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BOARD OF DIRECTORS

Chairman & Managing Director

— **Shri Prem Chandra Vaish**
{Additional Charge - Director (Finance)}

Directors

i) **Shri Bhagwati Prasad Pandey**
AS & FA,
Ministry of Textiles
(from 10.06.2014 to 19.08.2015)

Shri J.K. Dadoo
AS & FA,
Ministry of Textiles
(from 19.08.2015)

ii) **Smt. Anu Garg**
Joint Secretary
Ministry of Textiles
(from 22.04.2015)

iii) **Shri Raman Sidhu**
Independent Director

iv) **Shri Amarendra Mahapatra**
Independent Director

v) **Shri R. K. Sinha**
Director (Human Resource)
(Addl. Charge of CMD up to 13.03.2015)

vi) **Shri Alokendra Banerjee**
Director (Marketing)

vii) **Shri M.M. Chockalingam**
{l/c Director (Technical) from 16.02.2015}

Company Secretary

— **Shri Pankaj Agarwal**



Shri Prem Chandra Vaish
Chairman & Managing Director



Shri J. K. Dadoo
AS & FA, Ministry of Textiles



Smt. Anu Garg
Joint Secretary, Ministry of Textiles

**Board
of
Directors**



Shri Raman Sidhu
Director



Shri Amarendra Mahapatra
Director



Shri R. K. Sinha
Director (Human Resource)



Shri Alokendra Banerjee
Director (Mktg)



Shri M.M Chockalingam
Director (Technical)



Bankers

- i) State Bank of Hyderabad
- ii) Corporation Bank
- iii) Punjab National Bank
- iv) State Bank of India
- v) Vijaya Bank
- vi) Bank of Baroda
- vii) Indian Bank
- viii) Oriental Bank of Commerce
- ix) Syndicate Bank
- x) State Bank of Travancore
- xi) Canara Bank
- xii) UCO Bank
- xiii) Central Bank of India
- xiv) Indian Overseas Bank
- xv) HDFC Bank Limited
- xvi) ICICI Bank Limited

Auditors

- **M/s Tiwari & Associates**
Chartered Accountants,
Statutory Auditors,
T-8, Green Park Extension
New Delhi – 110 016



A tripartite MoU between Government of India, Maharashtra Government and National Textile Corporation for transfer of Indu Mill land for construction of a memorial for **Bharat Ratna Dr. B. R. Ambedkar** signed on 5th April, 2015 in the presence of **Shri Narendra Modi**, Hon'ble Prime Minister of India, **Shri Santosh Kumar Gangwar**, Hon'ble Minister of State for Textiles (Independent Charge) and **Shri Devendra Fadnavis**, Hon'ble Chief Minister of Maharashtra.



REGISTERED OFFICE

NAME	ADDRESS
1. NATIONAL TEXTILE CORPORATION Ltd. NEW DELHI	Core-IV, SCOPE Complex, 7, Lodhi Road New Delhi-110 003

REGIONAL OFFICES

1. NATIONAL TEXTILE CORPORATION Ltd. MUMBAI	NTC House, 15, Narottam Morarjee Marg, Ballard Estate, Mumbai-400038
2. NATIONAL TEXTILE CORPORATION Ltd. COIMBATORE	10/64, Somasundram Mills Road Coimbatore-641009

SUB OFFICES

1. NATIONAL TEXTILE CORPORATION Ltd. NEW DELHI	Core-IV, SCOPE Complex, 7, Lodhi Road New Delhi-110 003
2. NATIONAL TEXTILE CORPORATION Ltd. AHMEDABAD	1791, Ashram Road, Ahmedabad-380009
3. NATIONAL TEXTILE CORPORATION Ltd. INDORE	41, Jangampura, Malganj Square, Jawahar Marg, Indore-452002
4. NATIONAL TEXTILE CORPORATION Ltd. KANPUR	14/82, "Sylverton" Civil Lines, Kanpur-208001
5. NATIONAL TEXTILE CORPORATION Ltd. KOLKATA	7, Jawahar Lal Nehru Road (1st Floor) Kolkata-700013

NTC MILLS IN OPERATION - AT A GLANCE

S. No.	Name of Mills	Location	State	Status
	NTC – Western Regional Office	Mumbai	Maharashtra	
1	Barshi Textile Mills	Barshi	Maharashtra	Modernized
2	India United Mills No 5	Mumbai	Maharashtra	Modernized
3	Podar Mills	Mumbai	Maharashtra	Modernized
4	Tata Mills	Mumbai	Maharashtra	Modernized
5	Finlay Mill	Achalpur	Maharashtra	New Unit
	NTC – Southern Regional Office	Coimbatore	Tamilnadu	
6	Coimbatore Murgan Mills	Coimbatore	Tamilnadu	Modernized
7	Combodia Mills	Coimbatore	Tamilnadu	Modernized
8	Pankaja Mills	Coimbatore	Tamilnadu	Modernized
9	Sri Rangavilas Gng.Spg.&Wvg. Mill	Coimbatore	Tamilnadu	Modernized
10	Kaleeswarar Mills “B” Unit	Kalayarkoil	Tamilnadu	Modernized
11	Pioneer Spinners	Kamudakudi	Tamilnadu	Modernized
12	Coimbatore Spg. & Wvg. Mills	Coimbatore	Tamilnadu	To be Modernized
13	Tirupathi Cotton Mills	Renigunta	Andhra Pradesh	To be Modernized
14	Alagappa Textile Mills	Alagappanagar	Kerala	Modernized
15	Cannanore Spg. & Wvg. Mills	Cannanore	Kerala	Modernized
16	Kerala Laxmi Mills	Trichur	Kerala	Modernized
17	Vijaymohini Mills	Thiruvanthapuram	Kerala	Modernized
18	Cannanore Spg. & Wvg. Mills	Mahe	Pondicherry	Modernized
19	New Minerva Mills	Hassan	Karnataka	New Unit
	NTC - Madhya Pradesh	Indore	Madhya Pradesh	
20	New Bhopal Textile Mills	Bhopal	Madhya Pradesh	Modernized
21	Burhanpur Tapti Mills	Burhanpur	Madhya Pradesh	Modernized
	NTC – Gujarat	Ahmedabad	Gujarat	
22	Rajnagar Textiles Mills No.I	Ahmedabad	Gujarat	New Unit
	NTC - WBAB&O	Kolkata	West Bengal	
23	Arati Cotton Mills	Dasnagar	West Bengal	Modernized

**MILLS OPERATIONAL
UNDER JOINT VENTURES**

S.No	Name of JV Company	Location	State
	NTC – Western Regional Office	Mumbai	Maharastra
1	Apollo Textile Mills	Mumbai	Maharastra
2	Gold Mohur Mills	Mumbai	Maharastra
3	New City of Bombay Mfg. Mills	Mumbai	Maharastra
4	Aurangabad Textile Mills	Aurangabad	Maharastra
5	India United Mills No 1	Mumbai	Maharastra

MILLS UNDER ARBITRATION

S.No	Name of Mill	Location	State
	NTC – Western Regional Office	Mumbai	Maharastra
1	Chalisingaon Textile Mills	Chalisingaon	Maharastra
2	Dhule Textile Mills	Dhule	Maharastra
3	Nanded Textile Mills	Nanded	Maharastra
4	Savatram Ramprasad Mills	Akola	Maharastra
5	RBBA Spg. & Wvg. Mills	Hinganghat	Maharastra
	NTC – Southern Regional Office	Coimbatore	Tamilnadu
6	Sri Sarada Mills	Coimbatore	Tamilnadu
7	Parvathi Mills	Quilon	Kerala
	NTC – Uttar Pradesh	Kanpur	Uttar Pradesh
8	Swadeshi Cotton Mills	Maunath Bhanjan	Uttar Pradesh
	NTC - WBAB&O	Kolkata	West Bengal
9	Orissa Cotton Mills	Bhagalpur	Orissa
10	Luxmi Narayan Cotton Mills	Rishra	West Bengal
11	Sodepur Cotton Mills	Sodepore	West Bengal

CLOSED MILLS OF NTC- AT A GLANCE

S. No.	Name of Mills	Location	State	Date of closure/Status
	NTC – Western Regional Office	Mumbai	Maharashtra	
1	Digvijay Textile Mills	Mumbai	Maharashtra	01.04.2004
2	Elphinstone Spg.&Wvg. Mills	Mumbai	Maharashtra	01.04.2004
3	Finlay Mills	Mumbai	Maharashtra	31.08.2009
4	Madhusudan Mills	Mumbai	Maharashtra	01.04.2004
5	Mumbai Textile Mills	Mumbai	Maharashtra	01.04.2004
6	India United Mills No 3	Mumbai	Maharashtra	31.03.2004
7	India United Mills No 4	Mumbai	Maharashtra	31.10.2004
8	India United Mills Dyeworks	Mumbai	Maharashtra	24.01.2007
9	Jam Manufacturing Mills	Mumbai	Maharashtra	31.03.2004
10	Kohinoor Mills No 1	Mumbai	Maharashtra	27.12.2006
11	Kohinoor Mills No 2	Mumbai	Maharashtra	01.06.2002
12	Kohinoor Mills No 3	Mumbai	Maharashtra	01.06.2002
13	Shri Sitram Mills	Mumbai	Maharashtra	31.03.2004
14	RSRG Mohta Spg.Wvg. Mills	Akola	Maharashtra	05.06.2004
15	Model Mills	Nagpur	Maharashtra	05.06.2004
	NTC – Southern Regional Office	Coimbatore	Tamilnadu	
16	Somasundram Mills	Coimbatore	Tamilnadu	31.10.2002
17	Kaleeswarar Mills ‘A’ Unit	Coimbatore	Tamilnadu	21.07.2002
18	Adoni Cotton Mills	Adoni	Andhra Pradesh	06.05.2002
19	Ananthapur Cotton Mills	Tadaptri	Andhra Pradesh	Closed
20	Minerva Mills	Bangalore	Karnataka	15.03.2011
21	MSK Mills	Gulbarga	Karnataka	06.05.2002
22	Mysore Spg & Mfg. Mills	Bangalore	Karnataka	Merged with Minerva
23	Sree Yallmma Cotton Mills	Devangere	Karnataka	24.01.2009
	NTC - Delhi, Punjab & Rajasthan	New Delhi	Delhi	
24	Dayalbagh Spg. & Wvg. Mills	Amritsar	Punjab	15.02.2003
25	Kharar Textile Mills	Kharar	Punjab	06.02.2009
26	Panipat Woolen Mills	Kharar	Punjab	31.12.2003
27	Suraj Textile Mills	Malout	Punjab	06.02.2009
28	Mahalaxmi Cotton Mills	Beawar	Rajasthan	Activity Suspended
29	Shree Bijai Cotton Mills	Bijay Nagar	Rajasthan	06.02.2009
30	Udaipur Cotton Mills	Udaipur	Rajasthan	Activity Suspended

S. No.	Name of Mills	Location	State	Date of closure/Status
	NTC - Madhya Pradesh	Indore	Madhya Pradesh	
31	Indore Malwa United Mills	Indore	Madhya Pradesh	31.03.2003
32	Kalyanmal Tapti Mills	Indore	Madhya Pradesh	31.05.2002
33	Bangal Nagpur Cotton Mills	Rajnandgaon	Madhya Pradesh	31.10.2002
34	Hira Mills	Ujjain	Madhya Pradesh	31.10.2002
	NTC – Uttar Pradesh	Kanpur	Uttar Pradesh	
35	Muir Mills	Kanpur	Uttar Pradesh	11.03.2004
36	New Victoria Mills	Kanpur	Uttar Pradesh	11.03.2004
37	Swadeshi Cotton Mills	Kanpur	Uttar Pradesh	11.03.2004
38	Luxmi Rattan Cotton Mills	Kanpur	Uttar Pradesh	11.03.2004
39	Atherton West Mills	Kanpur	Uttar Pradesh	11.03.2004
40	Shree Vikram Cotton Mills	Lucknow	Uttar Pradesh	11.03.2004
41	Lord Krishna Textile Mills	Saharanpur	Uttar Pradesh	11.03.2004
42	Swadeshi Cotton Mills	Naini	Uttar Pradesh	16.01.2009
43	Raebareli Textile Mills	Raebareli	Uttar Pradesh	11.03.2004
44	Bijli Cotton Mills	Hathras	Uttar Pradesh	11.03.2004
	NTC – Gujarat	Ahmedabad	Gujarat	
45	Ahmedabad Jupiter Textile Mills	Ahmedabad	Gujarat	31.03.2003
46	Ahmedabad New Textile Mills	Ahmedabad	Gujarat	07.02.2009
47	Jehangir Textile Mills	Ahmedabad	Gujarat	30.06.2004
48	New Manekchowk Textile Mills	Ahmedabad	Gujarat	31.07.2002
49	Rajnagar Textiles Mills No.II	Ahmedabad	Gujarat	31.10.2002
50	Petlad Textiles Mills	Petlad	Gujarat	06.05.2002
51	Virangam Textile Mills	Virangam	Gujarat	31.07.2002
	NTC - WBAB&O	Kolkata	West Bengal	
52	Associated Industries	Chandrapura	Assam	05.02.2009
53	Bihar Co-op Weavers Spg. Mills	Mokameh	Bihar	05.02.2009
54	Gaya Cotton & Jute Mills	Gaya	Bihar	06.05.2002
55	Bangasri Cotton Mills	Sonepore	Bihar	06.05.2002
56	Bengal Fine Spg. & Wvg. Mills No.1	Konnagar	West Bengal	25.10.2003
57	Bengal Fine Spg. & Wvg. Mills no.2	Katagunj	West Bengal	06.05.2002
58	Bengal Laxmi Cotton Mills	Serampore	West Bengal	25.10.2003
59	Manindra B.T.Mills	Cossimbazar	West Bengal	06.05.2002
60	Rampooria Cotton Mills	Rishra	West Bengal	25.10.2003



Inauguration of NTC Stall at Technotex, 2015 in Mumbai by **Shri Santosh Kumar Gangwar**, Hon'ble Minister of State for Textiles (Independent Charge) and **Smt. Gokula Indira**, Minister of Textiles, Govt. of Tamil Nadu where **Shri S. K. Panda**, IAS, Secretary (Textiles), Govt. of India, **Shri Alokendra Banerjee**, Director (Marketing), NTC and other officials were also present.



Shri Santosh Kumar Gangwar, Hon'ble Minister of State for Textiles (Independent Charge) addressing the delegates attending the Hindi Salahkar Samiti Meeting of Ministry of Textiles at Mumbai on 10.06.2015.



Signing of MoU 2015-16 on 31.03.2015 between MoT and NTC by Shri S. K. Panda, IAS, Secretary (Textiles) and Shri P. C. Vaish, CMD, NTC in the presence of Smt. Pushpa Subrahmanyam, IAS, Joint Secretary (NTC), Ministry of Textiles and other Directors / officials.

NOTICE

Notice is hereby given that **47th Annual General Meeting** of the National Textile Corporation Limited, will be held on **Friday, the 18th September, 2015 at 2.30 PM** at the Registered Office of the Company at **SCOPE Complex, 5th Floor, Core-IV, 7, Lodhi Road, New Delhi - 110 003** to transact the following business :-

ORDINARY BUSINESS

1. To receive, consider and adopt the Standalone Audited Balance Sheet as at 31st March, 2015 and Profit & Loss Account for the year ended on that date together with the Report of the Auditors, Directors and comments of Comptroller & Auditor General of India thereon.
2. To receive, consider and adopt the consolidated Audited Balance Sheet as at 31st March 2015, Profit & Loss Account for the year ended on that date together with the report of the Auditors and comments of Comptroller & Auditor General of India thereon.
3. To ratify the remuneration of Statutory Auditors appointed by Comptroller & Auditor General of India (C&AG), for the financial year ended on 31.03.2015

SPECIAL BUSINESS

4. To ratify the remuneration of the Cost Auditors of the Company for the Financial Year 2015-16 and in this regard to consider, and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**.

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification/s or re-enactment thereof, for the time being in force), the total remuneration of ₹ 5,50,000/- plus TA/DA on actual basis as per terms of appointment of Cost Auditors, to be paid to Lead and other Cost Auditors in respect of Cost Audit of 24 Mills and consolidation and submission of report thereof to the Board of Directors (as detailed out in the Explanatory Statement) for the Financial Year 2015-16, as approved by the Board of Directors, be and is hereby ratified.

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

By Order of the Board of Directors
Sd/-
(Pankaj Agarwal)
Company Secretary

Place: New Delhi
Date : 24th August, 2015

NOTES :

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the Special Business Item No.4, set out in the Notice is annexed.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT TO BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING. PROXY FORM IS ENCLOSED.**
3. The President of India or Governor of State, as the case may be, may appoint their representative under section 112(1) of the Companies Act 2013 to participate in the meeting. A person so appointed shall be deemed to be a member of the company.

Explanatory Statement Pursuant to Section 102(1) of the Companies Act 2013.
Item No. 4

Based on the recommendations of the Audit Committee, the Board of Directors in its meeting held on 19th June, 2015 has approved the names of 17 Cost Auditor Firms for Cost Audit of 24 mills and the consolidation and submission of the report thereof to the Board of Directors, at a total fee of ₹ 5,50,000/- plus TA & DA on actual basis, as per terms of appointment, for the Financial Year 2015-16.

The Details of Cost Auditors and their remuneration are as under:-

S. No.	Name of the Cost Auditor / Firms	S. No.	Consolidation Work / Name of the Mills for Cost Audit	Cost Audit fees
1.	M/s GNV & Associates, Bangalore (Lead Cost Auditor & Cost Auditors for two mills)	(A)	Consolidation & Submission of Report to Board	45000/-
		(B)	Mills for Cost Audit :-	
		1.	Tirupati Cotton Mills, Renigunta (AP)	20000/-
		2.	New Minerva Mills, Hassan (Karnataka)	25000/-
2.	M/s S.Mahadevan & Co., Coimbatore (TN)	3.	Combodia Mills, Coimbatore (TN)	20000/-
3.	M/s C.S. Hanumantha Rao & Co., Coimbatore (TN)	4.	Sri Rangavilas Gng. Spg. & Wvg. Mills, Coimbatore (TN)	20000/-
		5.	Coimbatore Spg. & Wvg. Mills, Coimbatore (TN)	20000/-
4.	Mr. R.S. Srinivasan, Coimbatore (TN)	6.	Pankaja Mills, Coimbatore (TN)	20000/-
5.	Dr. I. Ashok, Tirumangalam (TN)	7.	Pioneer, Kamudakudi (TN)	20000/-
		8.	Kaleswarar-B, Kakayarkoil (TN)	20000/-
6.	Mr. V.Sailappan, Coimbatore (TN)	9.	Coimbatore Murugan Mills, Coimbatore (TN)	25000/-
7.	Mr. V.Rajaram, Bangalore (Karnataka)	10.	Algappa Textiles, Algappa Nagar (Kerala)	20000/-
8.	M/s P.B. Blaise, Cochin (Kerala)	11.	Cannaore Spg. & Wvg. Mills, Cannanore (Kerala)	20000/-
9.	Mr. V.Swaminathan, Coimbatore (TN)	12.	Cannaore Spg. & Wvg. Mills, Mahe (Pondicherry)	20000/-
10.	Mr. V.V. Kalyanasundaram, Bangalore (Karnataka)	13.	Kerala Laxmi Mills, Thrissur (Kerala)	20000/-
11.	M/s JV Associates, Chennai (TN)	14.	Vijay Mohini Mills, Trivandrum (Kerala)	20000/-
12.	M/s P P Vithaldas & Associates, Mumbai (MH)	15.	India United Mill No. 5, Mumbai (MH)	20000/-
		16.	Tata Mills, Mumbai (MH)	25000/-
		17.	Podar Mills, Mumbai (MH)	20000/-
		18.	Finlay, Mumbai (MH)	20000/-
13.	M/s Shrinivas Diddi & Co., Solapur (MH)	19.	Barshi Textile Mills, Barshi (MH)	20000/-
14.	M/s Phatak Paliwal & Co., Nagpur (MH)	20.	Finlay Mills, Achalpur (MH)	25000/-
15.	M/s K.G. Sandecha & Co., Jalgaon (MH)	21.	New Bhopal Textile Mills, Bhopal (MP)	20000/-
		22.	Burhanpur Tapti Mills, Burhanpur (MP)	20000/-
16.	M/s B.G.Chowdhury & Co., Kolkata (WB)	23.	Arati Cotton Mills, Dasnagar (WB)	20000/-
17.	Mr. Manish B. Analkat, Ahmedabad (Guj.)	24.	Raj Nagar Textile Mills, Ahmedabad (Guj.)	25000/-
Total				5,50,000/-

Pursuant to Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration, as approved by the Board of Directors of the Company on the recommendation of the Audit Committee, is required to be subsequently ratified by the Members of the Company. Accordingly, the resolution for ratification of the fee of the Cost Auditors as set out at Item No. 4 of the Notice is submitted for approval of the Shareholders.

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

The Board recommends the resolution for your approval.

By Order of the Board of Directors
Sd/-
(Pankaj Agarwal)
Company Secretary

Place: New Delhi
Date : 24th August, 2015

Registered Office: SCOPE Complex, Core-IV, 7 Lodi Road, New Delhi-110 003
(CIN No.: U74899DL1968PLC004866)

To:

- (i) All Members of National Textile Corporation Limited.
- (ii) M/s Tiwari & Associates, Chartered Accountants, Statutory Auditors, T-8, Green Park Extension, New Delhi - 110 016
- (iii) All the Directors on the Board of National Textile Corporation Limited.
- (iv) Director, MAB-II, 4th - 5th Floor, Annexe Building, 10, B.S. Zafar Marg, New Delhi - 110 002



Form No. MGT-11

PROXY FORM

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

CIN: CIN No.: U74899DL1968PLC004866

Name of the Company: National Textile Corporation Limited

Registered Office: SCOPE Complex, Core-IV, 7, Lodhi Road, New Delhi - 110 003

Name of the Member(s):
Registered address:
E-mail Id:
Folio No./Client Id
DP. Id:

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

- Name:
Address:
E-mail Id: Signature:....., or failing him
- Name:
Address:
E-mail Id: Signature:....., or failing him
- Name:
Address:
E-mail Id: Signature:....., or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 47th Annual General Meeting / Extraordinary General Meeting of the Company, to be held on the 18th day of September 2015 at 2.30 p.m. at Registered Office of Company at SCOPE Complex, Core-IV, 7, Lodhi Road, New Delhi - 110 003 and at any adjournment thereof in respect of such resolutions as are indicated below:-

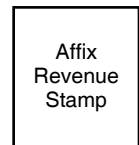
Resolution No.

-
-
-
-

Signed this.....day of2015.

Signature of shareholder(s)

Signature of Proxy holder(s)



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.



P. C. Vaish
Chairman & Managing Director

DIRECTORS' REPORT 2014-15

Dear Shareholders,

Your Directors take immense pleasure in presenting the 47th Annual Report on the working and achievements / events of the National Textile Corporation Limited (NTC). The report comes together with the Annual Accounts for the year 31st March, 2015 as approved by the Board and certified by the Auditors.

TEXTILE SCENARIO

The Indian textile industry contributes about 14 percent to industrial production, 4 percent to the GDP and 17 percent 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.

OPERATIONS IN MODERNISED MILLS

The Company has completed the modernization of its 18 mills. Three mills at Ahmedabad (Gujarat), Achalpur (Maharashtra); and Hassan (Karnataka) which are relocated Green Field Projects are now operational. 2 mills are subsequent additions under MS-08. Thus, the number of working mills during the year was 23.



REFOCUSING RETAIL STRATEGY

NTC shall be focusing effectively on branding and retailing of its fabrics through the Retail Marketing Division and through franchisee stores and increases its volume of institutional sales in the coming days. 'Technical Textiles' is an area where there is tremendous scope for the company to improve its turnover and profitability; hence initially Marketing Agreements have been signed to penetrate this segment. NTC has registered its presence in the exports market and has exported yarn and greige to the tune of ₹ 55 crores in the year 2014-15. As an achievement during year 2014-15, NTC has been appointed as Central Coordinating body for supply of textile and technical textile products to the Ministry of Defence with enhanced indigenization.

