds are as under:

(₹ in '000)	
Particulars	Amount
Repayment of Loans	38,889.00
Share issue expenses	5,400.00
Funds utilized for the project assets	15,563.39
TOTAL	59,852.39

j) Contingent Liabilities and commitments (to the extent not provided for)

Financial Year	For the year 31 st March, 2014	For the year 31 st March, 2013
I) The contingent VAT liabilities on account of non receipt of "C" Forms is as follows:		
F.Y. 2010-2011	Nil	716.58
F.Y. 2011-2012	Nil	1,781.47
F.Y. 2012-2013	2,041.99	Nil
TOTAL	2,041.99	2,498.05
II) Commitments		
Estimated amount of contracts remaining to be executed on capital accounts and not provided for (Net of Advances)	2921.74	Nil

k) Lease Rent Agreement

The Company has operating lease agreement for assets taken on lease. The aggregate lease rentals payable are charged as rent in the Profit and Loss Account.

Financial Year	For the year 31 st March, 2014	For the year 31 st March, 2013
Paid during the year	200.89	139.00
Payable within one year	269.66	144.00
Payable later than one year but not Later than five ears	Nil	Nil
Payable after five years	Nil	Nil

l) Previous Year Comparatives

The previous year's figures have been reworked, regrouped, rearranged, recasted and reclassified wherever necessary to conform to current year's classification.

Mumbai: 28th May, 2014

For Arrow Textiles Limited
 Jaydev Mody Chairman
 Chand Arora Managing Director
 Aurobind Patel Director
 Aditya Mangaldas Director
 Harshvardhan Piramal Director
 Sushama Vesvikar Company Secretary

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Arrow Textiles Limited

CIN: L51494MH2008PLC178384

Registered office : Plot No. 101-103, 19th Street, MIDC, Satpur, Nasik - 422 007, Maharashtra.

Email ID: secretarial@arrowtextiles.com **Website:** www.arrowtextiles.com

Tel. No.: 91-253-3918200 **Fax No.:** 91-253-3918220

ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

DP ID.	Folio No/Client Id	No. of Shares
---------------	---------------------------	----------------------

Name of the Shareholder : _____

Name of the Proxy : _____

I hereby record my/our presence at the 7th ANNUAL GENERAL MEETING of the Company held on Thursday, September 25, 2014 at 1.00 p.m. at Hotel Express Inn, Nashik Pathardi Phata, Ambad, Mumbai Agra Road, Nashik-422 010, Maharashtra.

Signature of the Shareholder/Proxy _____

(Only shareholders/proxies are allowed to attend the meeting)



Arrow Textiles Limited

CIN: L51494MH2008PLC178384

Registered office : Plot No. 101-103, 19th Street, MIDC, Satpur, Nasik - 422 007, Maharashtra.

Email ID: secretarial@arrowtextiles.com **Website:** www.arrowtextiles.com

Tel. No.: 91-253-3918200 **Fax No.:** 91-253-3918220

PROXY FORM

(Form No. MGT - 11)

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

Name of the Member(s) :

Registered address :

.....

E-mail ID:..... Folio No./client ID:..... DP ID:.....

I / We being the member(s) of shares of Arrow Textiles Limited, hereby appoint -

1) Name

Address

having email idor failing him

2) Name

Address

having email idor failing him

3) Name

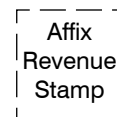
Address

having email idor failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 7th ANNUAL GENERAL MEETING of the Company to be held on Thursday, September 25, 2014 at 1.00 p.m. at Hotel Express Inn, Nashik Pathardi Phata, Ambad, Mumbai Agra Road, Nashik - 422 010, Maharashtra and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Subject Matter of the Resolution	Vote		
		For	Against	Abstain
1	Adoption of the financial statements and reports thereon for the year ended March, 31, 2014			
2	Not to fill in the vacancy caused by the retirement by rotation of Mr. Harshvardhan Piramal, who has not sought re-appointment			
3	Re - Appointment of M/s. Amit Desai & Co., Chartered Accountant as Statutory Auditors of the Company			
4	Change in terms of re-appointment of Mr. Jaydev Mody, Director of the Company			
5	Appointment of Ms. Anjali Mody as a Director			
6	Appointment of Dr. Vrajesh Udani as an Independent Director			
7	Appointment of Mr. Aditya Mangaldas as an Independent Director			
8	Appointment of Mr. Aurobind Patel as an Independent Director			
9	Approval for payment of remuneration to Cost Auditors of the Company			
10	Approval for re-appointment and payment of remuneration to Mr. Chand Arora as Managing Director of the Company			

Signed this day of 2014.



Signature of shareholder across Revenue Stamp

.....
Signature of first proxy holder

.....
Signature of second proxy holder

.....
Signature of third proxy holder

Notes:

1. 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.
2. It is optional to indicate your preference. If you leave the for, against or abstained column blank against any or all resolution, your proxy will be entitled to vote in the manner as he / she may deem appropriate.
3. Members are requested to note that a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting right, then such proxy shall not act as a proxy for any other person or Member.
4. A Proxy need not be a member of the Company.

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If Undelivered, please return to:

Freedom Registry Limited
Unit: Arrow Textiles Limited
Plot No. 101/102, 19th Street,
MIDC, Satpur,
Nasik - 422 007,
Maharashtra.