MOBILISATION OF FUNDS FOR REVIVAL SCHEME

The entire funds required for the implementation of the Revival Scheme is generated through sale of assets of the closed mills and surplus assets of the viable mills. NTC has so far generated ₹ 6584 crore through sale of assets by the Asset Sale Committee, constituted by BIFR/MOT.

CHALLENGES BEFORE COMPANY

Power cut, labour shortage and absenteeism were the major factors which adversely affected the performance of some of the modernized mills. The Company has been making all out efforts to manage these constraints. The power shortage was supplemented through private power purchase and power generated through DG sets wherever feasible. Efforts have been made to implement motivational schemes to curtail absenteeism taking into account the specific factors of area.

RATIONALISATION OF MAN POWER

Your company has rationalized surplus workforce through voluntary retirement schemes, thus bringing down the total strength of the employees to 8030 as on 31.03.2015. The industrial relations in the company by and large were cordial.

CONSTITUTION OF BOARD

The Company has eight members on its board – consisting of four Functional Directors, two nominee Directors from the Ministry of Textiles and two Independent Directors. Shri P.C. Vaish, Chairman & Managing Director is having charge of Director (Finance) also.

CELEBRATION OF INCORPORATION DAY

For the first time in history, your company celebrated 47th Anniversary of its Incorporation Day on 1st of April, 2015. Celebration included sharing of experiences by its Directors / senior employees and displayed 10 minutes Audio Visual on the journey of NTC. Also Quiz competition was organized where winners were awarded and memento was distributed to each employee.

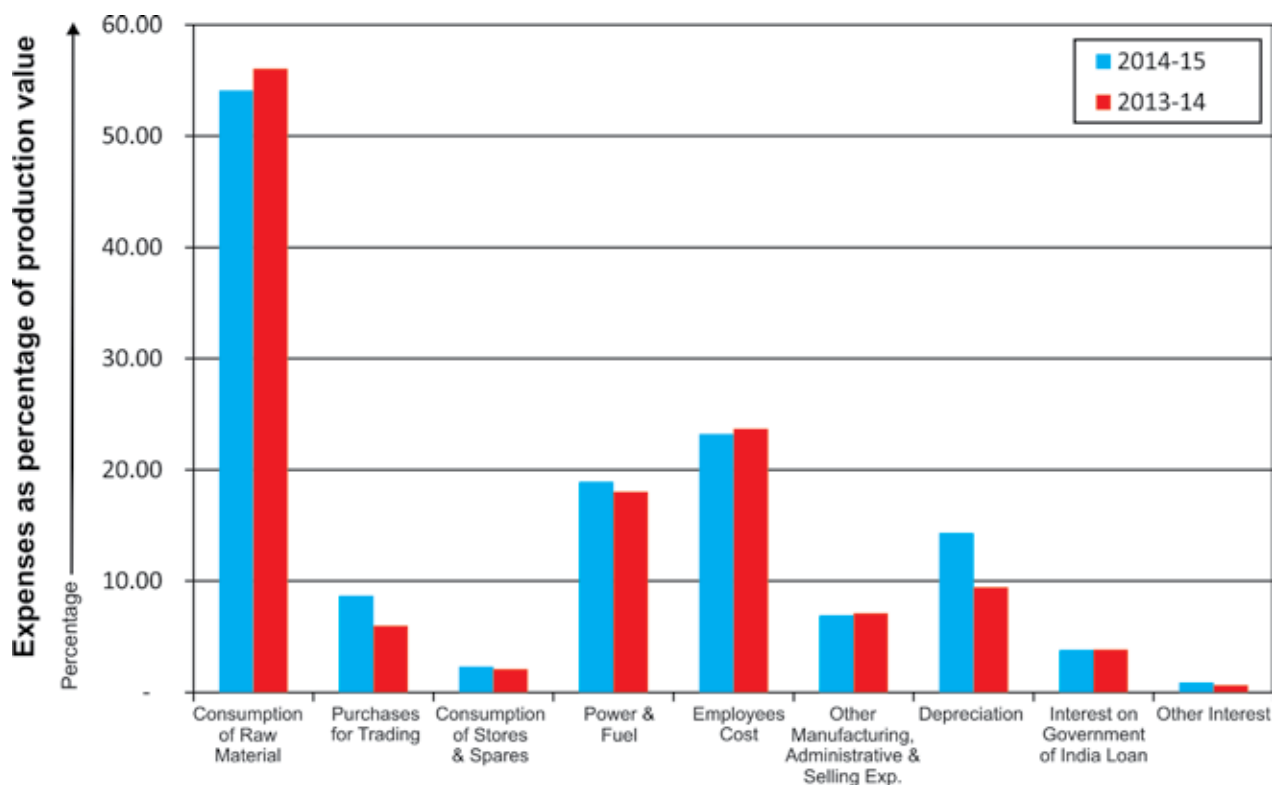
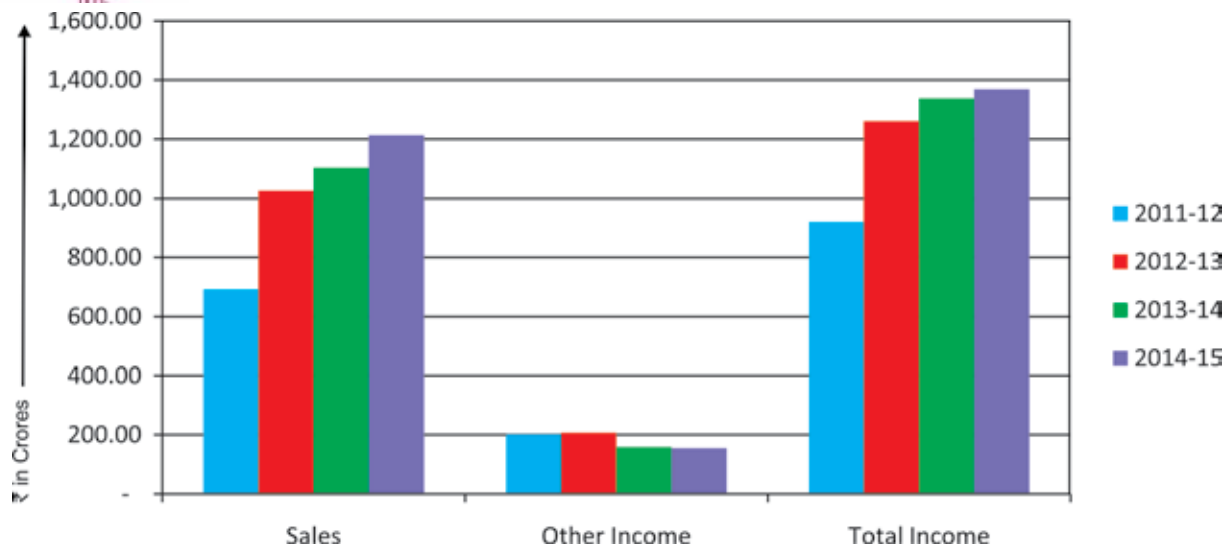
HIGHLIGHTS FOR THE YEAR 2014-15

1.1 FINANCIAL RESULTS

During the year, though your Company registered a net loss of ₹316.25 crore, its turnover increased by 9.99% from ₹1103.64 Crore to ₹1213.89 Crore.

Financial results for the year 2014-15 are as below:

S. No.	Particulars	2014-15	2013-14
I	INCOME:	₹ in Crs.	₹ in Crs.
	i) Gross Sale	1213.89	1103.64
	ii) Increase/ (Decrease) in Stock	(0.94)	74.89
	iii) Other Income from Operations – waste sales etc.	12.18	13.11
	Total Production value	1225.13	1191.64
	iv) Other Income from ordinary activities		
	a) Interest on Fixed Deposits etc.	135.12	138.53
	b) Dividend and exchange rate difference	7.40	6.88
	TOTAL REVENUE (i to iv)	1367.65	1337.05
II	EXPENDITURE:		
	i) Consumption of Raw Material	662.66	667.99
	ii) Purchases for Trading	106.79	71.37
	iii) Consumption of Stores & Spares	28.54	24.92
	iv) Power & Fuel	231.95	214.72
	v) Employees Cost :		
	wages & Salaries	261.32	249.96
	Gratuity, Leave Provisions etc.	23.16	32.21
	vi) Other Manufacturing, Administrative & Selling Exp.	85.02	84.91
	vii) Provisions for doubtful debts etc.	0.20	1.32
	TOTAL-II	1399.64	1347.40
III	Profit /(Loss) from Ordinary activities before Depreciation, Interest exceptional / extraordinary items & Tax (I - II)	(31.99)	(10.35)
IV	i) Depreciation	175.47	112.46
	ii) Interest:		
	Interest on Government of India Loan	46.84	45.96
	Other Interest	10.77	7.70
	Total (IV)	233.08	166.12
V	Profit or (Loss) from Ordinary activities before exceptional and extraordinary items (III-IV)	(265.07)	(176.47)
VI	Cash Profit or (Loss) from ordinary activities for the year before extra Ordinary items and Tax excluding depreciation, provisions, Interest on Gol Loan. [V+{II(v)(b)+II(vii)+IV(i)+IV(ii)(a)}]	(19.40)	15.48
VII	Prior period adjustment	(49.31)	(1.57)
VIII	Extra Ordinary Items		
	i) Income from Sale of Assets etc	0.01	4.77
	ii) Expenditure on MVRS etc	(4.31)	(6.91)
	iii) Provisions Written Back	2.45	9.47
	iv) Interest waived by Others	(0.02)	0.00
	v) Debts and assets written off	0.00	(7.63)
	vi) Reversal of provision of claim receivable from Central Govt./others	0.00	2.63
	Total (VIII)	(1.87)	2.33
IX	Tax:		
	Income Tax	0.00	0.00
	ii) Deferred Tax	0.00	0.00
	Total (IX)	0.00	0.00
X	Net Profit / (Loss) after Extra ordinary and Tax Items (V+VII+VIII-IX)	(316.25)	(175.71)



1.2 NET PROFIT & NET WORTH

The position of Net profit / (Loss) & Net Worth at the end of last seven years is as follows:

(₹ in Crores)

ITEM	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Net Profit / (Loss)	246.51	103.13	1304.24	130.15	85.12	(175.71)	(316.25)
Net -worth	155.60	258.74	1562.98	1693.13	1778.25	1602.54	1284.52

2.1 WAIVER OF LOAN AND INTEREST

As per the approved scheme of BIFR, a proposal with regard to the write off of Govt. of India loan of ₹62.50 crore received in 2006-07 and waiver of interest outstanding thereon is under consideration before the Ministry of Textiles. NTC has also proposed that interest accrued on Govt. of India loan aggregating to ₹207.50 crore, received during 2007-08 & 2008-09, be waived off.

2.2 STATUTORY DUES

There has been no default in the payment of regular PF/ESIC dues during the year. However, PF/ESI authorities have been requested through MOT to consider waiver of damages in accordance with the Revival Scheme (MS-08) approved by Hon'ble BIFR and also the dues/damages pertaining to pre-takeover period which is not the liability of your company as per the provisions of STUNA. Issue of payment of dues has been taken up with the respective authorities and opinion of Ministry of Law & Justice has supported the contention of NTC / MoT.

3. EXPENDITURE ON FOREIGN TOURS AND GUEST HOUSE

3.1 During the year 2014-15, a sum of ₹ 26.94 lakh was incurred on foreign tours against ₹ 15.81 lakh in the previous year.

3.2 NTC Ltd. does not maintain any Guest House.

4. PRODUCTION & SALES

4.1 PRODUCTION

During the year under review the number of working mills was 23. NTC Mills produced 51.85 million kgs. of yarn as against the production of 48.91 million kgs. in the previous year. These mills also produced 17.17 million mtrs. of cloth during the current year as against the production of 14.78 million mtrs. of previous year. Thus, your company registered an increase in yarn production by 6.02% and cloth production by 16.19% over the previous year.

4.2 SALES

The total turnover of the company during the year was ₹1213.89 crores as against ₹1103.64 Crores in the previous year registering an increase of 9.99 % over the previous year.

4.3 MARKETING – LAUNCHING OF NEW BRANDS:

NTC through its new marketing strategy has decided to reposition itself as a preferred clothier of Indian masses and a preferred supplier to yarn customers. Major Corporate houses now trust the quality of NTC and are buying yarn continuously from us. Positioning itself to be a repository of India Textile Legacy, the strategy outlined is to create new brands and retail formats that deliver value for money apparel and home textiles to Indian masses and make available Indian heritage textiles to all potential customers across the globe eventually.

In keeping with the marketing mission and vision statement, NTC plans to bring indigenous products to its customers through 83 company owned stores. In terms of basic operations, NTC also plans to move from selling yarn as a commodity to selling branded yarn by differentiating the yarn from those of other sellers and highlighting the USP's through appropriate brand name, design, symbol, logo and packaging. In tandem with the changing sector scenario, NTC is diversifying its operations into Technical Textile as well.

The main shift of its focus lies in changing the company's reputation from just being a production organization to a market oriented organization and communicate the change to all the stake holders on the new philosophy through various initiatives as listed in Point no. 5 below.

Institutional and Export sales will be thrust sector for NTC in the coming years.

5. NEW INITIATIVES

5.1 ISO CERTIFICATION

All 21 NTC modernized mills and both the Regional Offices of your company have obtained ISO 9001:2008 certification.

5.2 E-PROCUREMENT OF COTTON

The cotton is being taken through e-procurement route wherein the cotton specifications are put online and all registered vendors bid for the orders. It is a very open and transparent system which has helped NTC in procuring the desired quality of cotton at the lowest price. The details of tenders and auctions floated by NTC are being published on our website.

5.3 STEPS TAKEN FOR TACKLING POWER CUT

Private Power Purchase - NTC meets some of its shortfall through private power purchase agreements.

5.4 TO COUNTER LABOUR SHORTAGE

To Counter Labour shortage as well as to improve HOK of NTC, workload agreements have been signed with labour unions in respect of all the mills except Coimbatore Murugan Mills, Coimbatore which is also in process.

5.5 ENERGY CONSERVATION

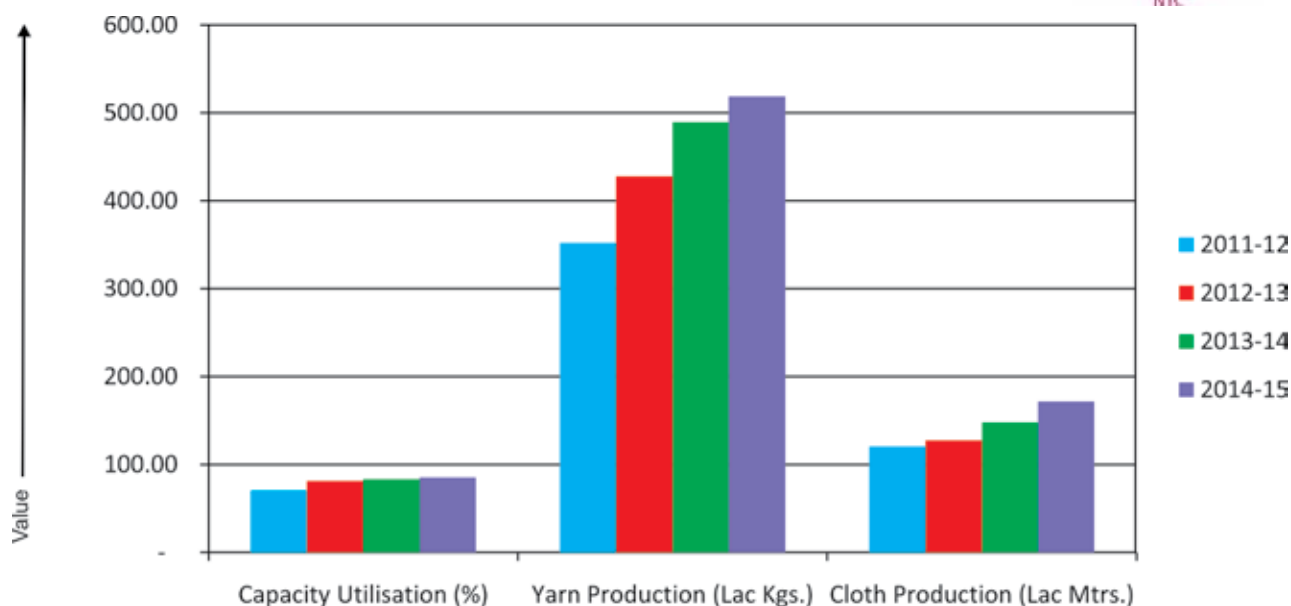
As compared to 2013-14, energy saving of 1.8% in UKG has been achieved resulting in saving of 53.30 Lacs units costing to ₹ 3.73 crores in year 2014-15.

5.6 TEXTILE UNDERTAKINGS (NATIONALISATION) LAWS (AMENDMENT & VALIDATION) ACT, 2014:

Under the Nationalisation Acts, Lease hold rights also stood vested in Central Govt. and then to your company. However, under different Rent Control Acts, eviction orders were being passed in respect of the lease hold properties thereby depriving NTC of the same. NTC alongwith Ministry of Textiles were successful in getting a Legislation passed by the Parliament namely Textile Undertakings (Nationalisation) Laws (Amendment & Validation) Act, 2014 whereby it was ensured that lease hold rights do not come to an end by efflux of time. As such, your company has been enabled to protect lease hold properties worth hundreds of crores of rupees.

5.7 In accordance with the requirement of Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, the desired statement is given below:-

PARTICULARS	2014-15	2013-14
Physical Production (Lakh Kgs.)	518.54	489.11
Cloth (Lakh Mtrs.)	171.70	147.78
Capacity Utilization (%age)	85.47	83.37
Consumption of Energy per unit of prod. In 40s conversion(Unit/kg.)	4.36	4.44



6. SIGNING OF MOU WITH MINISTRY OF TEXTILES

The MOU for the year 2015-16 has been signed between the Ministry of Textiles and Company on 31st March, 2015. As per the MOU the Company proposes to achieve new financial targets of ₹1400 crores as turnover and improved technical performance by taking spinning utilization percentage to the level of 90%.

7. THE STATUS OF REHABILITATION SCHEME

7.1 The Hon'ble Board for Industrial and Financial Reconstruction (BIFR) had sanctioned a Rehabilitation Scheme for NTC on 25.07.2002. The scheme with Modifications (MS-08) was extended up to 31.03.2012.

The Modified Scheme MS-08 approved by Hon'ble BIFR was for a total cost of ₹ 9102.72 crores including bonds issue of ₹ 2028.04 crores as a bridge arrangement.

7.2 THE SALIENT FEATURES OF THE MODIFIED SCHEME: MS-08 WERE AS UNDER:

S. No	Features	MS - 08
i)	Mills proposed to be modernized by NTC (Nos)	22
ii)	Mills to be modernised through JV (Nos.)*	18
iii)	Mills proposed to be closed (Nos.)	77
iv)	Proposed spindle capacity (in lakh)	9.32
v)	Proposed looms capacity (Nos.)	670
vi)	Proposed processing capacity (Mtrs. per day)	70000
vii)	Daily engagement of workmen (Nos.)	11462
viii)	Daily production – Yarn (Lakh Kg.) - Cloth (Lakh Mtr.)	2.55 1.60

*Out of 18 mills which were to be modernized through JV, two mills i.e. (i) Tirupathi Cotton Mills, Reningunta and (ii) Coimbatore Spg. & Wvg. Mills, Coimbatore were taken out from JV list and are being modernized by NTC itself. Short term modification has been done to utilize the existing machinery.

7.3 The Cost of the scheme which is a self financing scheme and the details of sources of fund are given below:

A) COST OF THE SCHEME

(₹ in crore)

Sl. No.	Particulars	As per BIFR approved Scheme MS-08	Actual spent up to 31.03.2015
1.	Modernisation	1155.96	1582.56
2.	Margin money	54.02	35.50
3.	Cash loss during implementation	1668.94	2516.46
4.	MVRS/VRS	2490.87	2379.22
5.	Secured creditors	293.65	294.11
6.	Statutory dues	224.55	191.67
7.	Pressing creditors	328.13	175.06
8.	Interest & other expenses on bonds	858.56	882.54
9.	JV Mills – paid up capital	0.00	0.25
10.	Revamping of showrooms	0.00	5.39
11.	Development of IT system	0.00	3.60
	Sub-Total	7074.68	8066.36
12.	Bonds redemption	2028.04	2028.04
	Total cost of scheme	9102.72	10094.40

B) SOURCE OF FUNDS

(₹ in crore)

Sl.No.	Particulars	As per BIFR approved Scheme MS-08	Actual accrued/received up to 31.03.2015
1.	Loan received from GOI	1643.84	1466.34
2.	From sale of assets	7033.22	6547.08
3.	Interest earned	234.89	1197.10
4.	VRS grant received	55.47	55.47
5.	Rent received	7.21	22.90
6.	Funds received from JV Mills	0.00	97.73
7.	Dividend from JV Mills	0.00	39.41
8.	EMD received	0.00	101.00
	Sub total	8974.63	9527.03
9.	Bonds issued	2028.04	2028.04
	Grand Total	11002.67	11555.07

7.4 BIFR ORDER dated 20.10.2014

In terms of BIFR Order dated 20.10.2014, your company is ceased to be a sick industrial company on the ground of its net worth becoming positive.

Hon'ble BIFR, on application made by NTC on 07.01.2014 towards implementation of unimplemented portion of sanctioned scheme, in its hearing held on 21.01.2015 has reserved its Order in the matter. BIFR Order dated 20.10.2014 has also been challenged by your company before Appellate Authority for Industrial & Financial Reconstruction (AAIFR) on 19.01.2015. BIFR order has also been challenged by Rashtriya Mill Mazdoor Sangh, Mumbai before Hon'ble AAIFR.

8. PROGRESS OF IMPLEMENTATION OF REVIVAL SCHEME

8.1 IMPLEMENTATION OF MVRS

Most of the workers of the mills identified for closure and the surplus employees in the viable mills, in addition to those employees who were desirous to go under MVRS in the various offices, were offered MVRS. During the year 2014-15, 02 employees opted for MVRS and compensation amounting to ₹ 0.20 Crore has been paid. Up to 31st March, 2015, 63297 employees have been relieved under MVRS at a cost of ₹2373.86 crores.

8.2 Closure of unviable Mills

No mill has been closed under ID Act during the year 2014-15.

8.3 Modernization of Mills

NTC has in its hold 23 mills directly run by it and another 5 mills through JV partnership.

The company had MoUs in case of 11 mills to be run through JVs. As per the review by Board of NTC, the MoUs were cancelled and matter is sub-judice in the High Court of Delhi. Arbitration proceedings are also continuing before Arbitral Tribunal. The decision to revive either by JV route or by NTC itself will be taken after award by Arbitral Tribunal.

8.4 Relocation of mills for modernization

BIFR approved relocation of 4 mills – one each at Achalpur (Maharashtra); Hassan (Karnataka); Ahmedabad (Gujarat); and Beawar (Rajasthan). The first three composite have started production and for setting up 4th relocated unit slated to manufacture Technical-textiles being new field for NTC is not yet set up.

8.5 Future Plans

The Board of your company has approved first phase of modernization plan based of NITRA report. Total cost of first phase is ₹ 1487 crore, out of which ₹ 901 crore is for capital outlay. This involves consolidation of smaller units to larger ones, expansion into value added finished products and modernization.

9. STATUS OF 5 JV MILLS:

In respect of 5 Subsidiary Companies under Joint Venture (JV) arrangement, their consolidated financial position is as under:

Particulars	Total	Total
	2014-2015	2013-2014
I. INCOME		
1. Sales	99828.88	63222.77
2. Other Income	704.34	1844.92
3. Increase/ (Decrease) in Stock	(24.46)	(404.28)
Total Income from Operation (1+2+3)	100508.76	64663.41
II. EXPENDITURE:		
1. Purchases for Trading	94105.76	58790.91
2. Employees Remuneration & Benefits	842.96	798.20
3. Administrative, Selling & Distribution Expenses and other expenses	1270.11	1343.07
4. Finance Charges	0.01	0.01
Total Expenditure on Operations (1+2+3+4)	96218.84	60932.19
III. Cash Profit/ (Loss) from Operations before Extra Ordinary Items and Non Operational Expenses	4289.92	3731.22
IV. Non Operational Expenses		
1. Prior Period (Income)/ Expenses	(20.44)	(2.34)
2. Depreciation	284.83	222.33
3. Income Tax (Current)	1395.79	1146.47
4. Income Tax (Deferred)	(29.43)	11.54
Total Non Operational Expenses (1+2+3+4)	1630.75	1378.00
V. Net Profit/ (Loss) after Non Operational Expenses and Taxes	2659.17	2353.22
VI. Dividend paid/proposed	1469.98	1355.25
VII. NTC's Investment	1808.51	1808.51
VIII. Percentage of NTC shares (%)	51%	51%
IX. NTC's share in profit	1356.18	1200.14
X. Dividend received/proposed (NTC Share)	749.69	691.18

10. CONSOLIDATION OF FINANCIAL STATEMENTS (CFS):

In accordance with the schedule III of the Companies Act, 2013 and applicable Accounting Standards your company has prepared the Consolidated Financial Statements (CFS) considering National Textile Corporation Limited, its 5 Subsidiary Companies and 1 Associate Company.

Consolidated Financial Results for the year 2014-15 are furnished below:-

(₹ in Crore)

S.No.	Particulars	Amount	
		2014-15	2013-14
I	INCOME		
	i) Gross Sale	2215.63	1732.80
	ii) Increase/ (Decrease) in Stock	(1.23)	70.46
	iii) Other Income from Operations	12.27	13.69
	Total Production value	2226.67	1816.95
	iv) Other Income from ordinary activities- Interest income on FD and other deposits Dividend and exchange rate difference	143.65 0.49	157.22 0.49
	TOTAL REVENUE (i to iv)	2370.81	1974.66
II	EXPENDITURE		
	i) Consumption of Raw Material	692.44	703.41
	ii) Purchases for Trading	1008.32	607.68
	iii) Consumption of Stores & Spares	28.81	25.20
	iv) Power & Fuel	233.60	216.14
	v) Employees Cost : Wages & Salaries Gratuity, Leave Provisions etc.	270.35 23.41	258.94 32.33
	vi) Other Manufacturing, Administrative & Selling Exp.	103.11	104.07
	vii) Provisions for doubtful debts etc.	0.22	1.32
	TOTAL-II	2360.26	1949.09
III	Profit/(Loss) from Ordinary activities before Depreciation, Interest, exceptional / extraordinary items & Tax (I - II)	10.55	25.57
IV	i) Depreciation	178.30	114.69
	ii) Interest:		
	Interest on Government of India Loan	46.84	45.96
	Other Interest	16.08	11.22
	Total (IV)	241.22	171.87
V	Profit or (Loss) from Ordinary activities before exceptional and extraordinary items(III-IV)	(230.67)	(146.30)
VI	Cash Profit or (Loss) from ordinary activities for the year before extra Ordinary items and Tax excluding depreciation, provisions, Interest on Gol Loan. [V+{II(v)(b)+II(vii)+IV(i)+IV(ii)(a)}]	(18.10)	48.00
VII	Prior period adjustment	(49.45)	(1.58)
VIII	Extra Ordinary Items incl. exceptional items		
	i) Income from Sale of Assets etc	0.01	4.77
	ii) Expenditure on MVRS etc	(4.31)	(6.91)
	iii) Provisions Written Back	1.00	10.92
	iv) Debts and assets written off	0.00	(7.63)
	v) Reversal of Provision of Claim receivable from Central Govt./others	0.00	2.63
	Total (VIII)	(3.30)	3.78
IX	Tax:		
	i) Income Tax	14.28	11.29
	ii) Tax adjustment of previous year	(0.72)	(1.43)
	iii) Profit/(Loss) for Discontinuing Operations	(0.93)	0.00
X	Minority Interest in Profit/(Loss) of Consolidated Subsidiaries	(11.65)	(12.56)
XI	Net Profit / (Loss) after Extra ordinary and Tax Items	(309.56)	(166.52)

11. STATUS OF 11 MILLS UNDER ARBITRATION

The cancellation of Memorandum of Understanding (MoU) in respect of 11 Mills with three Strategic Partners (SP) was challenged by them before Hon'ble High Court of Delhi. The Hon'ble High Court of Delhi termed the termination as illegal vide its order dated 14.08.2012. NTC filed petition for review of the order which has come up for hearing on few dates. Arbitration proceedings are also under progress.

12. HUMAN RESOURCES DEVELOPMENT

12.1 INDUSTRIAL RELATIONS

The Industrial Relations in NTC Group remained cordial during the year.

12.2 WORKERS' PARTICIPATION IN MANAGEMENT

The scheme of workers participation in management exists in all mills of NTC. The Management Committees attend to the matters relating to production, utilization of machinery, efficiency, productivity, product quality, cost reduction etc. The Scheme has been of great help in creating excellent rapport with the employees in enhancing their morale and in increasing quality consciousness amongst them.

12.3 MODIFIED VOLUNTARY RETIREMENT SCHEME (MVRS)

At the end of March, 2015, there were 8030 employees on roll in NTC Group. 63297 employees have been relieved under MVRS since 01.04.2002 and MVRS amount of ₹2373.86 crores was paid to them.

12.4 EMPLOYMENT OF WOMEN

At the close of year 2014-15, in NTC Group, there were 1211 women employees out of the total 8030 employees. The overall percentage of women employees in NTC is 15.08 %.

13. SC/ST POSITION IN RESPECT OF NTC AS ON 31.03.2015 WAS AS UNDER

Group	Total no. of employees	No. of SC employees	% age of SC employees	No. of ST employees	% age of ST employees
A and B	484	84	17.35	03	0.61
C and D	7524	1176	15.63	85	1.13
D(S)	22	19	86.36	-	-
Total	8030	1279	15.93%	88	1.095%

14. PROGRESS IN USE OF HINDI

All efforts are being made to improve / increase the use of Hindi (O.L.) in the working of the Corporation as well as all the Subordinate Offices. Office Orders & Circulars were issued in Hindi as well. With a view to create a conducive and inspiring atmosphere for the implementation of the Official Language Policy, Hindi Pakhwara

(Fortnight) was organized from 14.09.2014 to 28.09.2014. Several Hindi workshops Seminars, Activities & competitions were conducted during the year to encourage the employees to maximize the use of Hindi in official work. A large number of officers and staff members participated in the competitions. Incentives & Prizes and appreciation certificates were awarded to participants as a source of motivation and encouragement.

A Hindi Kavi Sammelan (Recitation/Poet Convention) was also organized on 29.09.2014 at Corporate Office.

15. PARTICULARS OF EMPLOYEES

The particulars of covered employees in pursuance of Section 134 of the Companies Act, 2013 read with Companies (Appointments & Remuneration of Managerial Personnel) Rules, 2014 are "NIL".

16. VIGILANCE ACTIVITIES

The Vigilance Division of the Corporation is playing a crucial role in achieving the goals of the organization by safeguarding and protecting the interest of the corporation.

The Vigilance Wing of NTC Limited and its Regional / Sub-Offices, situated at various places all over India have created awareness amongst the employees on issues relating to combating the menace of corruption.

As a preventive step, guidelines issued by the Central Vigilance Commission from time to time are being circulated to all the concerned officials for information and strict compliance. Further, necessary action taken for the identification of sensitive jobs, at three-tier level i.e. a) Head-office; b) Regional/ Sub Offices and c) Production Unit level, for periodically carrying out job rotation of the officials posted on such sensitive posts, from time to time.

The '**Vigilance corner**' of website of the Corporation is regularly being upgraded, providing information about the vigilance activities. '**The Complaint Management System (CMS)**' implemented for monitoring of online complaints.

The complaints received from various sources are being looked into and processed promptly as per the guidelines issued by the CVC. The regular/surprise visits are being made by the vigilance officials in different units/offices of the Corporation. The Annual Property Returns etc. are being scrutinized. Agreed list and ODI list are being prepared regularly.

As per instructions of CVC, Vigilance Awareness Week was observed from 27.10.2014 to 01.11.2014 in our registered office as well as in its constituted units/offices.

17. THE CHANGES IN THE BOARD OF DIRECTORS FROM PREVIOUS ANNUAL GENERAL MEETING TILL DATE IS GIVEN BELOW:

A) Directors ceased to exist :

Shri Arun Ramanathan	-	20.11.2014
Smt. Pushpa Subrahmanyam	-	22.04.2015
Shri Bhagwati Prasad Pandey	-	19.08.2015

B) Directors inducted on Board:

Shri M.M. Chockalingam	-	16.02.2015
Smt. Anu Garg	-	22.04.2015
Shri J. K. Dadoo	-	19.08.2015

18. MEETINGS OF BOARD OF DIRECTORS

During the financial year 2014-15, 8 (eight) Board Meetings of the Corporation were held i.e.

No.	Meetings Nos.	Date
1	347	30.05.2014
2	348	13.06.2014
3	349	16.07.2014
4	350	03.09.2014
5	351	28.10.2014
6	352	15.12.2014
7	353	07.01.2015
8	354	26.02.2015

19. AUDIT COMMITTEE MEETINGS

During the financial year 2014-15, 6(Six) meetings of Audit Committee were held:

No.	Meetings Nos.	Date
1	44	18.04.2014
2	45	11.07.2014
3	46	14.07.2014
4	47	09.10.2014
5	48	15.11.2014
6	49	27.03.2015

- 20.** The management's replies to the report of the Statutory Auditors and on the comments of the C&AG on the Standalone Annual Accounts are enclosed at **Annexure - I**, for perusal of the members.

The management's replies to the report of the Statutory Auditors and on the comments of the C&AG on the Consolidated Financial Statements are enclosed at **Annexure - IA**, for perusal of the members.

- 21.** As per the directions of Ministry of Corporate Affairs, M/s. G N V & Associates have been appointed as lead cost auditors to consolidate the Cost Audit Report of all working units for the year 2014-15.

22. SECRETARIAL AUDIT FOR THE FINANCIAL YEAR 2014-15:

As per the criteria defined under section 204 of the Companies Act, 2013, the Secretarial Audit is applicable compulsorily to NTC. Accordingly, M/s Nityanand Singh & Co., Practicing Company Secretaries, New Delhi were appointed as Secretarial Auditors for the Company, for the Financial Year 2014-15.

M/s Nityanand Singh & Co. have given their Secretarial Audit Report in Form No. MR-3, under Rule 9 of The Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, which is enclosed as **Annexure-II**.

23. EXTRACT OF ANNUAL RETURN

The extract of Annual Return for the Financial Year ended on 31.03.2015, Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014, is enclosed in Form No. MGT-9, as **Annexure-III**.

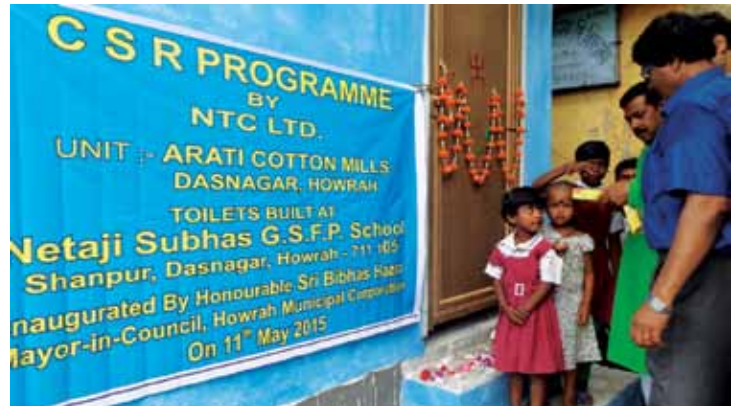
24. CORPORATE GOVERNANCE

A report on compliance of Corporate Governance, as required under the guidelines on Corporate Governance for CPSEs, issued by the DPE, is enclosed as **Annexure – IV**, for perusal of the members.

A certificate issued by Shri Nityanand Singh & Company, practicing Company Secretary, New Delhi regarding compliance of Corporate Governance, as stipulated in the guidelines issued by the DPE, is attached as **Annexure- V**.

25. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The company has incurred ₹24.84 lacs against the budgetary allocation of ₹35.00 lacs on procurement of blankets during the year 2014-15 for immediate supply to the flood affected persons in Jammu & Kashmir. You are aware that Jammu & Kashmir State faced severe floods in the State and thousands of people including ladies and children were rendered homeless. Ministry of Textiles decided to procure woolen blankets considering the seriousness of the calamity in the State. The remaining amount is being utilized by the company on construction of toilets under the initiative “Swachh Vidyalaya Abhiyan” of Hon’ble Prime Minister through Ministry of HRD during 2015-16. Company is also in the process of implementation of CSR & Sustainability policy which has already been deliberated by the Committee of Directors on CSR.



Toilets constructed under Swachh Vidyalaya Campaign of Government of India under CSR Programme of NTC.

26. RISK MANAGEMENT & MITIGATION POLICY

Your company has formulated a Risk Management and Mitigation Policy, which is in the process of implementation initially for a period of six months under trial run.

27. INTEGRATED SKILL DEVELOPMENT SCHEME (ISDS)

Your company has started skill development programmes at 10 different locations of NTC mills under Integrated Skill Development Scheme (ISDS) initiated by the Ministry of Textiles.

28. RIGHT TO INFORMATION ACT, 2005

In accordance with the instructions received from the Ministry of Textiles, Government of India, New Delhi, based on the guidelines issued by the Ministry of Personnel, Public Grievances and Pensions, your Corporation has taken action regarding compilation/publishing of manuals, appointments of Central Assistant Public Information Officers, framing the rules for giving effect to the provisions of the Act and internal procedures to streamline the channel for dealing with requests received by each Central Public Information Officer.

During the period from 1st April, 2014 to 31st March, 2015, 297 requests were received from different applicants. In all the cases information was made available to the applicant. 60 applicants preferred for the First Appeal before the Appellate Authority and 1 applicant made Second Appeal with Central Information Commission (CIC) and decision in the appeal was in favour of your Corporation.

The Quarterly Report of RTI is being uploaded regularly on the website of the Corporation as well as on the website of Central Information Commission (CIC) as instructed by the Ministry of Textiles vide its letter dated 8th June, 2011.

29. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors hereby confirm:

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

30. ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation for the cooperation and support extended by Ministry of Textiles, the State Governments, Comptroller & Auditor General of India, Internal Auditors, Branch Auditors, Cost Auditors, Bankers, Financial Institutions, Operating Agency- IDBI, BIFR, AAIFR and valued customers. Directors gratefully acknowledge valuable suggestions and guidance given by the Statutory Auditors - M/s. Tiwari & Associates, Chartered Accountants, New Delhi.

Directors also thank all the officers, employees and workers for their whole hearted support and co-operation.

For and on behalf of the Board

Sd/-

(P.C. Vaish)

Chairman & Managing Director

Place: New Delhi

Dated: 24.08.2015

MANAGEMENT'S REPLY TO THE AUDIT OBSERVATION OF THE STATUTORY AUDITORS ON THE STANDALONE ANNUAL ACCOUNTS FOR THE YEAR 2014-15

S.No.	Auditors Observations	Management's Reply
1.	<p>MAT Credit Entitlement</p> <p>MAT Credit Entitlement of ₹ 9,230.26 Lacs shown as claimable as on 31st March, 2015 is not in accordance with Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income Tax Act, 1961 issued by the Institute of Chartered Accountants of India, since no convincing evidence is available that the company will pay normal income tax during the specified period and will be able to claim MAT Credit Entitlement. Had the Company not accounted MAT Credit Entitlement, long term loans & advances would have been ₹ 767.66 Lacs as against reported figure of ₹ 9,997.92 Lacs and Reserves & Surplus would have been ₹ (1,70,272.96) Lacs against reported figure of ₹ (1,61,042.70) lacs. This was also subject matter of basis for qualified opinion in previous year.</p>	<p>As per BIFR sanctioned Scheme MS – 08, CBDT was to consider to grant exemption to NTC from Wealth Tax, Tax on Sale of Assets, Section 41(1) of Income Tax Act and interest thereon for which case is pending before BIFR. However, provisions toward taxes under Income Tax Act are being regularly made.</p> <p>BIFR vide its order dated 20.10.2014 directed that M/s. NT C Ltd. ceases to be a sick industry company, within the meaning of section 3(1)(0) of SICA as its net worth has turned positive. Hence, discharged from the purview of SICA/BIFR with a condition that Unimplemented provisions of the Modified Sanctioned Scheme (MS-2008) to be implemented by all the concerned.</p> <p>However, BIFR, on application made by NTC on 07.01.2014 towards implementation of unimplemented portion of sanctioned scheme, in its hearing held on 21.01.2015 has reserved its Order in the matter. BIFR Order dated 20.10.2014 has also been challenged by your company before Appellate Authority for Industrial & Financial Reconstruction (AAIFR) on 19.01.2015.</p> <p>As per Guidance Note on MAT issued by ICAI, the MAT Credit was created as an asset in view of the expected future economic benefits in the form of its adjustment against the discharge of the normal tax liability if the same will arise during the specified period of 10 years. The company is in the process to finalise the Modified Draft Rehabilitation Scheme (MDRS) and after implementation of the scheme, it is reasonably certain that the company will generate operational profit in near future due to its expansion, consolidation and integration.</p> <p>In view of above, the liability for MAT has been recognized during the previous years (No MAT liability has been provided in the current year due to losses) by creating assets to that extent in view of the expected future economic benefits in the form of its adjustment against the discharge of the normal tax liability if the same will arise during the specified period of 10 years.</p> <p>In view of above, no reversal entry is required.</p>

MANAGEMENT'S REPLY TO THE COMMENTS OF THE COMPTROLLER & AUDITORS GENERAL OF INDIA UNDER SECTION 143 (6)(B) OF THE COMPANIES ACT 2013 ON THE STANDALONE ANNUAL ACCOUNTS FOR THE YEAR 2014-15

CAG Comments	Management's Reply
<p>Balance Sheet</p> <p>Current Assets</p> <p>Note 19 – Other Current Assets</p> <p>Interest accrued on deposits, loans and advances – Rs. 34.38 crore</p> <p>The above includes interest of Rs. 21.94 crore on Rs. 56.10 crore loans given by the Company on 16 January 2012 to British India Corporation (BIC) after Ministry of Finance (MOF) conveyed its sanction (November 2011) to the Ministry of Textile (MOT) for the said loan. MOT in turn agreed for repayment of said loan to NTC through budgetary allocation in financial year 2011-12 but without budgetary support for interest on bridge loan.</p> <p>As BIC is a sick company and largely dependent on budgetary support from MOT, interest income should not have been recognized in compliance with AS 9 which stipulates that revenue should be recognized only when no significant uncertainty exists.</p> <p>Recognition of income has resulted in overstatement of income and understatement of loss for the year by Rs. 7.63 crore, overstatement of reserve and surplus by Rs. 14.31 crore and Current Assets by Rs. 21.94 crore.</p>	<p>As per the directions of MoT and with the concurrence of Ministry of Finance, NTC released the Bridge Loan in terms of MoU stating that NTC & BIC shall make efforts with MoT to ensure repayment of loan in terms of sanction conveyed by the Department of Expenditure. In case of failure to refund the loan, MoT may consider adjustment of the same out of grants to be released to BIC and pay the same to NTC depending on prevailing conditions.</p> <p>The amount of loan and accrued interest thereon as on 31.03.2015 was confirmed by BIC and the income of interest has been recognized in the books of NTC. Since significant uncertainty does not exist for the realization of interest on loan as per terms of the MoU, recognition of income as on 31.03.2015 is in compliance with AS – 9.</p>

MANAGEMENT'S REPLY TO THE AUDIT OBSERVATION OF THE STATUTORY AUDITORS ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR 2014-15

S.No.	Auditors Observations	Management's Reply
1.	<p>MAT Credit Entitlement</p> <p>MAT Credit Entitlement of ₹ 9,230.26 Lacs shown as claimable as on 31st March, 2015 is not in accordance with Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income Tax Act, 1961 issued by the Institute of Chartered Accountants of India, since no convincing evidence is available that the company will pay normal income tax during the specified period and will be able to claim MAT Credit Entitlement. Had the Company not accounted MAT Credit Entitlement, long term loans & advances would have been ₹ 767.66 Lacs as against reported figure of ₹ 9,997.92 Lacs and Reserves & Surplus would have been ₹ (1,70,272.96) Lacs against reported figure of ₹ (1,61,042.70) lacs. This was also subject matter of basis for qualified opinion in previous year.</p>	<p>As per BIFR sanctioned Scheme MS – 08, CBDT was to consider to grant exemption to NTC from Wealth Tax, Tax on Sale of Assets, Section 41(1) of Income Tax Act and interest thereon for which case is pending before BIFR. However, provisions toward taxes under Income Tax Act are being regularly made.</p> <p>BIFR vide its order dated 20.10.2014 directed that M/s. NT C Ltd. ceases to be a sick industry company, within the meaning of section 3(1)(0) of SICA as its net worth has turned positive. Hence, discharged from the purview of SICA/BIFR with a condition that Unimplemented provisions of the Modified Sanctioned Scheme (MS-2008) to be implemented by all the concerned.</p> <p>However, BIFR, on application made by NTC on 07.01.2014 towards implementation of unimplemented portion of sanctioned scheme, in its hearing held on 21.01.2015 has reserved its Order in the matter. BIFR Order dated 20.10.2014 has also been challenged by your company before Appellate Authority for Industrial & Financial Reconstruction (AAIFR) on 19.01.2015.</p> <p>As per Guidance Note on MAT issued by ICAI, the MAT Credit was created as an asset in view of the expected future economic benefits in the form of its adjustment against the discharge of the normal tax liability if the same will arise during the specified period of 10 years. The company is in the process to finalise the Modified Draft Rehabilitation Scheme (MDRS) and after implementation of the scheme, it is reasonably certain that the company will generate operational profit in near future due to its expansion, consolidation and integration.</p> <p>In view of above, the liability for MAT has been recognized during the previous years (No MAT liability has been provided in the current year due to losses) by creating assets to that extent in view of the expected future economic benefits in the form of its adjustment against the discharge of the normal tax liability if the same will arise during the specified period of 10 years.</p> <p>In view of above, no reversal entry is required.</p>

MANAGEMENT'S REPLY TO THE COMMENTS OF THE COMPTROLLER & AUDITORS GENERAL OF INDIA UNDER SECTION 143 (6)(B) OF THE COMPANIES ACT 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR 2014-15

CAG Comments	Management's Reply
<p>Balance Sheet</p> <p>Current Assets</p> <p>Note 19 – Other Current Assets</p> <p>Interest accrued on deposits, loans and advances – Rs. 34.52 crore</p> <p>The above includes interest of Rs. 21.94 crore on Rs. 56.10 crore loans given by the Company on 16 January 2012 to British India Corporation (BIC) after Ministry of Finance (MOF) conveyed its sanction (November 2011) to the Ministry of Textile (MOT) for the said loan. MOT in turn agreed for repayment of said loan to NTC through budgetary allocation in financial year 2011-12 but without budgetary support for interest on bridge loan.</p> <p>As BIC is a sick company and largely dependent on budgetary support from MOT, interest income should not have been recognized in compliance with AS 9 which stipulates that revenue should be recognized only when no significant uncertainty exists.</p> <p>Recognition of income has resulted in overstatement of income and understatement of loss for the year by Rs. 7.63 crore, overstatement of reserve and surplus by Rs. 14.31 crore and Current Assets by Rs. 21.94 crore.</p>	<p>As per the directions of MoT and with the concurrence of Ministry of Finance, NTC released the Bridge Loan in terms of MoU stating that NTC & BIC shall make efforts with MoT to ensure repayment of loan in terms of sanction conveyed by the Department of Expenditure. In case of failure to refund the loan, MoT may consider adjustment of the same out of grants to be released to BIC and pay the same to NTC depending on prevailing conditions.</p> <p>The amount of loan and accrued interest thereon as on 31.03.2015 was confirmed by BIC and the income of interest has been recognized in the books of NTC. Since significant uncertainty does not exist for the realization of interest on loan as per terms of the MoU, recognition of income as on 31.03.2015 is in compliance with AS – 9.</p>

NITYANAND SINGH & CO.
COMPANY SECRETARIES

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

National Textile Corporation Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by National Textile Corporation Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by National Textile Corporation Limited ("the Company") for the financial year ended on March 31, 2015 according to the provisions of the Companies Act, 2013 (the Act) and the rules made thereunder;

We report that during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

We further report that



1. The Board of Directors of the Company is duly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

We further report that during the audit period there has been no instances of:

- I) Public/Rights/Preferential issue of shares/debentures/sweat equity.
- II) Redemption/buy back of securities.
- III) Major Decision taken by the members in pursuance to section 180 of the Companies Act, 2013
- IV) Merger/amalgamation/reconstruction etc.
- V) Foreign technical collaborations.

**For Nityanand Singh & Co.
Company Secretaries**

Sd/-

**Nityanand Singh (Prop.)
FCS. No. 2668 C.P.No. 2388**

Place: New Delhi

Date: 13th July, 2015

Form No. MGT-9

ANNUAL RETURN

As on the financial year ended on 31/03/2015

of

National Textile Corporation Limited

[Pursuant to Section 92(3) of the Companies Act, 2013

and

Rule 12(1) of the Companies (Mgt. and Administration) Rules, 2014]

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2015

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1)
of the Company (Management & Administration) Rules, 2014.**I) REGISTRATION & OTHER DETAILS:**

i	CIN	U74899DL1968PLC004866
ii	Registration Date	01/04/1968
iii	Name of the Company	NATIONAL TEXTILE CORPORATION LTD.
iv	Category/Sub-category of the Company	Public / Govt. Company
v	Address of the Registered office & contact details	SCOPE COMPLEX, COREIV, 7 LODHI ROAD, NEW DELHI INDIA 110003
vi	Whether listed company	NO
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Not Applicable

II) PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL No	Name & Description of main products/ services	NIC Code of the Product /service	% to total turnover of the company
1	Spinning, Weaving and finishing of textiles	131	100%

III) PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

SI No	Name & Address of the Company	Cin/Gln	Holding/ Subsidiary / Associate	% of Shares Held	Applicable Section
1	Apollo Design & Apparel Parks Ltd.	U17291MH2007GOI195397	Subsidiary	51	
2	Aurangabad Textile & Apparel Parks Ltd.	U17121MH2007GOI195403	Subsidiary	51	
3	Goldmohur Design & Apparel Parks Ltd.	U17291MH2007GOI195402	Subsidiary	51	
4	India United Textile Mills Ltd.	U17291MH2007GOI195397	Subsidiary	51	
5	New City of Bombay Mfg. Mills Ltd.	U17291MH2007GOI195493	Subsidiary	51	
6	Swadeshi Mininig & Manufacturing Limited	U17111UP1943PLC003932	Subsidiary	97.91	
7	Swadeshi Polytex Ltd.	L25209UP1970PLC003320	Associate	33.63	

IV) SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)
(i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year			% of Total Shares	No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total		Demat	Physical	Total	% of Total Shares	
A. Promoters									
1. Indian									
a) Individual/HUF									
b) Central Govt.	Nil	30548819	30548819	99.76	Nil	30548819	30548819	99.76	Nil
c) State Govts.	Nil	72782	72782	0.24	Nil	72782	72782	0.24	Nil
d) Bodies Corporates									
e) Bank/FI									
f) Any other									
SUB TOTAL:(A) (1)									
2. Foreign									
a) NRI- Individuals									
b) Other Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any other...									
SUB TOTAL (A) (2)									
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	Nil	30621601	30621601	100	Nil	30621601	30621601	100	Nil

Category of Shareholders	No. of Shares held at the beginning of the year			% of Total Shares	No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total		Demat	Physical	Total	% of Total Shares	
B. PUBLIC SHAREHOLDING	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
1. Institutions									
a) Mutual Funds									
b) Banks/FI									
c) Cenntral govt									
d) State Govt.									
e) Venture Capital Fund									
f) Insurance Companies									
g) FIIS									
h) Foreign Venture Capital Funds									
i) Others (specify)									
SUB TOTAL (B)(1):	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2. Non Institutions	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
a) Bodies corporates									
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lakhs									
ii) Individuals shareholders holding nominal share capital in excess of ₹1 lakhs									
c) Others (specify)									
SUB TOTAL (B)(2):	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total Public Shareholding (B)= (B)(1)+(B)(2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	Nil	30621601	30621601	100	Nil	30621601	30621601	100	Nil

ii) Shareholding of Promoters

SN	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	The President of India	30548819	99.76	Nil	30548819	99.76	Nil	Nil
2	Shri Bhagwant Prasad Pandey, AS&FA, Ministry of Textiles, New Delhi	1		Nil	1			Nil
3	Smt. Pushpa Subrahmanyam, Joint Secretary, Ministry of Textiles, New Delhi	1		Nil	1			Nil
4	Ms. Geeta Narayan, Director, Ministry of Textiles, New Delhi	1		Nil	1			Nil
5	Shri A.K. Sharma, Dy. Secretary (IFW), Ministry of Textiles, New Delhi	1		Nil	1			Nil
6	Smt. Neelam S. Kumar, CCA, Ministry of Textiles, New Delhi	1		Nil	1			Nil
7	Shri Ram Singh, Director, Ministry of Textiles, New Delhi	1		Nil	1			Nil
8	The Governor, State Govt. of Uttar Pradesh	16928	0.055	Nil	16928	0.055		Nil
9	The Governor, State Govt. of Orissa	800	0.0026	Nil	800	0.0026		Nil
10	The Governor, State Govt. Of West Bengal	24600	0.080	Nil	24600	0.080		Nil
11	The Governor, State Govt. Of Bihar	2668	0.0087	Nil	2668	0.0087		Nil
12	The Governor, State Govt. of Karnataka	9450	0.030	Nil	9450	0.030		Nil
13	The Governor, Govt. of Andhra Pradesh	2397	0.0078	Nil	2397	0.0078		Nil
14	The Lt. Governor, Govt. of Puducherry	500	0.0016	Nil	500	0.0016		Nil
15	The Lt. Governor, Govt. NCT of Delhi	8348	0.027	Nil	8348	0.027		Nil
16	The Governor, Govt. of Rajasthan	4585	0.015	Nil	4585	0.015		Nil
17	The Governor, Govt. of Punjab	2500	0.008	Nil	2500	0.008		Nil
		30621601	100	Nil	30621601	100		Nil

iii) Change in Promoters' Shareholding (please specify, if there is no change) – No Change

SN		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	Nil	Nil	Nil	Nil
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
3	At the end of the year	Nil	Nil	Nil	Nil

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

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year				
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NOT APPLICABLE			
3	At the end of the year				

v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year				
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil			
3	At the end of the year				

V) INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(₹ In Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2156.59	27000.00	11039.67	40196.26
ii) Interest due but not paid		25648.78		25648.78
iii) Interest accrued but not due				
Total (i+ii+iii)	2156.59	52648.78	11039.67	65845.04
Change in Indebtedness during the financial year				
• Addition				
• Reduction				
Net Change	(-)1665.68	(+)4683.75	(-)202.66	(+)2815.41
Indebtedness at the end of the financial year				
i) Principal Amount	490.91	27000.00	10837.01	38327.92
ii) Interest due but not paid		30332.53		30332.53
iii) Interest accrued but not due				
Total (i+ii+iii)	490.91	57332.53	10837.01	68660.45

VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-
A. Remuneration to Managing Director, Whole-time Directors and / or Manager:
1. Shri P.C. Vaish (CMD & CFO)

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager Shri P.C. Vaish (CMD & CFO)				Total Amount in ₹
		----	----	----	---	
1	Gross salary					
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961					19,35,721/-
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961					*273947/-
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961					-
2	Stock Option					-
3	Sweat Equity					-
4	Commission - as % of profit - others, specify...					-
5	Others, please specify					-
	Total (A)					22,09,668/-
	Ceiling as per the Act					NA

*Over exempted Medical Reimbursement of ₹ 15000.

2. Shri R.K. Sinha, Director(HR)

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager Shri R.K. Sinha, Director(HR)				Total Amount in ₹
		----	----	----	---	
1	Gross salary					
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961					22,70,117/-
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961					*260647/-
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961					-
2	Stock Option					-
3	Sweat Equity					-
4	Commission - as % of profit - others, specify...					-
5	Others, please specify					-
	Total (A)					25,30,764/-
	Ceiling as per the Act					NA

*Over exempted Medical Reimbursement of ₹ 15000.

3. Shri Alokendra Banerjee, Director (Mktg.)

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager Shri Alokendra Banerjee, Director (Mktg.)				Total Amount in ₹
		----	----	----	---	
1	Gross salary					
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961					17,43,375/-
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961					*2,49,404/-
	c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961					-
2	Stock Option					-
3	Sweat Equity					-
4	Commission - as % of profit - others, specify...					-
5	Others, please specify					-
	Total (A)					19,92,779/-
	Ceiling as per the Act					NA

*Over exempted Medical Reimbursement of ₹ 15000.

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors		Total Amount in ₹
1	Independent Directors	Shri Raman Sidhu	Shri Amarendra Mahapatra	
	Fee for attending board / committee meetings	1,92,000/-	2,40,000/-	4,32,000/-
	Commission	Nil	Nil	-
	Others, please specify	Nil	Nil	-
	Total (1)	1,92,000/-	2,40,000/-	4,32,000/-
2	Other Non-Executive Directors	*Shri Arun Ramanathan		-
	Fee for attending board / committee meetings	36,000/-	-	36,000/-
	Commission		-	-
	Others, please specify	-	-	-
	Total (2)	36,000/-	-	36,000/-
	Total (B)=(1+2)	2,28,000/-	2,40,000/-	4,68,000/-
	Total Managerial Remuneration	-	-	-
	Overall Ceiling as per the Act	-	-	NA

*Special Director, BIFR who was discharged from the Directorship w.e.f. 20.11.2014 as NTC's net worth turned positive and therefore, company was discharged from the purview of SICA/BIFR.

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

(in ₹)

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO*	COMPANY SECRETARY Shri Pankaj Agarwal	CFO*	Total
1	Gross salary				
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		16,26,971/-		
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961		** 64,495/-		
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		-		
2	Stock Option		-		
3	Sweat Equity		-		
4	Commission		-		
	- as % of profit		-		
	others, specify...		-		
5	Others, please specify		-		
	Total		16,91,466/-		

*Since CEO & CFO being CMD, remuneration details are already given in IV(A) of this form. Hence not repeated.

**Over exempted Medical Reimbursement of ₹ 15000.

VII) PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

REPORT ON CORPORATE GOVERNANCE
1. Company's Philosophy

Corporate Governance is for ensuring values, ethical business conduct, transparency, disclosures as per laws, rules and guidelines. National Textile Corporation Limited (NTC) is committed to observe Corporate Governance practices at different levels and to achieve its objectives.

2. Board of Directors
2.1 Size of the Board

National Textile Corporation is a Government Company within the meaning of section 2(45) of the Companies Act, 2013. As per Articles of Association, the power to appoint Directors vests with the President of India. The Chairman shall be appointed by the President and the terms and conditions of his appointment shall be determined by the President. However, in addition to the Chairman, the President shall also appoint Managing Director, whole time Functional Directors and other Directors in consultation with the Chairman who shall not be liable to retire by rotation. No consultation will be necessary in case of Directors representing the Government.

In terms of the Article of the Company, the number of Directors of the Company shall not be less than seven and not more than fourteen. These Directors may be either whole time functional Directors or part time Directors.

2.2 Composition of Board

As on 31st March, 2015, the Board of Directors comprised of a Chairman & Managing Director, 3 other Functional Directors [Shri M.M. Chockalingam, Director(Mktg.), CCI Ltd. is in Addl. Charge of post of Director(Tech.), NTC Ltd. from 16.02.2015] and 4 Non-Executive Directors (2 Government Nominees and 2 Independent Directors).

2.3 Board Meetings

During the year, Eight (8) Board Meetings were held on 30.5.2014, 13.06.2014, 16.07.2014, 03.09.2014, 28.10.2014, 15.12.2014, 07.01.2015 and 26.02.2015 respectively.

Details of number of Board Meetings attended by Directors, attendance at the last Annual General meeting, number of other Directorships etc. during the year 2014-15 were as follows :

Sl. No.	Name of the Directors	Category of Directorship	No. of Board Meetings Attended During 2014-15	Attended at the last AGM	No. of other Directorship as on 31.3.2015/ during tenure
1*	Sh.P.C. Vaish	C&MD/Dir. (Fin.) (Till 13.3.2015 was in full charge of Director (Fin.) & thereafter in Addl. Charge.	8	Yes	7
2	Sh.R.K. Sinha	Dir.(HR) (Till 13.3.2015 was in addl. Charge of CMD)	8	Yes	7

Sl. No.	Name of the Directors	Category of Directorship	No. of Board Meetings Attended During 2014-15	Attended at the last AGM	No. of other Directorship as on 31.3.2015/ during tenure
3	Sh.Alokendra Banerjee	Dir.(Mktg.)	7	Yes	6
4*	Sh. M.M. Chockalingam	Dir.(Tech.) (Addl. Charge)	1	No	3
5*	Smt. Anita Agnihotri	Govt.Nominee	0	No	5
6*	Shri S.K. Bahri	Govt.Nominee	0	No	3
7*	Sh. Bhagwati Prasad Pandey	Govt. Nominee	5	No	3
8	Ms. Pushpa Subrahmanyam	Govt.Nominee	6	No	NIL
9*	Sh. Arun Ramanathan	Spl. Director, BIFR	2	No	8
10	Sh.Raman Sidhu	Independent Director	7	Yes	3
11	Sh. Amarendra Mahapatra	Independent Director	8	No	2

Sl.No.1(*)appointed as CMD on 13.3.2015 with retaining addl. Charge of Director (Fin.). His attendance in all the meetings is as Director (Fin.).

Sl.No.4*(Shri M.M. Chockalingam, Director(Mktg.), Cotton Corporation of India Ltd. in Addl. Charge of post of Director(Tech.), NTC Ltd. from 16.02.2015)

Sl.No.5(*) Cessation of Directorship w.e.f. 01.05.2014.

Sl.No.6*)appointed on 01.05.2014 & Cessation of Directorship w.e.f. 10.06.2014 (During his tenure one Board meeting held on 30.5.2014 but not attended by him),

Sl.No.7*)appointed on 10.06.2014 and

Sl.No.9*) Discharged from the Directorship w.e.f. 20.11.2014 as NTC's net worth turned positive and therefore discharged from the purview of SICA/ BIFR.

2.4 Information placed before the Board of Directors:

The Board has complete access to any information within the Company. The information regularly supplied to the Board, inter-alia includes the following:-

- Annual operating Plans and Budgets and updates.
- Capital Budget and updates.
- Annual Account, etc.
- Review of progress of ongoing projects including critical issues and areas needing management attention.
- Minutes of the meeting of Audit Committee and other Committees of the Board.
- Quarterly Financial results for the company.
- Operational activities of the Company
- Major investments, formation of subsidiaries and Joint Ventures, etc.
- Disclosure of Interest by Directors about directorship and Committee positions occupied by them in other companies.
- Any significant development in Human Resources/Industrial Relations like Revision of pay wage agreement, etc.

- Short term investment of surplus funds
- Highlights of important events from last meeting to the current meeting.

3. Audit Committee:

(a) Composition:

NTC in pursuance of excellence in corporate governance, formed an Audit Committee of its Board of Directors w.e.f. 28/8/2001 and the present Audit Committee re-constituted by the Board in its 352nd Meeting held on 15th December, 2014 consists of two independent Director, and One Functional Director. One Independent Director is the Chairman of Audit Committee. They are :-

1.	Shri Raman Sidhu	Chairman	Non-official part-time Director
2.	Shri Amarendra Mahapatra	Member	Non-official part-time Director
3.	Shri Alokendra Banerjee	Member	Director (Marketing)

Shri P.C. Vaish, CMD having additional charge of the post of Director(Finance), attends and participates in the Audit Committee Meeting as Invitee but not has the right to vote, as per section 177 of the Companies Act, 2013.

Head of Internal Audit and the Statutory Auditors are invited to the Audit Committee Meetings. Company Secretary is the Secretary to the Committee, Senior Functional executives are also invited as and when required to provide necessary clarifications to the Committee. Internal Audit Department provides necessary support for holding and conducting Audit Committee meetings.

(b) Meeting and Attendance of the Audit Committee

Six Meetings of the Audit Committee were held during the financial year 2014-15 on 18.04.2014, 11.07.2014, 14.07.2014, 09.10.2014, 15.11.2014 & 27.03.2015. The details of the Meetings of Audit Committee attended by the members are as under:-

Sl. No.	Name of the Directors	Status	No. of meetings attended
1	Shri Raman Sidhu	Chairman	6 (Six)
2*	Sh. Arun Ramanathan	Member	1 (One)
3	Shri Amarendra Mahapatra	Member	6 (Six)
4	Sh.Alokendra Banerjee	Member	6 (Six)

S.No.2(*) Cessation of membership on 20.11.2014.

(c) Powers:

The Audit Committee shall have powers commensurate with its role including the following:-

1. To investigate any activity within its terms of reference.
2. To seek information on and from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.
5. To protect whistle blowers.

(d) Scope of Audit Committee:-

The scope of the Audit Committee are as follows:-

1. Over-seeing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board the fixation of audit fees.
3. Recommendation to the Board for payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing with the management, the annual financial statements, before submission to the Board for approval, with particular reference to:-
 - a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause of section 134 of the Companies Act, 2013.
 - b) Changes, if any, in accounting policies and practices and reason for the same.
 - c) Major accounting entries involving estimates based on the exercise of judgement by management.
 - d) Significant adjustments made in the financial statements arising out of audit findings.
 - e) Compliance with legal requirements relating to financial statements.
 - f) Disclosures of any related party transactions; and
 - g) Qualification in the drafts audit report.
5. Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing with the management, performance of internal auditors and adequacy of the internal control systems.
7. Reviewing the adequacy of internal audit function, if any including the structure of the internal audit department, staffing and seniority of the officials heading the department, reporting structure, coverage and frequency of internal audit.
8. Discussion with internal auditor and /or auditors any significant findings and follow up thereon.
9. Reviewing the findings of any internal investigations by the internal auditors/auditors/agencies into matters where there is suspected fraud or irregularity or a failure of internal control system of a material nature and reporting the matter to the Board.
10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
12. Reviewing the functioning of the Whistle Blower Mechanism.
13. Reviewing the follow up action on the audit observation of the C&AG Audit.

14. Reviewing the follow up action taken on the recommendations of Committee on Public Undertakings (COPU) of the Parliament.
15. Providing an open avenue of communication between the independent auditors, internal auditors and the Board of Directors.
16. Reviewing all related party transactions in the company. For this purpose, the Audit Committee may designate a member who shall be responsible for re-viewing related party transactions.
17. Reviewing with the independent auditor the co-ordination of audit efforts to ensure completeness of coverage, reduction of redundant efforts, and the effective use of all audit resources.
18. Considering and reviewing the following with the independent auditor and the management:-
 - The adequacy of internal controls including computerised Information System Controls and security and
 - Related findings and recommendations of the independent auditor and internal auditors together with the management responses.
19. Considering and reviewing the following with the management, internal auditor and the independent auditor:-
 - Significant findings during the year, including the status of previous audit recommendations
 - Any difficulties encountered during audit work including any restrictions on the scope of activities or access to required information.
20. Carrying out any other function as is mentioned in terms of the reference of the Audit Committee.

4.(a) H.R. Sub Committee:

A H. R. Sub-Committee was constituted by the Board of Directors of NTC in it's 318th meeting held on 12th June, 2009 and the present H.R. Sub-Committee re-constituted by the Board in its 339th meeting held on 04/02/2013 consists of following members. The Committee has been constituted to prepare a personnel/HR policy for the company and discuss other important H/R matters and give its recommendations to the Board.

Four Meetings of the H.R. Sub-Committee were held during the financial year 2014-15.

The present H.R. Sub-Committee consists of following :-

SI.No.	Name of the Directors	Status	
1.	Shri Amarendra Mahapatra	Non-official part-time Director	Chairman
2.	Shri Alokendra Banerjee	Director (Marketing)	Member
3	Shri P.C. Vaish	Director (Finance)	Member
4.	Shri R.K. Sinha	Director (Human Resources)	Member Secretary

(b) Marketing Sub Committee:

A Marketing Sub-Committee was constituted by the Board of Directors of NTC in its 340th meeting held on 22/05/2013 and the present Marketing Sub-Committee re-constituted by the Board in its 347th meeting held on 30/05/2014 consists of following members. The Committee has been constituted to take forward the various

marketing initiatives and present the same before the Board. The Sub Committee also have periodic discussions in various ongoing marketing activities for the company and discuss other important marketing matters and give its recommendations to the Board.

SI. No.	Name of the Directors	Status	
1.	Shri Raman Sidhu	Non-official part-time Director	Chairman
2.	Shri Ram Singh	Director, MOT	Member
3.	Shri Adarsh Goyal	Outside Expert from Govt. CPSU	Member
4.	Shri Suman Chatterjee	Outside Expert from Private Sector	Member
5.	Shri P.C. Vaish	Director (Finance)	Member
6.	Shri Alokendra Banerjee	Director (Marketing)	Member Secretary

(c) CSR Committee:

A Corporate Social Responsibility (CSR) Committee was constituted by the Board of Directors of NTC in its 344th meeting held on 18/12/2013 which consists of following members. The Committee has been constituted to oversee the implementation of CSR and sustainability activities / projects in the Company.

S. No.	Name / Post of the of the Directors	Position in Committee
1.	Shri Raman Sidhu Independent Director	Chairman
2.	Director (HR)	Member
3.	Director (Finance)	Member
4.	Director (Technical) *	Member

* Till the joining of new Director (Technical), Director (Marketing) will attend the meeting as Member.

5. Remuneration of Directors:

The remuneration of the Functional Directors is decided by the Government of India. Sitting Fee payable to the Non-official part-time Director is fixed by Board of Directors of NTC in pursuance of DPE guidelines and Companies Act. Accordingly, the Board had decided the revised payment of sitting fee of ₹ 12,000/- (increased from ₹ 10000/-) for each meeting of the Board and Committees/Sub Committees of the Board, to each Non-official part-time Director in the 340th meeting held on 22.05.2013, in view of applicability of TDS on the same.

Details of remuneration of Functional Directors of the Company paid for the financial year 2014-15.

SI. No.	Name of the Directors	Salary	Benefits	Total
1	Shri P.C.Vaish	19,57,012/-	7,46,270/-	27,03,282/-
2	Shri R.K.Sinha	21,57,135/-	7,11,790/-	28,68,925/-
3	Shri Alokendra Banerjee	17,50,725/-	17,07,412/-	34,58,137/-
	Total	58,64,872/-	31,65,472/-	90,30,344/-

Details of sitting fee paid to Independent /Special Director(BIFR) during the financial year 2014-15 are given below:-

Sl. No.	Name of the Independent Directors/ Special Director(BIFR)	Sitting Fees for Board Meetings ₹	Sitting Fees for Committee Meetings ₹	Total ₹
1	Shri Raman Sidhu	84,000/-	1,08,000/-	1,92,000/-
2	Shri Amarendra Mahapatra	96,000/-	1,44,000/-	2,40,000/-
3	Shri Arun Ramanathan	24,000/-	12,000/-	36,000/-
	Total	2,04,000/-	2,64,000/-	4,68,000/-

6. Accountability of Directors:

Memorandum of Understanding (MOU), a mutually negotiated agreement and contract between the Management of NTC (CPSE) and the MOT (Administrative Ministry/Government of India) is signed before commencement of ensuing financial year, under the guidelines and mechanism laid down by DPE. Under this agreement, NTC undertakes to achieve the targets set in the agreement at the beginning of the year and it is intended to evaluate performance of NTC at the end of the year vis-a-vis the targets fixed in the beginning of the year.

It is done by adopting a system of “five point scale” and “criteria weight” which ultimately result in calculation of ‘composite score’ or an index of the audited performance of the enterprise. The composite score is forwarded to DPE through the administrative ministry viz. MOT by August of the succeeding financial year in line with the guidelines prescribed by DPE for their ratification. The MOU system enables NTC to perform efficiently as there are a variety of parameters both financial and non-financial in nature. The non-financial parameters compose an appropriate mix of Dynamic sector specific and Enterprises specific parameters. NTC has been vigorously following this system since 2007, which has helped immensely in fulfilment of its long ranging objectives and aspirations and overall growth over the period. The entire process also ensures transparency as well as accountability towards stakeholders.

7. General Body Meetings:

Date, time and venue of the last 3 Annual General Meetings held are as under:-

Sl. No.	Financial Year	Date	Time	Location
1	2013-14	30.9.2014	3.00 P.M.	Core-IV, Scope Complex, Lodhi Road, New Delhi-110 003
2	2012-13	14.8.2013	4.00 P.M.	
3	2011-12	27.9.2012	3.00 P.M.	

8. Disclosures:

There were no transactions by the Company of material nature with Promoters, Directors or the Management, their relatives, etc. that may have potential conflict with the interests of Company at large. The Non-Executive Directors had no pecuniary relationships or transactions with the company during the year except receipt of sitting fees for attending meetings of the Board/Board Sub-Committee. None of the Non-Executive Directors held any share of the Company (except two who hold 1 share each, value of ₹1000/-each as Nominee Shareholders of Government of India).

9. Shareholding Pattern of NTC:

As on 31st March, 2014, 99.76% shares of National Textile Corporation Limited are held by President of India and balance 0.24% are held by various State Governments.

10. Details of Joint Venture/Subsidiary Companies and its location:

NTC Ltd., at present having 5 JVCs/ subsidiaries. The JVCs/ subsidiaries are located at:-

Sl. No.	Name of the JVC/Subsidiary Company	Location
i	Apollo Design Apparel Parks Ltd.	382, N.M. Joshi Marg, Chinchpokli, Mumbai-400 011
ii	Goldmohur Design and Apparel Parks Ltd.	Dada Sahib Phalke Road, Dadar (east) Mumbai-400 014
iii	New City of Bombay Mfg. Mills Ltd.	63, T.B. Kadam Marg, Mumbai - 400 023
iv	Aurangabad Textiles and Apparel Parks Ltd.	Aurangabad Textiles Mills, Kothwalpura, Aurangabad Off. 63, T.B. Kadam Marg, Mumbai - 400 023
v	India United Textile Mill Ltd.	Dr. Ambedkar Road, Lalbaug, Parel, Mumbai-400 012

11. Code of Conduct:

The Company has introduced the Code of Conduct, applicable to the Board Members as well as the Senior Management personnel.

12. The quarterly as well as Annual Grading Report is being submitted regularly to the administrative ministry for onward submission to DPE for giving the final grading in it's Assessment Report.

Sd/-
Nityanand Singh
 Proprietor
 FCS No. 2668 CP No. 2388



Certificate of Compliance of Conditions of Corporate Governance

To

The Members of National Textile Corporation Ltd.

We have examined the compliance of conditions of Corporate Governance by National Textile Corporation Limited for the Financial Year ended 31st March 2015, as stipulated in guidelines on Corporate Governance for CPSE's issued by Department of Public Enterprises (DPE).

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of 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 guidelines on Corporate Governance for CPSE's issued by the Department of Public Enterprises (DPE).

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

For "Nityanand Singh & Co."
Company Secretaries

Sd/-

Nityanand Singh
Proprietor

FCS No. 2668 CP No. 2388

Place: New Delhi
Date : 09th July, 2015

**ANNUAL
ACCOUNTS
(STANDALONE)**



संलग्नक

एम.ए.बी-II / बीमा / एनटीसी / एकाउंड्स / 38-13/15-16/253

ल.सं.क्र. :

भारतीय लेखा परीक्षा एवं वाणिज्यिक लेखा परीक्षा बोर्ड
के अध्यक्ष, इंडियन टेक्सटाइल कॉर्पोरेशन लिमिटेड,
, ओएस 1 नए, यशवंत जे.के. रोड
नई दिल्ली

INDIAN AUDIT & ACCOUNTS DEPARTMENT
OFFICE OF THE PRINCIPAL DIRECTOR OF
COMMERCIAL AUDIT & EX-OFFICIO MEMBER,
AUDIT BOARD-II, NEW DELHI
दिनांक / DATE :20-08-2015.....

सेवा में,

अध्यक्ष एवं प्रबंधक निदेशक
नेशनल टेक्सटाइल कॉर्पोरेशन लिमिटेड
कोर-4, स्कोप कॉम्प्लेक्स, 7-लोदी रोड,
नई दिल्ली - 110003

वै.सं. क्र. 143 (6) (b) के अधीन 31 मार्च 2015 को समाप्त
वर्ष के लिए नेशनल टेक्सटाइल कॉर्पोरेशन लिमिटेड के वार्षिक लेखों पर भारत के नियंत्रक एवं
महालेखापरीक्षक की टिप्पणियाँ अग्रेषित करती हूँ। इन टिप्पणियों को कम्पनी की वार्षिक रिपोर्ट में
प्रकाशित किया जाए।

महोदय,

मैं कम्पनी अधिनियम 2013 की धारा 143 (6) (b) के अधीन 31 मार्च 2015 को समाप्त
वर्ष के लिए नेशनल टेक्सटाइल कॉर्पोरेशन लिमिटेड के वार्षिक लेखों पर भारत के नियंत्रक एवं
महालेखापरीक्षक की टिप्पणियाँ अग्रेषित करती हूँ। इन टिप्पणियों को कम्पनी की वार्षिक रिपोर्ट में
प्रकाशित किया जाए।

भवदीया,



प्रधान निदेशक

वाणिज्यिक लेखा परीक्षा एवं
पदेन सदस्य, लेखा परीक्षा बोर्ड - II
नई दिल्ली

संलग्नक : यथोपरि



COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF NATIONAL TEXTILE CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2015

The preparation of financial statements of National Textile Corporation Limited for the year ended 31 March 2015 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 19 June 2015.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) of the Act of the financial statements of National Textile Corporation Limited for the year ended 31 March 2015. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6) (b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report:

Comments on Profitability

Balance Sheet

Current Assets

Note 19- Other Current Assets

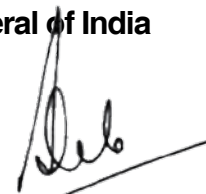
Interest accrued on deposits, loans and advances- ₹ 34.38 crore

The above includes interest of ₹ 21.94 crore on ₹ 56.10 crore loans given by the Company on 16 January 2012 to British India Corporation (BIC) after Ministry of Finance (MOF) conveyed its sanction (November 2011) to the Ministry of Textile (MOT) for the said loan. MOT in turn agreed for repayment of said loan to NTC through budgetary allocation in financial year 2011-12 but without budgetary support for interest on bridge loan.

As BIC is a sick company and largely dependent on budgetary support from MOT, interest income should not have been recognised in compliance with AS 9 which stipulates that revenue should be recognised only when no significant uncertainty exists.

Recognition of income has resulted in overstatement of income and understatement of Loss for the year by ₹ 7.63 crore, overstatement of Reserve and Surplus by ₹ 14.31 crore and Current Assets by ₹ 21.94 crore.

**For and on the behalf of the
Comptroller & Auditor General of India**



**(Suparna Deb)
Principal Director of Commercial Audit
& Ex-officio Member, Audit Board-II.
New Delhi**

**Place: New Delhi
Date: 20.08.2015**

INDEPENDENT AUDITORS' REPORT

To the Members of National Textile Corporation Limited

Report on the Standalone Financial Statements

1. We have audited the accompanying Standalone financial statements of **National Textile Corporation Limited** (the "Company"), which comprise the Balance Sheet as at 31ST March, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on these Standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the Standalone financial statements.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone financial statements.

Basis for Qualified Opinion

7. **We state that cumulative MAT Credit Entitlement of ₹ 9,230.26 Lacs shown as claimable as on 31st March, 2015 is not in accordance with Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income Tax Act, 1961 issued by the Institute of Chartered Accountants of India, since no convincing evidence is available that the company will pay normal income tax during the specified period and will be able to claim MAT Credit Entitlement. Had the Company not accounted MAT Credit Entitlement, long term loans & advances would have been ₹ 767.66 Lacs as against reported figure of ₹ 9,997.92 Lacs and Reserves & Surplus would have been ₹ (1,70,272.96) Lacs against reported figure of ₹ (1,61,042.70) lacs. This was also subject matter of basis for qualified opinion in previous year.**

Qualified Opinion

8. *In our opinion, and to the best of our information and according to the explanations given to us except for the effects of the matter described in the basis for qualified opinion paragraph above, the accompanying Standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:*
- in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2015;*
 - in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and*
 - in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.*

Emphasis of Matter

9. We draw attention to :
- Title Deeds of properties pending for transfer as ownership is in dispute. **(Refer Note No. 30.5)**
 - Properties & Assets are under unauthorized occupation. **(Refer Note No. 30.6)**
 - Pending disputes with regard to leasehold lands. **(Refer Note No. 30.7)**
 - Advance against sale of Assets pending court decisions/registration/possession **(Refer Note No.30.8)** and other property matters **(Refer Note No. 30.9)**.
 - Provisions on account of Income Tax on Capital Gains ₹ 20746.92 Lacs, Wealth Tax ₹ 179.94 Lacs and Minimum Alternate Tax of ₹ 9230.26 Lacs have been provided for but not paid pending decision of Board for Industrial & Financial Reconstruction (BIFR). **(Refer Note No. 30.2)**

Our opinion is not qualified in respect of these matters.

Other Matter

We did not audit the financial statements of branches/ sub offices included in the Standalone financial statements of the Company, which constitute total assets of ₹ 176855.23 Lacs and net assets of ₹ (40420.40 Lacs) as at 31st March, 2015, total revenue of ₹ 123267.19 Lacs and net loss of ₹ 33557.24 Lacs for the year then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us and have been considered in preparing this report after making such adjustments as considered necessary by us. Our opinion on the standalone financial statements to the extent they have been derived from such financial statements is based solely on the report of such auditors.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable including the relevant comments from the reports of seven Regional Offices / Sub Offices audited by the respective Branches auditor's appointed by the Comptroller and Auditor General of India.
11. As required by the Comptroller and Auditor-General of India vide its letter dated 24.04.2015 No.MAB-II/AA/9-27/14-15/97-98/100 in terms of sub-section (5) of section 143 of the Companies Act, 2013, we are unable to submit a statement on the matters specified in Annexure I and II of the letter due to non availability of information from Five Region/ branch auditors.
12. As required by section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of accounts as required by law have been kept by the company so far as it appears from our examination of those books and from the audit reports of the Regional Offices / Sub Offices not audited by us.
 - c) The Balance Sheet, the Statement of Profit & Loss and Cash Flow Statement dealt with by this report are in agreement with the books of accounts and with the audited statement of accounts from the Regional Offices / Sub Offices.
 - d) In our opinion and to the best of our information and according to the explanation given to us, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies(Accounts) Rules, 2014;
 - e) The Department of Company Affairs, Ministry of finance vide notification No.8/5/2001-CLV dated 21.10.2003 notified the provision of Section 164 (2) of the Act shall not apply to a Govt Company.
 - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 30.1 to the Standalone Financial Statements;
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii) As per the records of the company and according to the information and explanations given to us, provision of investor Education and Protection Fund in accordance with the provisions of section 205C Companies Act,1956 (1 of 1956) and rules made there under are not applicable to the company.

Place: New Delhi
Date: 19.06.2015

For TIWARI & ASSOCIATES
Chartered Accountants
Firm Registration Number: 002870N
sd/-
(Devender Magoo)
Partner
Membership Number 85739

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph '11' of the Independent Auditors' Report to the Members of National Textile Corporation Limited on the financial statements for the year ended 31st March, 2015

- (i) (a) The Company is maintaining proper records to show full particulars including quantitative details and situation of Fixed Assets, except in regard to:
- **Item wise cost and depreciation of assets as on 01.04.1974 are not available in Closed Mills in Gujarat as reported by Sub Office Gujarat Auditors.**
 - **Fixed Asset Register have not been updated in Kerala Lakshmi Mills, RMD Patna, RMD Kolkatta, Sub Office UP.**
- (b) As explained to us, the Company has a programme of physically verifying all its fixed assets in a phased manner, which in our opinion is reasonable having regard to the size of the Company and the nature of its fixed assets. In accordance with this programme, a portion of the fixed assets were physically verified by the management during the year. The discrepancies noticed on such verification between the physical balances and the fixed assets records were not material and have been properly dealt with in the books of account. **However, no physical verification was carried out in respect of lands, buildings, bungalows, staff quarters and chawls which are in the possession of third parties or illegal occupants and verification not done in RMD, Patna & Kolkatta as reported by Sub Office West Bengal auditors.**
- (ii) (a) During the year, the inventories have been physically verified by the management **except the showroom at Indore which is sealed by the order of court.** 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 inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the record of inventories, we are of the opinion that, the Company is maintaining proper records of inventories. The discrepancies noticed on physical verification of inventories as compared to book records were not material and have been properly dealt with in the books of account.
- (iii) According to the information and explanations given to us, the company has not granted any loan secured and unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. Therefore clauses (iii)(a) & (iii)(b) of paragraphs of 3 of the order are not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems, commensurate with the size of the Company and the nature of its business with regard to the purchase of inventories, fixed assets and with regard to the sale of goods and services **except Cloth Sales made to Schools at Kerala State and Kerala Lakshmi Mills of Southern Regional Office where the internal control procedures need to be strengthened in respect of Fixed assets as reported by SRO Auditors.** Further, on the basis of our examination and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in aforesaid internal control system.

- (v) The Company has not accepted any deposits from the public within the meaning of sections 73 to 76 or any other relevant provisions of the Companies Act.
- (vi) Branch Auditor's have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under Sub Section (1) of Section 148 of the Companies Act, and are of the opinion that, prime facie, the prescribed accounts and records have been made and ***maintained except in case of Arati Cotton Mills under Kolkata Sub Office where no such records were made available to the Branch Auditors.*** They have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanation given to us and the records of the company examined by us, in our opinion, except for dues given below, the company is generally regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance, Sales tax, Service tax, Excise Duty, Cess and other material statutory dues, as applicable, with the appropriate authorities. *The extent of the arrears of the statutory dues outstanding as at 31st March, 2015, for a period of more than six months from the date they became payable are as follows:*

Name of the Statute	Nature of The Due	Amount (₹ in Lacs)	Period to which the amount relates
The Employees' Provident Funds and Miscellaneous Provisions Act, 1952	PF Contribution related to Pre Nationalization period & PF Liquidated Damages	524.65	NA
ESI Act , 1948	ESI Contribution, Interest & Liquidated Damages	231.93	NA
Central Sales Tax Act and Sales Tax Act of various States	CST ,VAT & Local Taxes	56.61	NA
	Interest on Sales Tax	1.08	NA
Central Excise Act,1944 & Customs Act , 1962	Custom & Excise Duty	471.87	NA
Local Acts of various States	Water Tax	136.97	NA
	Municipal Tax	80.38	NA
	Interest on Professional Tax	5.12	NA
	Municipal Corporation Dues	5.53	NA
	Electricity charges	941.06	NA
Income Tax Act , 1961	Minimum Alternate Tax *	9230.26	2010-11 to 2012-13
	Capital Gain Tax *	20746.92	2010-11 to 2012-13
Wealth Tax Act , 1957	Wealth Tax *	179.94	NA
Service Tax	Service Tax	0.11	NA

*Refer Note 30.2

Information in respect of period for which the dues relate and due date has not been made available to us in some cases.

- b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of disputed dues on account of income tax, sales tax, excise duty, service tax and other statutory dues that have not been deposited as at 31st March, 2015 by the Company on account of a dispute are as follows :-

Name of the Statute	Nature of the Due	Amount (₹ in Lacs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty	538.53	NA	Appellate Authorities at various level of central excise Department, under appeal at Appellate Tribunal
	Differential Excise Duty	1.19	NA	Commissioner of Central Excise. (Appeals)
ESI Act , 1948	ESI	40.85	NA	Court case for terminated employees , ESI Court
	Post Take over & post Nationalization damages ESIC	1487.19	NA	Regional Deputy Director ESIC & ESI Court
The Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Provident Fund (includes ₹ 30.25 Lacs relating to Head office)	59.08	2006-07 to 2009-10 (Head office)	Court case for terminated employees, Appellate Tribunal, Kerala High Court
	Penalty & Damages of PF	811.26	NA	Regional Provident Fund Commissioner, Provident Fund Commissioner
	Post Take over & post Nationalization damages PF	5118.34	NA	Central Provident Fund Commissioner
	Post Take over & post Nationalization damages (Disputed PF)	1463.66	NA	Regional Provident Fund Commissioner
Customs Act , 1962	Custom Duty	28.72	NA	Appellate Tribunal
Central Sales Tax Act and Sales Tax Act of various States	Sales Tax	807.09	NA	Pending Appeal , Appellate Authorities of Sales Tax Department
	CST	5062.25	NA	Chennai High Court
	VAT	226.36	NA	Chennai High Court
	UP Trade Tax	109.06	NA	Appeal pending with Appellate Authority
	TNGST,CST & Penalty	80.60	NA	Additional Appellate Assistant Commissioner
Local Acts of various States	Property Tax	193.56	NA	Tax Board of Rajasthan, Municipal Corporation
	Municipal Corporation Dues	165.27	NA	Local Authorities
	Professional Tax	15.48	NA	Professional Tax Authorities

Information in respect of period for which the dues relate has not been made available to us in many cases.

- (c) As per the records of the company and according to the information and explanations given to us, provision of investor Education and Protection Fund in accordance with the provisions of section 205C Companies Act, 1956 (1 of 1956) and rules made there under are not applicable to the company.
- (viii) **The company's accumulated losses at the end of the financial year were more than fifty percent of its net worth. Further, the Company has incurred cash losses during the year ended 31st March, 2015 and also in the immediately preceding financial year ended 31st March, 2014.**
- (ix) **According to the information and explanations, the Company SRO's, Kaleeswarar Mills and Somasundaram Mills has defaulted in payment of interest on Cash Credit Accounts to State Bank of Mysore by an amount of ₹ 75.45 Lacs in previous years, which is outstanding as on 31st March, 2015. The SRO has submitted application of Waiver of entire interest. (Refer Note No. 30.31.4)**
- (x) In our opinion, and according to the information and explanations given to us, the Company has not given guarantee for loans taken by others from banks or financial Institutions during the year . Accordingly, the provisions of Clause 3(x) of the Order are not applicable to the Company. However the Company has given guarantee of ₹ 1000 Lacs taken by Swadeshi Polytex Limited (Subsidiary) from Srei Infrastructure Ltd on 15.02.2006 .
- (xi) The Company has not raised any term loans during the year. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.
- (xii) 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 material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management, **except in one of the Retail outlet at Tirunelveli where a fraud has been noticed in respect of Shortage of Stocks of ₹ 4.61 Lacs during this current year and investigation is under progress, hence the financial implication could not be quantified.**

**For TIWARI & ASSOCIATES
Chartered Accountants
Firm Registration Number: 002870N**

**Sd/-
(Devender Magoo)
Partner
Membership Number 85739**

**Place: New Delhi
Date: 19.06.2015**

REPORT UNDER SECTION 143 (5) OF THE COMPANIES ACT, 2013 OF THE NATIONAL TEXTILE CORPORATION LIMITED – NTC STANDALONE FOR THE YEAR ENDED 31ST MARCH, 2015

Sr.No	Questions	Answers								
1	If the Company has been selected for disinvestment, a complete status report in terms of valuation of Assets (including intangible assets and land) and Liabilities (including Committed & General Reserves) may be examined including the mode and present stage of disinvestment process.	Not Applicable								
2	Please report whether there are any cases of waiver/write off of debts/loans/interest etc., if yes, the reasons there for and the amount involved.	During the course of our audit, we have not come across any such cases.								
3	Whether proper records are maintained for inventories lying with third parties & assets received as gift from Govt. or other authorities.	Based on the reports received from the Branch Auditors, wherever applicable, the units have maintained proper records for inventories lying with third parties. Further, on the basis of our checks, information & explanation obtained, the Corporation has not received any asset as gift from the Government or other authorities.								
4	A report on age-wise analysis of pending legal/arbitration cases including the reason of pendency and existence/ effectiveness of a monitoring mechanism for expenditure on all legal cases (foreign and local) may be given.	<p>The Branch Auditors has reported the age-wise details of the pending cases by taking the different age groups of the cases, which we have summarized as under:-</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;">Period</th> <th style="text-align: center;">No. of Cases</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Upto 3 years</td> <td style="text-align: center;">601</td> </tr> <tr> <td style="text-align: center;">Above 3 years</td> <td style="text-align: center;">2616</td> </tr> <tr> <td style="text-align: center;">Others (details not available)</td> <td style="text-align: center;">17</td> </tr> </tbody> </table> <p>The Branch Auditor has not provided reasons for the pendency of the cases. As far as Head office is concerned, cases are at different stages and are being followed. The company is incurring huge expenses on legal matters for safeguarding the assets but we have not come across any monitoring mechanism to verify its effectiveness.</p>	Period	No. of Cases	Upto 3 years	601	Above 3 years	2616	Others (details not available)	17
Period	No. of Cases									
Upto 3 years	601									
Above 3 years	2616									
Others (details not available)	17									

Sub directions issued u/s 143(5) of the Companies Act, 2013

S.No.	Questions	Answers
1	Land	
	Whether the Company has clear title/lease deeds for freehold and leasehold land respectively? If not, please state the area of freehold and leasehold for which title/lease deeds are not available.	Yes, as per the information and explanations given to us and based on reports received from the Branch Auditors, the Corporation has clear title/lease deeds for freehold and leasehold land respectively except as disclosed under Note No. 30.5, & 30.7 to the Financial Statements of the Company. Some of staff quarters, premises, shops and land are under unauthorized occupation as disclosed under Note No. 30.6 of the Financial Statements of the Company.
2	Confirmation of balances	
(i)	Whether amount of (a) bank balances (b) trade receivables (c) trade payables (d) loans and advances for which third party confirmation was not made available has been reported?	The third party confirmation was not made available in respect 1. Bank Balances – 0.0001% 2. Trade Receivable – 20.39% 3. Trade Payable – 9.32% 4. Loans & Advances – 17.13%
(ii)	Where such balance has been confirmed by respective parties, whether it varies widely from the amounts reflected under respective heads in the financial statements, and if so, difference to be disclosed.	As explained and as per documents produced before us by the management and based on the reports received from the Branch Auditors, we have not come across any such incidence.
3	Reconciliation of deposits	
	Whether the deposits/advances made by the Company to the Customs, Excise, Income tax, Sales tax (VAT), Service tax and other authorities have been verified and reconciled with the respective authorities?	Based on the reports received from Branch Auditors and as per information and explanations given to us, the deposits / advances made by the company to the Customs, Excise, Income tax, Sales tax (VAT), Service tax authorities has been scrutinized as per the Books of Accounts vis-à-vis respective returns. However, no such reconciliation has been done with the respective authorities.
4	Employee Benefits	
	Independent verification may be made of information/inputs furnished to Actuary, viz number of employees, average salary, retirement age and assumptions made by the Actuary regarding discount rate, future cost increase, mortality rate, etc for arriving at the provision for liability of retirement benefits, viz gratuity, leave encashment, post retirement medical benefits etc.	We have broadly reviewed the information/input furnished to the Actuary and prima facie they appears to be accurate and complete. Further, in respect of the benchmark used by the actuary for assumptions such as discount rate, future cost increase, mortality rate etc for arriving at the provision for liability of retirement benefits viz gratuity, leave encashment, post retirement medical benefits etc., we submit that the matter being technical in nature we have relied upon the actuary who is subject expert.

Compliance Certificate

We have conducted the audit of the accounts of **National Textile Corporation Limited - Standalone**, New Delhi for the year ended on 31st March, 2015 in accordance with the directions/sub-directions issued by the C&AG of India under Section 143 (5) of the Companies Act, 2013 and certify that we have complied with all the directions issued to us.

For TIWARI & ASSOCIATES
Chartered Accountants
Firm Registration Number: 002870N

Sd/-
(Devender Magoo)
Partner
Membership Number 85739

Place: New Delhi
Date: 16.07.2015

BALANCE SHEET AS AT 31ST MARCH, 2015

Amount ₹ in Lacs

PARTICULARS	Note No.	Figures as at the end of the current reporting period 31-03-2015	Figures as at the end of the previous reporting period 31-03-2014
I) EQUITY AND LIABILITIES			
1. Shareholders Funds			
a) Share Capital	2	306,216.01	306,216.01
b) Reserve & Surplus	3	(161,042.70)	(129,240.03)
Sub Total (1)		145,173.31	176,975.98
2. Non Current Liabilities			
a) Deferred Tax Liabilities (Net)	4	-	-
b) Other Long Term Liabilities	5	3,702.82	4,267.10
c) Long Term Provisions	6	12,829.66	13,166.08
Sub Total (2)		16,532.48	17,433.18
3. Current Liabilities			
a) Short Term Borrowings	7	490.91	2,156.59
b) Trade Payables	8	24,562.76	26,435.87
c) Other Current Liabilities	9	92,270.38	82,440.63
d) Short Term Provisions	10	34,420.15	34,559.35
Sub Total (3)		151,744.20	145,592.44
TOTAL (1+2+3)		313,449.99	340,001.60
II) ASSETS			
1. Non Current Assets			
a) Fixed Assets			
i) Tangible Assets	11 (I)	106,800.08	123,031.42

PARTICULARS	Note No.	Figures as at the end of the current reporting period 31-03-2015	Figures as at the end of the previous reporting period 31-03-2014
ii) Intangible Assets	11 (II)	14.90	49.26
iii) Capital Work in Progress		1,116.14	1,794.81
Sub Total (a)		107,931.12	124,875.49
b) Non Current Investments	12	1,957.39	1,811.97
c) Long Term Loans and Advances	13	9,997.92	10,052.94
d) Other Non Current Assets	14	3,814.33	3,338.14
Sub Total (1)		123,700.76	140,078.54
2. Current Assets			
a) Inventories	15	32,618.83	33,675.06
b) Trade Receivables	16	6,198.81	6,926.30
c) Cash and Bank Balances	17	125,559.04	134,857.25
d) Short term Loans and Advances	18	12,092.66	11,922.38
e) Other Current Assets	19	13,279.89	12,542.07
Sub Total (2)		189,749.23	199,923.06
TOTAL (1+2)		313,449.99	340,001.60

Significant Accounting Policies & Notes to the Financial Statements 1
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Sd/-
(Pankaj Agarwal)
Company Secretary

Sd/-
(Alokendra Banerjee)
Director (Marketing)

Sd/-
(R.K. Sinha)
Director (HR)

As per our separate report of even date attached
For **TIWARI & ASSOCIATES**
Chartered Accountants
Firm Registration Number: 002870N

Sd/-
(P.C. Vaish)
Chairman & Managing Director

Sd/-
(Devender Magoo)
Partner
Membership Number: 085739

Place of signing: New Delhi
Date: 19-06-2015

**STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31ST MARCH, 2015**

Amount ₹ in Lacs

PARTICULARS	Note No.	Figures for the current reporting period 2014-15	Figures for the previous reporting period 2013-14
I. Revenue from operations (Gross)	20	121,395.48	110,373.31
Less: Excise duty		(6.74)	(9.78)
Revenue from operations (Net)		121,388.74	110,363.53
II. Other Income	21	15,469.80	15,852.35
III. TOTAL REVENUE		136,858.54	126,215.88
IV. EXPENSES			
Cost of Material Consumed	22	66,265.68	66,799.42
Purchase of Stock in Trade		10,678.71	7,136.56
Change in Inventories	23	94.27	(7,489.17)
Employees Benefit Expenses	24	28,448.98	28,217.39
Finance Cost	25	5,760.72	5,365.79
Depreciation and amortization Expenses		17,546.95	11,246.07
Manufacturing, Administrative and Selling Expenses	26	34,551.29	32,455.03
Provisions	27	20.37	131.84
TOTAL EXPENSES		163,366.97	143,862.93
V. Profit/ (Loss) before exceptional, extraordinary items and tax (III - IV)		(26,508.43)	(17,647.05)
VI. Prior Period Income/(Expenses)	28	(4,931.00)	(157.47)
VII. Exceptional Items			
Debts written back/ (off)		0.04	(721.34)
Old Assets written off		(0.26)	(41.25)
Provisions Written Back		245.53	946.94
VIII. Profit/ (Loss) before extraordinary items and Tax (V + VI + VII)		(31,194.12)	(17,620.17)

PARTICULARS	Note No.	Figures for the current reporting period 2014-15	Figures for the previous reporting period 2013-14
IX. Extraordinary Items	29	(430.75)	49.11
X. Profit/ (Loss) before Tax		(31,624.87)	(17,571.06)
XI. Tax Expenses			
Current Taxes		-	-
MAT Credit Entitlement		-	-
a) Net Current Taxes		-	-
b) Deffered Taxes		-	-
c) Tax Adjustment of Previous years (Net)		-	-
XII. Profit/ (Loss) for the period for the continuing operations (X - XI)		(31,624.87)	(17,571.06)
XIII. Earning per equity share (Par value ₹ 1000/- per share)			
1. Basic (in ₹)		(103.28)	(57.38)
2. Diluted (in ₹)		(103.28)	(57.38)
Earning per equity share excluding Extraordinary Items			
1. Basic (in ₹)		(101.87)	(57.54)
2. Diluted (in ₹)		(101.87)	(57.54)

Significant Accounting Policies &
Notes to the Financial Statements

1
30

Sd/-
(Pankaj Agarwal)
Company Secretary

Sd/-
(Alokendra Banerjee)
Director (Marketing)

Sd/-
(R.K. Sinha)
Director (HR)

As per our separate report of even date attached
For **TIWARI & ASSOCIATES**
Chartered Accountants
Firm Registration Number: 002870N

Sd/-
(P.C. Vaish)
Chairman & Managing Director

Sd/-
(Devender Magoo)
Partner
Membership Number: 085739

Place of signing: New Delhi
Date: 19-06-2015

**CASH FLOW STATEMENT FOR
THE YEAR ENDING 31ST MARCH, 2015**

Amount ₹ in Lacs

	Particulars	Sources/(Applications)	
		For the year 2014-15	For the year 2013-14
A	Net Profit before Taxation, Exceptional and Extraordinary Items	(26,508.43)	(17,647.05)
B	Adjustments for		
	i) Depreciation and Amortizations	17,546.95	11,246.07
	ii) Foreign exchange rate difference (Net)	(45.54)	(31.41)
	iii) Interest and Other Income	(13,511.75)	(13,852.88)
	iv) Dividend Income	(694.49)	(645.06)
	v) Finance Charges	5,580.03	5,214.63
	vi) Provisions	20.37	131.84
C	Operating Profit before Working Capital changes (A+B)	(17,612.86)	(15,583.86)
D	Cash flow from Working Capital changes		
	i) Increase/Decrease in Inventory	1,056.23	(7,933.89)
	ii) Increase/Decrease in Trade Receivables	727.49	(437.85)
	iii) Increase/Decrease in other Current Assets	(1,214.01)	(1,295.64)
	iv) Increase/Decrease in Loans and Advances	(115.26)	(950.92)
	v) Increase/Decrease in Trade Payable/ Current Liabilities/ Provisions	2,363.58	4,126.84
	vi) Provisions	(20.37)	(131.84)
	vii) Other Bank Balances	15,081.56	5,082.95
E	Cash generated from Operations (C+D)	266.36	(17,124.21)
F	Adjustments for Taxation, Exceptional and Prior Period Items		
	i) Extraordinary Items	(432.21)	(427.78)

	Particulars	Sources/(Applications)	
		For the year 2014-15	For the year 2013-14
	ii) Prior Period Items	(4,931.00)	(157.47)
	iii) Provision Written Back	100.11	946.94
	iv) Bad Debts, Old Assets written off	(0.22)	(762.59)
G	Net Cash Flow from Operating Activities (E+F)	(4,996.96)	(17,525.11)
H	Cash Flow from Investing activities		
	i) Purchase of Fixed Assets	(867.70)	(5,285.79)
	ii) Sale of Fixed Assets and FSI	88.78	618.46
	iii) Advance Against sale of Assets	-	(12.54)
	iv) Sale/ Purchase of Investments	-	(0.15)
	v) Sundry Creditors for Machinery	(130.59)	(258.39)
	vi) Foreign Exchange rate difference (Net)	45.54	31.41
	vii) Interest Income	13,511.75	13,852.88
	viii) Dividend received	694.49	645.06
	ix) Extraordinary Items (Surrender of Rights & Others)	-	(8.26)
	Cash Flow from Investing activities (Sub Total - H)	13,342.27	9,582.68
I	Cash Flow from Financing Activities		
	i) Increase/Decrease in Secured Loans	(1,665.68)	791.32
	ii) Unsecured Loans Received		
	iii) Finance Charges	(896.28)	(619.35)
	Cash Flow from Financing Activities (Sub Total - I)	(2,561.96)	171.97
J	Net Change in Cash and Cash Equivalents (G+H+I)	5,783.35	(7,770.46)
	Cash and Cash Equivalents as at 1 st April (Opening Balance)	12,220.10	19,990.56
	Cash and Cash Equivalents as at 31 st March (Closing Balance)	18,003.45	12,220.10



	Particulars	Sources/(Applications)	
		For the year 2014-15	For the year 2013-14
Notes:			
1)	CASH AND CASH EQUIVALENTS	2014-15	2013-14
	Balance with Banks		
	In Current A/c	4,133.50	5,350.14
	In Savings A/c	3.50	-
	In Fixed Deposits (having Maturity within 3 Months)	13,643.46	6,632.59
	Cheques in Hand	2.16	160.09
	Stamps in Hand	0.06	0.03
	Remittances in transit	144.11	17.32
	Cash in Hand	73.14	56.86
	Employees Security Deposit	3.22	2.77
	Balance with Post Office	0.30	0.30
		18,003.45	12,220.10
2)	Being a Manufacturing Company Financial Charges paid is included in Financial activity and Income from Investment in Banks etc is shown under Investment activity as per AS-3		

Sd/-
(Pankaj Agarwal)
Company Secretary

Sd/-
(Alokendra Banerjee)
Director (Marketing)

Sd/-
(R.K. Sinha)
Director (HR)

As per our separate report of even date attached
For **TIWARI & ASSOCIATES**
Chartered Accountants
Firm Registration Number: 002870N

Sd/-
(P.C. Vaish)
Chairman & Managing Director

Sd/-
(Devender Magoo)
Partner
Membership Number: 085739

Place of signing: New Delhi
Date: 19-06-2015

Note No. – 1

SIGNIFICANT ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

- i) In compliance with the accounting standards referred to in Section 133 and the other relevant provisions of the Companies Act, 2013 to the extent applicable, the company follows the accrual system of accounting in general and the historical cost convention in accordance with the Generally Accepted Accounting Principles (GAAP), except where otherwise stated.
- ii) The preparation of accounting statements in conformity with GAAP requires the management to make assumption and estimates that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statement and the amounts of income and expenses during the period reported under the financial statements. Any revision to the accounting estimates are recognised prospectively, when revised.
- iii) All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current, non-current classification of assets and liabilities.

1.2 FIXED & INTANGIBLE ASSETS

- i) Fixed Assets are stated at cost, net of Excise and Custom duty where MODVAT credit on capital goods is availed, except taken over as a result of nationalisation, which are stated at values then approved by the Board and revalued assets at revalued price less accumulated depreciation and impairment loss, if any.
- ii) Cost includes freight and insurance, duties and taxes, installation and commissioning charges and other charges till the date of commissioning. In case of imported fixed assets, it includes, in addition to above, other charges payable as per foreign exchange contract.
- iii) Intangible Assets – Cost incurred on intangible assets, resulting in future economic benefits are capitalized as intangible assets and amortized on equated basis normally over a period of 5 (five) years and for other assets having more life, the periodicity may be decided after seeking approval from the Board.

1.3 INVESTMENTS

- i) Long term investments are stated at the cost of acquisition. However, provision for diminution is made to recognize a decline, other than temporary, in the value of long term investments.
- ii) Current investments are stated at the lower of cost or fair market value.

1.4 DEPRECIATION & AMORTISATION

- i) Depreciation on fixed assets has been provided pro-rata on straight line method, in accordance with the circular No. GSR 237 (E) (F No.17/60/2012-CL.V) dated 29-8-2014 w.e.f. 1.4.2014 of the Government of India, Ministry of Law Justice and Company Affairs, Department of Company Affairs, as per the useful lives of the assets specified in Part C of Schedule II of the Companies Act, 2013.
- ii) Premium paid on leasehold lands/ properties are amortized over the respective lease period.

1.5 INVENTORIES

Inventories are valued as follows:

- i) Raw Material in Stock: At variety-wise monthly weighted average cost or net realizable value whichever is lower.
- ii) Raw material in Transit and finished goods (packed yarn and cloth): At cost or net realizable value whichever is lower.
- iii) Finished Goods at depot (Yarn / Cloth): At lower of cost or net realizable value.
- iv) Finished Goods at retail Marketing Depots / Divisions, Retail Showrooms, and duty paid godowns: Cost including excise duty or net realizable value whichever is lower. The cost is determined by reducing from the sale value appropriate percentage of gross margin. Net realizable value is determined after appropriate discounts for damages, cut pieces, age of stock, market forces, if any.
- v) Stores and Spares: At weighted average cost or net realizable value whichever is lower.
- vi) Materials in Process: At cost or net realizable value whichever is lower.
- vii) Loose yarn & Cloth under process, and with processors etc: At lower of cost or net realizable value less expenses to be incurred to make them ready for sale.
- viii) Scrap and saleable waste: At net realizable price.
- ix) Useable wastes: At weighted average cost or net realizable value whichever is lower.

Note: The net realizable value mentioned above means the net realizable value prevalent on the close of the financial year. Wherever, the net realizable value is not available, cost is adopted.

1.6 EMPLOYEE BENEFITS

- i) Gratuity/Leave salary and other Terminal benefits are accounted for on the basis of actuarial valuation at the end of the year.
- ii) Contributions to Provident Fund, is recognized as an expense in the profit and loss account of the year in which the related service is rendered.

1.7 FOREIGN EXCHANGE TRANSACTIONS

- i) Foreign currency transactions in respect of non-monetary items like Fixed Assets, Inventories and Investments in Equity Shares etc. are recorded at the exchange rate prevailing on the date of transactions.
- ii) Monetary items of assets and liabilities like cash, receivables, payables etc. are translated on reporting date at the closing rate or at a fixed rate where exchange rate is booked in advance. Exchange rates difference during the year is recognized in the Profit and Loss account.

1.8 GOVERNMENT GRANTS

The grant received is accounted for on cash basis. The balance of un-utilised grant at the year end is shown as Current Liability.

1.9 CENVAT and VAT

CENVAT and VAT are accounted for by reducing purchase cost of related materials, in cases, where credit for the same is availed.

1.10 REVENUE RECOGNITION

- i) Sales Revenue is recognized, in case of direct sale on raising of invoice and delivery of goods and in respect of depot/ consignment sales, revenue is recognized on the basis of “Accounts Statement” from Depot/Consignment Agent confirming the sale. Sales to DGS&D are accounted for at provisionally quoted rates and the difference, if any, in finalized rates is accounted in the year in which rates are finalized.
- ii) Purchase of Raw Materials is accounted for on invoice value except in the case of supplies from Govt. Agencies where it is valued on the basis of Proforma invoice in the absence of invoice.
- iii) Export sales are accounted for at FOB value basis.

1.11 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

1.12 EARNINGS PER SHARE

Basic earnings per equity share is computed by dividing net profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed by dividing adjusted net profit after tax by the aggregate of weighted average number of equity shares and diluted potential equity shares outstanding during the year.

1.13 PROVISION FOR CURRENT & DEFERRED TAX

Provision for current tax is made after taking into consideration benefits admissible under the provision of Income Tax Act, 1961. Deferred tax resulting from “Timing Differences” between the book and taxable profit is accounted for using the tax rate and laws that have been enacted or substantially enacted as on the Balance Sheet date. The deferred tax assets are recognized and carried forward only to that extent for which there is a reasonable certainty that the assets will be realized in future.

1.14 BORROWING COST

Borrowing costs, that are attributable to the acquisition of qualifying assets, till the date on which assets is put to use/commissioned are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue in the period they are incurred.

Note No. - 2
SHARE CAPITAL
Amount ₹ in Lacs

PARTICULARS	Figures as at the end of the current reporting period 31-03-2015	Figures as at the end of the previous reporting period 31-03-2014
Authorised		
{50000000 Equity Shares (Previous Year 50000000 Equity Shares) of ₹ 1000/- each}	500,000.00	500,000.00
Issued, Subscribed & Paid up	306,216.01	306,216.01
{30621601 Equity Shares (Previous Year 30621601 Equity Shares) of ₹ 1000/- each of equal rights}		
Total	306,216.01	306,216.01
2.1 Reconciliation of the number of shares outstanding is set out below :		
	Amount	Amount
Equity shares at the beginning of the year	306,216.01	306,216.01
Add : Shares issued during the year	-	-
Less: Shares buyback during the year	-	-
Equity shares at the end of the year	306,216.01	306,216.01
	No. of Shares	No. of Shares
Equity shares at the beginning of the year	30,621,601	30,621,601
Add : Shares issued during the year	-	-
Less: Shares buyback during the year	-	-
Equity shares at the end of the year	30,621,601	30,621,601
2.2 Details of Shareholders holding more than 5% shares Government of India		
No. of Shares	30,548,825	30,548,825
Percentage	99.76%	99.76%

2.3 Rights, Preferences and restrictions attached to Shares:

Equity shares: The Company has issued one class of equity shares having par value of ₹ 1000/- per share. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

Note No. - 3
RESERVE AND SURPLUS
Amount ₹ in Lacs

PARTICULARS	Figures as at the end of the current reporting period 31-03-2015	Figures as at the end of the previous reporting period 31-03-2014
01. Capital Reserve		
Balance at the beginning of the year	345,590.27	345,590.26
Additions/ (Deductions) during the Year	-	0.01
Balance at the end of the year	345,590.27	345,590.27
02. Revaluation Reserve		
Balance at the beginning of the year	16,722.89	16,722.89

PARTICULARS	Figures as at the end of the current reporting period 31-03-2015	Figures as at the end of the previous reporting period 31-03-2014
Additions/ (Deductions) during the Year	-	-
Balance at the end of the year	16,722.89	16,722.89
03. Capital Subsidy		
Balance at the beginning of the year	-	-
Additions/ (Deductions) during the Year	-	-
Balance at the end of the year	-	-
04. Special Reserve u/s 36 (i) (viii) of the Income Tax Act		
Balance at the beginning of the year	242.48	242.48
Additions/ (Deductions) during the Year	-	-
Balance at the end of the year	242.48	242.48
05. Surplus		
Balance at the beginning of the year	(491,795.67)	(474,224.61)
Add: Profit/ (Loss) for the Year	(31,624.87)	(17,571.06)
Less: Adjustments for the Depreciation Reserves for earlier years	(177.80)	-
Balance at the end of the year	(523,598.34)	(491,795.67)
TOTAL	(161,042.70)	(129,240.03)

Note No. - 4**DEFERRED TAX LIABILITIES/ ASSETS (NET)**

Amount ₹ in Lacs

PARTICULARS	Figures as at the end of the current reporting period 31-03-2015	Figures as at the end of the previous reporting period 31-03-2014
DEFERRED TAX ASSETS		
A. Unabsorbed Depreciation	4,372.96	1,585.09
B. Carried Forward Losses	-	4,041.55
C. Provision for doubtful Debts and Advances	7,642.65	7,514.33
TOTAL	12,015.61	13,140.97
DEFERRED TAX LIABILITY		
A. Depreciation	12,015.61	13,140.97
NET	-	-

- 4.1 As required by Accounting Standard - 22 in view of existence of carried forward losses and unabsorbed depreciation under tax laws, Deferred tax Assets have been recognised only to the extent they are virtually certain to be realised.

Note No. - 5
OTHER LONG TERM LIABILITIES
Amount ₹ in Lacs

PARTICULARS	Figures as at the end of the current reporting period 31-03-2015	Figures as at the end of the previous reporting period 31-03-2014
01. Trade Payables		
Sundry Creditors for Raw Material	-	-
Sundry Creditors for Stores, Spare and Tools	-	-
Other Trade Payable	-	-
Sub Total (1)	-	-
02. Others		
Sundry Creditors for Machinery	-	-
Trade Deposits	136.48	130.75
Earnest Money/Security Deposit	325.14	324.00
Employees Security Deposit	10.08	7.12
Employee's Family Welfare Fund Deposits/ Securities	81.87	73.35
Others	3,149.25	3,731.88
Sub Total (2)	3,702.82	4,267.10
TOTAL (1+2)	3,702.82	4,267.10

Note No. - 6
LONG TERM PROVISIONS
Amount ₹ in Lacs

PARTICULARS	Figures as at the end of the current reporting period 31-03-2015	Figures as at the end of the previous reporting period 31-03-2014
a) Provisions for Employee Benefits		
Gratuity	10,747.06	10,925.01
Leave Salary/ Wages	1,974.72	2,131.28
LTC	37.36	32.77
Terminal Benefits	70.52	77.02
TOTAL	12,829.66	13,166.08

(Refer to Note No. 30.22)

Note No. - 7

SHORT TERM BORROWINGS

Amount ₹ in Lacs

PARTICULARS	Figures as at the end of the current reporting period 31-03-2015	Figures as at the end of the previous reporting period 31-03-2014
01. SECURED		
Cash Credit from Banks	260.29	315.88
Documentary Bill Purchase from Bank (Secured by Hypothecation of Stores, Raw Material, Finished Goods, Work in Progress and Trade Debts)	230.62	1,840.71
TOTAL	490.91	2,156.59

(Refer to Note No. 30.31.4 for default in payment of interest on secured short term borrowings)

Note No. - 8

TRADE PAYABLES

Amount ₹ in Lacs

PARTICULARS	Figures as at the end of the current reporting period 31-03-2015	Figures as at the end of the previous reporting period 31-03-2014
Sundry Creditors for Raw Material	15,088.17	17,316.93
Sundry Creditors for Stores, Spare and Tools	547.19	575.04
Hank Yarn obligations	7.67	3.88
Sundry Creditors - Micro Small & Medium Enterprises (Refer to Note No. 30.29)	79.26	33.90
Other Trade payables	8,840.47	8,506.12
TOTAL	24,562.76	26,435.87

Note No. - 9
OTHER CURRENT LIABILITIES
Amount ₹ in Lacs

PARTICULARS	Figures as at the end of the current reporting period 31-03-2015	Figures as at the end of the previous reporting period 31-03-2014
Sundry Creditors for Machinery	640.04	770.63
Trade Deposits	589.66	743.16
Earnest Money/Security Deposit	10,837.01	11,039.67
Advance against Sale of Assets	1,204.51	1,204.51
Current Account with Subsidiary Companies	-	0.58
Interest accrued and due	30,332.53	25,648.78
Loan from Government of India	27,000.00	27,000.00
Commissioner of Payment in respect of Nationalised Mills	-	288.37
Controlled Cloth subsidy Balance	707.15	707.15
Others	20,959.48	15,037.78
TOTAL	92,270.38	82,440.63

(Refer to Note No. 30.15, 30.17 & 30.21)

Note No. - 10
SHORT TERM PROVISIONS
Amount ₹ in Lacs

PARTICULARS	Figures as at the end of the current reporting period 31-03-2015	Figures as at the end of the previous reporting period 31-03-2014
a) Provisions for Employee benefits		
Gratuity	2,433.99	2,320.33
Leave Salary/ Wages	729.72	766.21
Sick Leave	1,079.78	1,296.56
LTC	5.56	5.47
Terminal Benefits	13.98	14.62
Sub-Total (a)	4,263.03	4,403.19
b) Other Provisions		
Income Tax	20,746.92	20,746.92
Income Tax under Minimum Alternate Tax - MAT	9,230.26	9,230.26
Wealth Tax	179.94	178.98
Sub-Total (b)	30,157.12	30,156.16
TOTAL (a + b)	34,420.15	34,559.35

(Refer to Note No. 30.2 & 30.22)

Note No. - 11

I) TANGIBLE ASSETS

Amount ₹ in Lacs

S. No	PARTICULARS	Gross Block			Depreciation				Net Block		
		As at 01.04.2014	Additions during the year	Adjustments/Sales during the year	Cost as at 31.03.2015	As at 01.04.2014	For the year	Adjustments/Sales during the year	Up to 31.03.2015	As at 31.03.2015	As at 31.03.2014
1	Land - Free Hold	9,746.07	-	-	9,746.07	-	-	-	-	9,746.07	9,746.07
2	Land - Lease Hold	1,504.80	-	-	1,504.80	258.77	(0.09)	307.51	1,197.29	1,246.03	1,246.03
3	Building - Factory	28,764.67	287.99	(38.99)	29,091.65	3,561.20	(6.14)	4,463.87	24,627.78	25,203.47	25,203.47
4	Building - Non Factory	2,415.95	114.61	0.05	2,530.51	377.89	(19.89)	495.24	2,035.27	2,038.06	2,038.06
5	Tube Well	94.32	2.94	-	97.26	17.84	(12.46)	49.61	47.65	76.48	76.48
6	Plant & Machinery	131,412.10	586.73	(77.43)	132,076.26	52,183.49	169.70	67,657.45	64,418.81	79,228.61	79,228.61
7	Furniture & Fixtures	1,025.48	37.25	8.87	1,053.86	333.41	1.40	414.93	638.93	692.07	692.07
8	Vehicles	210.01	-	4.72	205.29	95.83	1.86	112.81	92.48	114.18	114.18
9	Electrical Fittings	4,733.26	68.22	7.24	4,794.24	981.64	(7.03)	1,477.60	3,316.64	3,751.62	3,751.62
10	Office & Factory Equipments	519.39	23.65	(0.45)	543.49	270.69	(53.96)	414.12	129.37	248.70	248.70
11	Bio Gas Plant	0.16	-	-	0.16	0.16	-	0.16	-	-	-
12	Computer	527.89	17.56	0.73	544.72	401.58	(33.10)	479.48	65.24	126.31	126.31
13	Railway	0.69	-	-	0.69	0.65	-	0.65	0.04	0.04	0.04
14	Lab Equipment	779.87	0.52	(9.14)	789.53	257.88	(5.57)	338.08	451.45	521.99	521.99
15	Silver Coins/ Vessels	58.26	2.17	0.32	60.11	20.54	(2.05)	27.12	32.99	37.72	37.72
16	Lives Stock	0.07	-	-	0.07	-	-	-	0.07	0.07	0.07
TOTAL		181,792.99	1,141.64	(104.08)	183,038.71	58,761.57	32.67	76,238.63	106,800.08	123,031.42	123,031.42
Previous Year		138,272.72	43,729.51	209.24	181,792.99	47,629.29	75.93	58,761.57	123,031.42	90,643.43	90,643.43

Amount ₹ in Lacs
II) INTANGIBLE ASSETS

S. No.	Particulars	Gross Block				Depreciation				Net Block	
		As at 01.04.2014	Additions during the year	Adjustments/ Sales during the year	Cost as at 31.03.2015	As at 01.04.2014	For the year	Adjustments/ Sales during the year	Up to 31.03.2015	As at 31.03.2015	As at 31.03.2014
1	Goodwill	-	-	-	-	-	-	-	-	-	-
2	Softwares	188.50	2.86	-	191.36	140.59	36.83	-	177.42	13.94	47.91
3	Brands/ Trademarks	1.96	-	-	1.96	0.61	0.39	-	1.00	0.96	1.35
	TOTAL	190.46	2.86	-	193.32	141.20	37.22	-	178.42	14.90	49.26
	Previous Year	189.15	1.31	-	190.46	103.34	37.86	-	141.20	49.26	85.81

(Refer to Note No. 30.5 to 30.11)

During the year 1997-98, the land was revalued in respect of eight unit mills situated within the limits of Coimbatore Municipal Corporation as per the Valuation Report dated 17.05.1997 of the approved valuer based on the going market rate. As against the book value of ₹ 16.96 lakhs, the land has been revalued at ₹ 19225.96 lakhs. The entire surplus of ₹ 19209.00 lakhs on re-valuation has been credited to "Land Revaluation Reserve". Balance in the Land Revaluation Reserve as at 31st March 2015 ₹ 16722.89 lakhs represents the balance surplus after withdrawal of proportionate Revaluation Reserve of sale of land during 2003-04, 2004-05, 2005-06, 2006-07, 2007-08 & 2008-09.

Note No. - 12

NON CURRENT INVESTMENTS

Amount ₹ in Lacs

PARTICULARS	Figures as at the end of the current reporting period 31-03-2015	Figures as at the end of the previous reporting period 31-03-2014
1. Trade Investments		
Investment in Subsidiary Companies	1,974.31	1,974.31
Sub Total (1)	1,974.31	1,974.31
2. Other Investments		
Quoted		
Investments in Equity Instruments	0.48	0.48
Investments in Government or Trust Securities	0.07	0.07
Investment in Associates	145.42	145.42
Un-Quoted		
Investments in Equity Instruments	15.44	15.44
Investments in Government or Trust Securities	0.09	0.09
Investments in debentures or Bonds	0.05	0.05
Other Non Current Investments	2.52	2.52
Sub Total (2)	164.07	164.07
Total (1+2)	2,138.38	2,138.38
Less: Provision for diminution in value of Investment*	(180.99)	(326.41)
NET	1,957.39	1,811.97

(Refer to Note No. 30.12 & Annexure - I)

*Includes ₹ Nil (Previous Year ₹ 145.42 Lacs) for the investments in Associate and ₹ 165.80 Lacs (Previous year ₹ 165.80 Lacs) for the Investment in Subsidiary Company

Note No. - 13
LONG TERM LOANS AND ADVANCES
Amount ₹ in Lacs

PARTICULARS	Figures as at the end of the current reporting period 31-03-2015	Figures as at the end of the previous reporting period 31-03-2014
1. Capital Advances		
Secured	-	-
Un Secured (Considered good)	106.93	223.02
Un Secured (Considered doubtful)	34.42	33.66
Less: Provision for Doubtful	(34.42)	(33.66)
2. Security Deposits	8.37	8.37
3. Due from Employees		
Secured	0.58	0.75
Un Secured (Considered good)	39.29	37.79
Un Secured (Considered doubtful)	45.80	45.80
Less: Provision for Doubtful	(45.80)	(45.80)
Interest accrued on above loan	1.99	2.29
4. Loans & Advances to Related Parties		
Secured	-	-
Un Secured (Considered good)	-	-
Un Secured (Considered doubtful)	1,111.75	1,111.75
Less: Provision for Doubtful	(1,111.75)	(1,111.75)
5. Due from Others		
Secured	-	-
Un Secured (Considered good)	83.92	105.02
Un Secured (Considered doubtful)	4,925.35	4,404.91
Less: Provision for Doubtful	(4,925.35)	(4,404.91)
6. MAT Credit Entitlement - Unsecured considered Good	9,230.26	9,230.26
7. Advance against Tax payments - Unsecured considered Good	526.58	445.44
TOTAL	9,997.92	10,052.94

Note No. - 14

OTHER NON CURRENT ASSETS

Amount ₹ in Lacs

PARTICULARS	Figures as at the end of the current reporting period 31-03-2015	Figures as at the end of the previous reporting period 31-03-2014
1. Long Term Trade Receivables		
Secured	-	-
Un Secured (Considered good)	-	-
Un Secured (Considered doubtful)	499.92	501.54
Less: Provision for Doubtful	(499.92)	(501.54)
Sub Total (1)	-	-
2. Others		
Deposit with Govt. Bodies	2,483.09	1,912.52
Sundry Deposits Long Term	929.50	1,006.83
Less: Provision for Deposits	(292.50)	(294.02)
Employee's Family Welfare Fund Deposits/ Securities	81.87	73.35
Commissioner of Payment (Doubtful)	1,804.37	1,804.88
Less: Commissioner of Payment (Provision)	(1,804.37)	(1,804.88)
Deposit with PF authorities under Protest	148.72	148.72
Less: Provision for Deposit with PF authorities	(135.48)	(131.07)
Deposit with ESI authorities	364.16	364.66
Less: Provision for Deposit with ESI authorities	(352.95)	(353.45)
Claim receivable from Central Government	12,027.48	12,027.48
Less: Provision for Claim receivable from Central Government	(12,027.48)	(12,027.48)
Advance Tax	-	5.99
Less: Provision for Advance Tax	-	-
Others	435.68	440.26
Other Considered Doubtful	229.64	229.64
Less: Provision for doubtful	(229.64)	(229.64)
Other Bank Balances (having maturity more than 12 Months)	152.24	164.35
Sub Total (2)	3,814.33	3,338.14
TOTAL (1+2)	3,814.33	3,338.14

(Refer to Note No. 30.14)

Note No. - 15
INVENTORIES
Amount ₹ in Lacs

PARTICULARS	Figures as at the end of the current reporting period 31-03-2015	Figures as at the end of the previous reporting period 31-03-2014
Raw Materials	3,507.08	4,421.01
Raw Materials in transit	91.98	95.86
Work-in-process	4,502.05	4,305.84
Finished Goods	21,598.65	22,411.48
Finished Goods in transit	332.42	0.44
Stock in Trade	1,408.97	1,221.82
Stock in Trade in transit	2.62	2.95
Stores and Spares	673.41	706.80
Stores and Spares in transit	24.01	25.10
Less: Provision for Obsolete Stores	(130.93)	(121.26)
Waste	420.17	411.70
Scrap	188.40	193.32
TOTAL	32,618.83	33,675.06
Valuation of Inventories is done as per the Policy no. 1.5 of the Accounting Policies.		

Note No. - 16
TRADE RECEIVABLES
Amount ₹ in Lacs

PARTICULARS	Figures as at the end of the current reporting period 31-03-2015	Figures as at the end of the previous reporting period 31-03-2014
1. Outstanding for a period exceeding 6 months from the date due for payment		
Secured	-	-
Unsecured Considered good	931.85	1,164.46
Unsecured Considered doubtful	713.41	717.36
Less: Provision for Bad and doubtful debts	(713.41)	(717.36)
Sub Total (1)	931.85	1,164.46
2. Other Debts		
Secured	-	-
Unsecured Considered good	5,266.96	5,761.84
Unsecured Considered doubtful	-	-
Less: Provision for doubtful	-	-
Sub Total (2)	5,266.96	5,761.84
TOTAL (1+2)	6,198.81	6,926.30

Note No. - 17

CASH AND BANK BALANCES

Amount ₹ in Lacs

PARTICULARS	Figures as at the end of the current reporting period 31-03-2015	Figures as at the end of the previous reporting period 31-03-2014
1. CASH AND CASH EQUIVALENTS		
Balance with Banks		
In Current Accounts	4,133.50	5,350.14
In Savings Accounts	3.50	-
In Fixed Deposits (having Maturity within 3 Months)	13,643.46	6,632.59
Cheques in Hand	2.16	160.09
Stamps in Hand	0.06	0.03
Remittances in transit	144.11	17.32
Cash in Hand	73.14	56.86
Employees Security Deposit	3.22	2.77
Balance with Post Office	0.30	0.30
Sub Total (1)	18,003.45	12,220.10
2. OTHER BANK BALANCES		
Fixed Deposits (Maturity period is from 3 to 12 months)	94,165.75	103,835.05
Fixed Deposits - Earmarked	12,818.20	18,217.51
Deposit for Margin Money	571.64	584.59
Sub Total (2)	107,555.59	122,637.15
TOTAL (1+2)	125,559.04	134,857.25

Note No. - 18

SHORT TERM LOANS AND ADVANCES

Amount ₹ in Lacs

PARTICULARS	Figures as at the end of the current reporting period 31-03-2015	Figures as at the end of the previous reporting period 31-03-2014
1. To Employees		
Secured	14.38	17.60
Un Secured (Considered good)	332.26	364.35
Interest accrued thereon	0.41	0.48
2. To Related Parties		
Secured	-	-
Un Secured (Considered good)	179.15	183.03
3. Due from Others		
Secured	-	-
Un Secured (Considered good)	11,275.53	11,137.74
4. Advance against tax payments - unsecured considered good	290.93	219.18
TOTAL	12,092.66	11,922.38

(Refer to Note No. 30.9.4, 30.31.3)

Note No. - 19
OTHER CURRENT ASSETS
Amount ₹ in Lacs

PARTICULARS	Figures as at the end of the current reporting period 31-03-2015	Figures as at the end of the previous reporting period 31-03-2014
Balance with Excise Authorities	2.70	3.52
Deposit with Govt. Bodies	129.40	111.52
Commissioner of Payment (Good)	115.66	145.20
Others	153.95	435.21
Interest accrued on deposits, Loans and Advances	3,438.14	2,485.96
Prepaid Expenses	122.64	124.88
Claim Receivable	386.69	444.82
Sundry Deposits	102.59	126.58
Fixed Assets held for Sale (Note no. 19.1)	8,682.86	8,616.22
Current Account with Subsidiary Companies	145.26	48.16
TOTAL	13,279.89	12,542.07

(Refer to Note No. 30.13 & 30.31.3)

Note No. - 19.1
DETAILS OF FIXED ASSETS HELD FOR SALE
Amount ₹ in Lacs

S. No	PARTICULARS	Figures as at the end of the current reporting period 31-03-2015			Figures as at the end of the previous reporting period 31-03-2014		
		Gross Block	Depreciation Reserve	Net Block	Gross Block	Depreciation Reserve	Net Block
1	Land - Free Hold	8,244.38	-	8,244.38	8,244.39	-	8,244.39
2	Land - Lease Hold	0.14	-	0.14	0.14	-	0.14
3	Building - Factory	544.39	406.71	137.68	544.38	406.71	137.67
4	Building - Non Factory	167.55	65.73	101.82	167.55	65.73	101.82
5	Tube Well	21.82	9.29	12.53	21.82	9.29	12.53
6	Plant & Machinery	1,957.11	1,800.06	157.05	1,668.75	1,579.09	89.66
7	Furniture & Fixtures	55.29	51.85	3.44	55.11	51.34	3.77
8	Vehicles	24.46	23.28	1.18	24.46	23.28	1.18
9	Electrical Fittings	54.51	50.41	4.10	53.12	48.56	4.56
10	Office & Factory Equipments	55.35	43.58	11.77	55.15	43.42	11.73
11	Bio Gas Plant	0.77	0.73	0.04	0.77	0.73	0.04
12	Computer	19.62	19.04	0.58	19.62	19.04	0.58
13	Railway	0.01	0.01	-	0.01	0.01	-
14	Lab Equipment	7.06	6.40	0.66	7.06	6.40	0.66
15	Silver Coins/ Vessels	1.06	-	1.06	1.06	-	1.06
16	Lives Stock	-	-	-	-	-	-
17	Building Salvage value	6.43	-	6.43	6.43	-	6.43
	TOTAL	11,159.95	2,477.09	8,682.86	10,869.82	2,253.60	8,616.22

Note No. - 20

REVENUE FROM OPERATIONS

Amount ₹ in Lacs

PARTICULARS	Figures for the current reporting period 2014-15	Figures for the previous reporting period 2013-14
1. Sale of Products		
Cloth	22,042.46	15,121.81
Yarn	95,980.07	90,186.21
Readymade	805.74	1,882.24
Sub Total (1)	118,828.27	107,190.26
2. Sale of Servises		
Job Conversion Charges	6.49	-
Commission Earned	34.24	71.01
Sub Total (2)	40.73	71.01
3. Other Operating Revenues		
Sale of Waste	2,518.79	3,099.57
Other	7.69	12.47
Sub Total (3)	2,526.48	3,112.04
Total (1+2+3)	121,395.48	110,373.31

Note No. - 21

OTHER INCOME

Amount ₹ in Lacs

PARTICULARS	Figures for the current reporting period 2014-15	Figures for the previous reporting period 2013-14
Interest on Bank Deposits	12,122.15	12,714.64
Interest on Others	1,389.60	1,138.24
Rent income	567.81	515.47
Insurance and other claims	124.61	61.43
Sale of Scrap and other unserviceable stores	162.15	234.84
Stock deficit recovered	6.93	12.63
Sundry Balances written back	55.20	74.07
Cash Discount	105.97	124.31
Dividend from Other Companies	3.31	0.15
Dividend from Subsidiary Companies	691.18	644.91
Foreign Exchange Rate Difference	45.75	42.63
Miscellaneous Receipts	195.14	289.03
TOTAL	15,469.80	15,852.35

(Refer to Note No. 30.25.2)

Note No. - 22
COST OF MATERIAL CONSUMED
Amount ₹ in Lacs

PARTICULARS	Figures for the current reporting period 2014-15	Figures for the previous reporting period 2013-14
A. Raw/ Semi Finished		
Stock at Commencement	4,516.87	3,685.30
Add: Purchase	63,884.64	66,426.17
Less: Stock sold	-	(0.46)
Less: Stock At Close	(3,599.06)	(4,516.87)
Raw/ Semi Finished Material Consumed - Sub Total (A)	64,802.45	65,594.14
B. Packing material Consumed	1,463.23	1,205.28
Cost of Material Consumed (A + B)	66,265.68	66,799.42

(Refer to Note No. 30.30)

Note No. - 23
CHANGE IN INVENTORIES
Amount ₹ in Lacs

PARTICULARS	Figures for the current reporting period 2014-15	Figures for the previous reporting period 2013-14
Stock At Commencement		
Cloth	4,618.14	4,092.75
Yarn	17,793.78	10,938.16
Stock in Trade	1,224.77	1,099.48
Waste	411.70	376.27
Work-in-Process	4,305.84	3,878.47
Job in Process	-	-
Scrap	193.32	673.25
TOTAL	28,547.55	21,058.38
Stock At Close		
Cloth	4,617.98	4,618.14
Yarn	17,313.09	17,793.78
Stock in Trade	1,411.59	1,224.77
Waste	420.17	411.70
Work-in-Process	4,502.05	4,305.84
Job in Process	-	-
Scrap	188.40	193.32
TOTAL	28,453.28	28,547.55
(Increase)/ Decrease in Inventories	94.27	(7,489.17)

Note No. - 24

EMPLOYEES BENEFIT EXPENSES

Amount ₹ in Lacs

PARTICULARS	Figures for the current reporting period 2014-15	Figures for the previous reporting period 2013-14
Salaries and Wages	20,103.39	19,144.45
Bonus	311.74	317.04
Contribution to PF & Pension	1,977.70	1,870.20
Cont. to E.S.I, DLI & Adm. Charges	609.71	601.25
Workmen & Staff Welfare Expenses	1,241.55	1,222.45
Leave Salary and Wages (Provision)	586.91	701.85
Sick Leave (Provision)	(159.04)	255.07
Terminal Benefits (Provision)	8.18	(5.17)
Contract Labour Charges	1,829.33	1,772.48
Gratuity (Provision)	1,829.76	2,234.73
LTC (Provision)	50.88	34.84
Remuneration to Directors	58.87	68.20
Total	28,448.98	28,217.39

(Refer to Note No. 30.18 & 30.22)

Note No. - 25

FINANCE COSTS

Amount ₹ in Lacs

PARTICULARS	Figures for the current reporting period 2014-15	Figures for the previous reporting period 2013-14
1. Interest Expenses		
Interest on Loan from GOI	4,683.75	4,595.28
Interest on Bank Loans for Working Capital	18.72	13.34
Interest on Trade Credits	20.86	17.54
Interest on Cotton Dues	637.29	347.00
Interest on Other Loans and Deposits	13.15	14.26
Interest on Provident Fund and ESI dues	5.67	0.06
Surcharge on Water/ Electricity etc.	4.15	0.01
Interest on others	147.92	155.21
Sub Total (1)	5,531.51	5,142.70
2. Other Borrowing Costs		
Bank Charges and Loan Processing fee	52.67	68.61
Cash Discount Allowed	176.33	139.93
Guarantee fee	-	3.33
Sub Total (2)	229.00	211.87
3. Foreign Exchange Rate Difference	0.21	11.22
Total (1+2+3)	5,760.72	5,365.79

(Refer to Note No. 30.17)

Note No. - 26
MANUFACTURING, ADMINISTRATIVE, SELLING AND DISTT. EXPENSES
Amount ₹ in Lacs

PARTICULARS	Figures for the current reporting period 2014-15	Figures for the previous reporting period 2013-14
A. MANUFACTURING EXPENSES		
Stores, Spares, Dyes & Chemicals	2,853.78	2,492.23
Tools used	-	0.01
Power, Fuel & Water	23,194.92	21,471.37
Repairs to Machinery	620.43	346.91
Repairs to Building	152.88	127.66
Repairs to Other Assets	36.81	30.25
Processing Charges	808.47	701.53
Job Charges	9.66	57.50
Stitching Charges	9.28	12.04
Hank Yarn obligation	38.72	16.01
Total A	27,724.95	25,255.51
B. ADMINISTRATIVE EXPENSES		
Rent	179.76	192.31
Rates & Taxes	774.75	703.69
Insurance	136.99	139.24
Publication of Notices	24.00	111.20
Entertainment Expenses	22.90	24.34
Hotel and Incidental	13.99	11.75
Payment to Statutory Auditors		
for Statutory Audits	34.85	34.67
for Tax Audits	10.23	10.40
for Other Services	3.43	4.22
for Reimbursement of expenses	7.44	9.26
Payment to Other Auditors		
for Internal Audits	28.39	26.63
for Cost Audits	6.82	5.61
for Taxation work	3.14	4.81
for Management Services	2.98	2.10
Postage, Telegram & Fax	34.00	33.46
Telephones	85.49	100.60
Printing & Stationery	100.81	105.80

PARTICULARS	Figures for the current reporting period 2014-15	Figures for the previous reporting period 2013-14
Vehicles Running & Maintenance	66.09	70.61
Legal and Professional Charges	1,066.59	899.28
Traveling Expenses	222.27	251.65
Local Conveyance	184.83	180.76
Director's Traveling Expenses	35.77	51.52
Director's Sitting Fees	4.93	3.81
Water and Electricity Charges	292.18	275.84
Provident Fund Administration Charges	148.27	132.32
Miscellaneous Expenses	181.87	299.27
Data Processing Charges	40.11	40.46
Watch and Ward Expenses	352.37	309.05
Repair to Other Assets	33.03	51.44
Festival Expenses	21.18	17.61
Gifts	8.02	9.38
Company Social Responsibility Expenses	24.84	5.44
Annual Maintenance Charges	16.51	12.88
Fee and subscription	10.77	10.52
Filing Fee	0.25	0.52
Maintenance of office Building	118.43	204.96
Other Administrative Expenses	89.04	196.34
Carrying charges on cotton	2.08	1.88
Training & Development	10.22	20.19
Meeting/ Committee Expenses	14.92	35.20
Total B	4,414.54	4,601.02
C. DISTRIBUTION EXPENSES		
Brokerage	303.67	164.37
Commission on sales	1,211.04	1,121.12
Sales Expenses	245.89	258.19
Publicity Expenses	100.59	611.87
Export Expences	156.20	128.20
Other incidental, forwarding Expences	394.41	314.75
Total C	2,411.80	2,598.50
GRAND TOTAL (A+B+C)	34,551.29	32,455.03

Note No. - 27
PROVISIONS
Amount ₹ in Lacs

PARTICULARS	Figures for the current reporting period 2014-15	Figures for the previous reporting period 2013-14
Doubtful Debts	-	0.64
Doubtful Advances	0.76	41.82
Obsolete Stores	16.84	4.05
Other Current Assets	2.77	85.33
Loss in Value of Investments	-	-
Total	20.37	131.84

Note No. - 28
PRIOR PERIOD INCOME/ (EXPENSES)
Amount ₹ in Lacs

PARTICULARS	Figures for the current reporting period 2014-15	Figures for the previous reporting period 2013-14
A. EXPENSES		
Sales	38.59	3.56
Raw Material Consumption/ Purchase	9.25	12.62
Employees Remuneration and Benefits	22.32	68.67
Manufacturing Exp.	55.62	40.79
Administrative Expenses	95.76	39.00
Selling and Distribution Expenses	43.96	22.99
Depreciation	25.37	99.18
Finance Charges - Interest	55.68	333.53
Finance Charges - Others	4,779.39	3.90
Misc. Expenses	0.34	2.33
Statutory Dues/ Tax	10.50	27.61
Building repair	17.31	20.67
Others	-	1.86
TOTAL A	5,154.09	676.71

PARTICULARS	Figures for the current reporting period 2014-15	Figures for the previous reporting period 2013-14
B. INCOME		
Sales	22.09	27.82
Other Income	13.77	12.72
Adjustment for Raw Material Consumptions/ Purchases	82.96	5.91
Adjustment for Employees Remuneration and Benefits	25.77	153.65
Adjustment for Manufacturing exp.	13.49	255.48
Adjustment for Administrative Expenses	9.60	36.57
Adjustment for Selling and Distribution Expenses	23.29	5.65
Adjustment for Finance Charges - Interest	25.45	8.52
Adjustment for Finance Charges - Others	-	2.50
Adjustment for Depreciation	5.45	6.99
Others	1.22	3.43
TOTAL B	223.09	519.24
INCOME/ (EXPENSES)	(4,931.00)	(157.47)

Note No. - 29

EXTRA-ORDINARY ITEMS

Amount ₹ in Lacs

PARTICULARS	Figures for the current reporting period 2014-15	Figures for the previous reporting period 2013-14
Expenses		
MVRS Compensation (Ex Gratia)	430.76	667.73
Loss on Sale of Assets	0.26	1.13
Expenses on Sold Assets	-	8.73
Others	1.45	23.38
Total	432.47	700.97
Income		
Profit on sale of Land	-	209.03
Profit on sale of other Assets	1.72	277.25
Forfeiture of Security Deposit of Sale of Assets	-	0.47
Commissioner of Payments	-	20.25
Duty Exemption from Power Supplier - MDEDCL	-	243.08
Total	1.72	750.08
Net	(430.75)	49.11

(Refer to Note No. 30.19 & 30.20)

Note No. - 30

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015
30.1 CONTINGENT LIABILITIES & COMMITMENTS

Amount ₹ in Lacs

S. No.	Description	As at 31 st March, 2015	As at 31 st March, 2014
(i)	CONTINGENT LIABILITIES		
(a)	Claims against the Company not acknowledged as debts :		
a.1	For workmen compensation*	13832.56	11455.38
a.2	For Excise & Custom Duty	552.87	553.14
a.3	Sales Tax/Purchase Tax –disputed	6224.96	6266.37
a.4	Disputed Claims in appeals	279.77	360.97
a.5	Disputed Property Tax and other Taxes	1871.16	1659.73
a.6	Interest claims of Suppliers/claims not provided as per Board for Industrial & Financial Reconstruction (BIFR) order	47622.60	39455.46
a.7	Towards resale loss of cotton bales & carrying charges	689.95	689.95
a.8	Disputed mesne profit for enhancement of rent/eviction of property	-	29158.02
a.9	Premium claimed by Govt. of Maharashtra – New Hind Textile Mills	3477.62	3477.62
a.10	Disputed Market Fee under appeal (Post Nationalization)	278.54	278.54
a.11	Claim by the parties for 11 Joint Ventures Mills for damages towards loss of profit due to cancellation of Joint Ventures	51362.00	51362.00
a.12	Interest on Income Tax Dues- Case pending before (BIFR)	13662.46	10062.46
a.13	For others	3564.64	3720.14
(b)	Guarantees given by the Company to the Banks/Financial institutions /Others	1677.01	1608.37
(c)	Others		
c.1	For Income Tax demands raised by the department – disputed	78.95	78.95
c.2	Estimated Damages and Interest on PF and ESI dues (Pre - Nationalisation)	1756.76	1753.56
c.3	Estimated Damages on PF and ESI dues (Post-Nationalization)	9016.50	8838.04
c.4	Electricity dues (Pre-Nationalisation/under litigation)	100.44	99.20
c.5	Stamp duty liability for issue of shares for which exemption is available as per BIFR Orders	252.51	252.51
c.6	Liability towards export obligations	967.06	1632.32
(ii)	COMMITMENTS		
(a)	Estimated amount of contracts remaining to be executed on Capital account	123.93	479.99

*In some cases of workmen compensation, amount is not ascertainable.

30.2 TAX LIABILITY

- 30.2.1** Board for Industrial and Financial Reconstruction (BIFR) vide order dated 5.9.2008 directed “CBDT to consider to grant exemption to NTC from Wealth Tax, Capital Gain Tax and Section 41(1) of the Income Tax Act and interest thereon.”
- 30.2.2** Central Board for Direct Taxes (CBDT) challenged the directions of Hon’ble BIFR & filed an Appeal before Appellate Authority of Industrial & Financial Reconstruction (AAIFR) praying to delete the Income Tax Relief and stay the operations of Hon’ble BIFR order for granting exemptions of Wealth Tax, Capital Gain Tax and Section 41(1) of Income Tax Act. GOM directed in their meeting held on 05.12.2006 that NTC should through MOT approach GOM once the assessing officer of the Deptt. of Revenue order any specific assessment of the capital gain tax liabilities on account of sale of surplus land/assets by NTC.
- 30.2.3** Consequently, necessary provision have been made during years 2010-11, 2011-12 & 2012-13 towards tax on capital gains for ₹ 20746.92 Lakhs, under Minimum Alternate Tax (MAT) for ₹ 9230.26 Lakhs and for wealth tax for ₹ 3.65 Lakhs in respect of FYs 2006-07 to 2013-14. The tax liabilities have not been paid, pending decision from BIFR in the appeal filed by CBDT. However, interest liability is shown as contingent liability to the extent of ₹ 13662.46 Lakhs (Previous Year ₹ 10062.46 Lakhs) (**Note No. 30.1**).
- 30.2.4** Current year tax liability is estimated at NIL due to losses. As on 31.03.2015, outstanding liabilities in respect of tax on capital gains - ₹ 20746.92 Lakhs (Previous Year ₹ 20746.92 Lakhs), MAT - ₹ 9230.26 Lakhs (Previous Year ₹ 9230.26 Lakhs) and Wealth Tax - ₹ 179.94 Lakhs (Previous Year ₹ 178.98 Lakhs). (**Note No. 10**)
- 30.2.5** Company has taken up the matter with Ministry of Textiles (MOT) to pursue CBDT to exempt the tax liability as per approved BIFR Scheme.

30.3 STATUS OF THE SANCTIONED SCHEME OF BIFR

- 30.3.1** The Board for Industrial and Financial Reconstruction (BIFR) vide its Order dated 25.7.2002 sanctioned a Rehabilitation Scheme for NTC. The Scheme with Modifications (MS-08) was extended up to 31.3.2012. NTC was in the process of reformulation of MDRS in consultation with Northern India Textile Research Association (NITRA) for submission to BIFR after approval by the Board of NTC, Ministry of Textiles and other Govt. agencies as required.
- 30.3.2** However, in terms of the BIFR order dated 20.10.2014, NTC has ceased to be a sick industrial company on the ground of its net worth becoming positive.

BIFR, on application made by NTC on 07.01.2015 towards implementation of unimplemented portion of sanctioned scheme, in its hearing held on 21.01.2015 has reserved its Order in the matter. BIFR Order dated 20.10.2014 has also been challenged by NTC before Appellate Authority for Industrial & Financial Reconstruction (AAIFR) on 19.01.2015. The Order of BIFR has also been challenged by Rashtriya Mill Mazdoor Sangh, Mumbai before the AAIFR.

30.4 RESERVES AND SURPLUS

Capital Reserve represents excess of Assets over Liabilities taken over at the time of Nationalization of the Mills and subsequent adjustments thereon and waiver of loans.

30.5 TITLE DEEDS OF PROPERTIES PENDING FOR TRANSFER AS OWNERSHIP IN DISPUTE

30.5.1 Transfer of certain immovable properties in favour of the Company is pending as same is under dispute and transfer of some of the quoted/unquoted shares and other investments in the name of Company is under process. However, by virtue of Nationalization Act 1974/1986/1995 the rights, title & interest of the owner in relation to the textile undertakings stand transferred to and vest absolutely in Central Govt./NTC.

Summarized information is given below:

S. No.	Particular of the Assets	Location	Area in Sq. Meter/ No. of Qtrs	Book Value (in ₹)	Occupied by NTC (Yes/No)
TITLE DEEDS NOT AVAILABLE					
1	Land	14/1, Civil Lines, Kanpur	49187	NA	Yes
2	IMU Mill, Indore Land	Mill Area	77323	Nil	Yes
TITLE IN DISPUTE					
1	Freehold Land	Mathura(WRO)	29188	NA	No
2	Land of KTM & PWM	Kharar	216013.03	141108	151028.98-NTC 64984.05- OTHERS
3	Land	Nakur Road, Saharanpur	83122	NA	Yes
4	Land	Darashivpuri, Saharanpur	6316	NA	Yes
5	Land	Shivpuri Rajbhaha, Saharanpur	10567	NA	No
6	Hira Mill, Ujjain Ram Mandir Area	Near Mill Premises	28751.25	15779	No
7	BNC Mill, Rajnandgaon	Baldeobag Khasra No. 22	46880	NA	Partially Occupied by Mills

30.5.2 Fixed Assets held for Sale at Laxmi Rattan Cotton Mills, Kanpur include land valuing ₹18.35 Lakhs and non-factory building valuing ₹4.65 Lakhs, in respect of six properties out of which five properties had been transferred by the erstwhile owners in the pre nationalization period to third parties on the basis of agreement to sell. The matter in respect thereof is under dispute with the respective parties.

The details of land and building are as follows:-

(₹ in Lakhs)

Land & Building description	Status	Total	Land	Building
i) 113/114, General Ganj, Kanpur	Not in possession	1.47	1.17	0.30
ii) 73/12, Collector Ganj, Kanpur	-do-	1.61	1.23	0.37
iii) 16, Cantt, Kanpur	-do-	5.20	2.62	2.58
iv) 16/19, Civil Lines, Kanpur	-do-	2.25	1.77	0.48
v) 15/69, Civil Lines, Kanpur	-do-			
vi) 15/68, Civil Lines, Kanpur	Under possession	12.47	11.56	0.92
	Total	23.00	18.35	4.65

Note: Separate valuation of properties 15/68-69, Civil Lines, Kanpur is not available.

30.5.3 In respect of Lord Krishna Textile Mills, Saharanpur, mutation of ownership in respect of land (including building) incorporating company's name is sub-judice, pending decision of High Court.

30.5.4 The title of Agricultural land measuring 53 Acres 3 Kanal (216013.03 square meters) of Panipat Woollen Mills & Kharar Textile Mills, Kharar is in dispute with erstwhile owner of these mills. This case has been travel up to Supreme Court and finally Supreme Court had set-aside this matter to trail court. Presently the title dispute of the above said agricultural land measuring 53 Acres 3 Kanal (216013.03 square meters) of Panipat Woolen Mills & Kharar Textile Mills, Kharar is pending before the Civil Court at Ropar.

30.6 PROPERTIES & ASSETS UNDER UNAUTHORISED OCCUPATION

Some of the staff Quarters/Workers Chawls/Building Premises/Godowns, shops and land are under unauthorised occupation for which eviction proceedings are pending before Estate Officer/High Court. As and when the outcome of the case is known, necessary adjustments will be made in the books of accounts.

Summarized information is given below:

S. No.	Particular of the Assets	Location	Area in Sq. Meter/ No. of Qtrs	Book Value (in ₹)	Occupied by NTC (Yes/No)
1	Freehold Land	7 locations in Maharashtra	200834	933908	No
2	Leasehold Land	2 locations in Maharashtra	278481	8528	No
3	Land	Akola	596	259816	No
4	Staff Qtrs /Shops /Chawls,etc	18 locations in Maharashtra	75083	1088665	No
5	Staff Qtrs /Shops /Chawls,etc	Akola	635	276818	No
6	Chawls/Rooms of Ahd. New Tex.Mill	O/s Raipur Gate, Ahd.	5150.1	NA	No
7	Chawls/Rooms of Ahd. Jupiter Tex. Mill	O/s Mill, Dudheswar Road,Ahd.	19770	NA	No
8	Chawls/Rooms of Jehangir Tex.Mill	O/s Mill, Devjipura, Shahibaug, Ahd.	10319	NA	No
9	Chawls/Rooms of New Manek Chawk Tex. Mill	Opp.Idgah Police Chowky, Ahd.	3550	NA	No
10	Bardolpura - Godowns	Bardolpura, Ahd.	3593	NA	No
11	Kerala Laxmi Mills	Thrissur	121405	61700	No
12	Kerala Laxmi Mills	Thrissur	19425	9872	No
13	Kerala Laxmi Mills	Thrissur	2104	809	No
14	Tirupati Cotton Mills	Renigunta	2023	NA	
15	Tirupati Cotton Mills	Renigunta	8035.62	NA	No
16	MSK Mills	Gulbarga	400Sq. Feet x 52 qtrs	NA	No
17	MSK Mills	Gulbarga	18311.85	NA	
18	Minerva Mills	Bangalore	4006	30000	
19	Minerva Mills	Bangalore	4856	36000	
20	Alagappa Textile	Alagappanagar	1821	5991	No
21	Azam Zahi	Warrangal	60217	56000	No
22	Coimbatore Murugan Mills	Coimbatore	23674	0	No
23	Land(UCM)	Temple/Play Ground	768.89	60.59	No
24	Land(UCM)	Labour Colony	4572.9	699.65	No
25	Land(STM)	Khasra N0.347/1	3442.2	1721	No
26	Land(STM)	Khasra N0.347/1	126.4	63	No
27	Land(STM)	Khasra N0.347/1	126.4	63	No
28	Land(STM)	Khasra N0.347/1	126.4	63	No
29	Land(STM)	Khasra N0.347/1	126.4	63	No
30	Land(STM)	Khasra N0.347/1	126.4	63	No
31	Land(STM)	Khasra N0.347/1	75.9	38	No

S. No.	Particular of the Assets	Location	Area in Sq. Meter/ No. of Qtrs	Book Value (in ₹)	Occupied by NTC (Yes/No)
32	Land(STM)	Khasra N0.347/1	126.4	63	No
33	Land(STM)	Khasra N0.347/1	126.4	63	No
34	Land(STM)	Khasra N0.347/1	252.9	126	No
35	Land(STM)	Khasra N0.347/1	126.4	63	No
36	Land(STM)	Khasra N0.347/1	126.4	63	No
37	Land(STM)	Khasra N0.347/1	177	88	No
38	Land(STM)	Khasra N0.347/1	151.7	76	No
39	Land(STM)	Khasra N0.347/1	202.3	101	No
40	Land(STM)	Khasra No.165 & 347/1	4780	2301.65	No
41	Land(STM)	Khasra No.347/1	682.8	341	No
42	Land(STM)	Khasra No.347/1	394.5	197	No
43	Land(STM)	Khasra No.347/1	335.3	168	No
44	Land(STM)	Khasra No.347/1	139.1	70	No
45	Land(STM)	Khasra No.347/1	139.1	70	No
46	Shop No.27 & 1 Qtr.(KTM)	KTM Colony	104.52	NIL	No
47	Shop No.21 & 1 Qtr.(KTM)	KTM Colony	104.52	NIL	No
48	Shop No.24(KTM)	KTM Colony	29.26	NIL	No
49	Shop No.20(KTM)	KTM Colony	29.26	NIL	No
50	Shop No.23(KTM)	KTM Colony	29.26	NIL	No
51	Agricultural Land (KTM)	Kharar	43640.52	NIL	No
52	Land(PWM)	Near Prince Mkt,Kharar	5644.24	NIL	No
53	Land(PWM)	Behind FCI Godown, Kharar	1103.76	NIL	No
54	Land(PWM)	Old Octroi Post, Kharar	2508.55	NIL	No
55	Land(PWM)	Khuni Mazra, Kharar	10435.56	NIL	No
56	Land(PWM)	Badala Road,Kharar	476.98	NIL	No
57	Land(PWM)	Badala Road,Kharar	877.98	NIL	No
58	Quarter(SBCM)	Bijayanagar	64.66	NIL	No
59	Quarter(SBCM)	Bijayanagar	31.91	NIL	No
60	Quarter(SBCM)	Bijayanagar	50.85	NIL	No
61	Quarter(SBCM)	Bijayanagar	47.55	NIL	No
62	Land	Plot No.396, Shastri Nagar	1.30 acre	6553	No
63	Land	Plot No.9, O Block, Geeta Nagar	9.53 acre	47885	No
64	Land	Plot No.4, Vijai Nagar	2.90 acre	14596	No
65	Bungalow	16 Cantt.	12.90 acre	294470	No
66	Bungalow	16/58, Civil Lines	0.73 acre	180918	No
67	Bungalow	16/68, Civil Lines	9613 acre	1179723	No
68	Bungalow	1-A, LRCM Officers Colony	NA	NA	No

S. No.	Particular of the Assets	Location	Area in Sq. Meter/ No. of Qtrs	Book Value (in ₹)	Occupied by NTC (Yes/No)
69	Bungalow	5-A&B, LRCM Officers Colony	NA	NA	No
70	Bungalow	9-A&B, LRCM Officers Colony	12320 Sq. Mtrs	15348	No
71	Bungalow	10-B, LRCM Officers Colony	NA	NA	No
72	Bungalow	11-B, LRCM Officers Colony	NA	NA	No
73	Bungalow	12,13,14-A&B, LRCM Officers Colony	NA	NA	No
74	Godown	1 & 2, Darshan Purwa	NA	NA	No
75	Servant Quarters	119/1095, Darshan Purwa	NA	NA	No
76	Land	84/22, Fazalganj, Kanpur	19481 Sq. Mtrs	24346	No
77	Land	73/18, Collectorganj, Kanpur	NA	125906	No
78	Bungalow	14/91, Civil Lines, Kanpur	421 Sq.Mtrs	NA	No
79	Land	14/91, Civil Lines, Kanpur	6944 Sq.Mtrs	NA	No
80	Land	14/117, Civil Lines, Kanpur	1550 Sq.Mtrs	NA	No
81	Bungalow	14/116, Civil Lines, Kanpur	4.57 acre	NA	No
82	Bungalow	14/67, Civil Lines, Kanpur	3.82 acre	NA	No
83	Bungalow	15/1, Civil Lines, Kanpur	1.48 acre	NA	No
84	Bungalow	84/45 & 46	20939 Sq.Mtrs	14760	No
85	Bungalow	Swadeshi House	5.31 acre	NA	No
86	Land	Anandpuri	6.26 acre	NA	No
87	Land	Shivpuri, Ramghat, Saharanpur	10567 Sq.Mtrs	NA	No
88	IMU Mill, Indore Quarters	Govind Nagar, Indore	4126/148	3468	No
88	IMU Mill, Indore Quarters	Malwa Gin, Indore	2785/29	2340	No
89	Hira Mill, Ujjain, Staff Quarters	Hira Mill campus	739.91/7	406	No
90	Hira Mill, Ujjain, LIG Quarters	Arvind Nagar	559.42/11	307	No
91	Hira Mills, Ujjain, Chawl Quarters	Chawl Area	9980.08/459	6030	No

S. No.	Particular of the Assets	Location	Area in Sq. Meter/ No. of Qtrs	Book Value (in ₹)	Occupied by NTC (Yes/No)
92	Hira Mills, Ujjain, Chawl Quarters	Chawl Area	789.69/33	434	No
93	NBT, Bhopal, Mill Quarter 6/10	Mill Staff Colony	72.50	3000	No
94	BT Mill, Burhanpur Mill Chawl Quarter	Lalbag	6178/287	285940	No
95	BT Mill, Burhanpur, Staff Quarters	Mill Premises	43/1	Not available separately	No
96	BNC Mill, Rajnandgaon, Quarters	Baldeobag	864/27		

30.7 PENDING DISPUTES WITH REGARD TO LEASEHOLD LANDS

Summarized information is given below:

S. No.	Particular of the Assets	Location	Area in Sq. Meter	Book Value (in ₹)	Occupied by NTC (Yes/No)
1	Freehold Land	10 locations in Maharashtra	63028	239650	Partly
2	Leasehold Land	7 locations in Maharashtra	190155	504818	Partly
3	Leasehold Land	Barshi Mills, Solapur	734	10	Yes
4	Leasehold Land	Digvijay Mills, Mumbai	37286	0	Yes
5	Leasehold Land	Rajnagar Tex. Mill No.1	33479	NA	Yes
6	Leasehold Land	Rajnagar Tex. Mill No.2	34882	NA	Yes
7	Leasehold Land	Petlad Tex. Mill	122154	NA	Yes
8	Leasehold Land	Viramgam Tex. Mill	56857	NA	Yes
9	BNC Mill, Rajnandgaon	Leasehold Land, Baldeobag	137397	Nil	Yes
10	BNC Mill, Rajnandgaon	Land Patta, Baldeobag	8700	Nil	Yes

30.8 ADVANCE AGAINST SALE OF ASSETS PENDING REGISTRATION /POSSESSION

30.8.1 An advance of ₹121.00 Lakhs (previous year ₹ 121.00 Lakhs) was received from M/s Shukla Iron & Steel Co., Naini, Allahabad during the year 2002-03 against agreement to sell surplus land of Swadeshi Cotton Mills, Naini measuring 6.43 acres, for ₹ 320.00 Lakhs (previous year ₹ 320.00 Lakhs) Subsequently the Sub Divisional Magistrate, Karchana stayed the sale of land on the fact that the land was lease-hold. The matter is still subjudice.

- 30.8.2** An advance of ₹469.00 Lakhs (previous year ₹469.00 Lakhs) was received by Bijli Cotton Mills, Hathras from M/s. Anand Vrindavan in the years 2003 & 2012, against sale of Land & Building for ₹ ₹469.00 Lakhs (previous year ₹469.00 Lakhs). Land is in possession of the purchaser and buildings have been demolished and scrap value realized by the purchaser in terms of the agreement to sell. Value of land and building is pending adjustment in the books of account as the sale deed is to be executed after approval by the Asset Sales Committee at Head Office.
- 30.8.3** An amount of ₹181.51 Lakhs received on account of sales of Land in respect of Ahmedabad Jupiter Textile Mills.
- 30.8.4** The advance of ₹197.62 Lakhs received against 0.78 acres of Land in respect of Netha Spg. Mills pending transfer of title deeds and ₹10.38 Lakhs received against sales of 10 acres land of MSK Mills, is shown as advance against sale of assets and included in Other Current Liabilities.
- 30.8.5** Advance of ₹ 225.00 Lakhs (previous year ₹ 225.00 Lakhs) represents consideration received towards relinquishment of the rights pertaining to assets of Worli Bungalow, in favour of New City of Bombay Mfg Co. Ltd. (which has also been approved by the BIFR) is considered as advance as certain conditions of the settlement are yet to be complied with by New City of Bombay Mfg. Co. Ltd.

30.9 OTHER PROPERTY MATTERS

- 30.9.1** Assets held for sale includes entire Land (Approx. 48415 sq. mtrs.) of India United Mill No.6, Mumbai (Gross Block of ₹43.23 Lakhs). On the request of the Government of Maharashtra (GOM) for allotment of the said land for a proposed memorial, a statement was made in December 2012 in both the houses of Parliament that the Government of India (GOI) to make available the said land for the use to the GOM for a befitting Memorial for Bharat Ratna Dr. Babasaheb Ambedkar. Further, the Union Cabinet also approved the transfer of Indu Mill No. 6 land for the construction of the said memorial. Thereafter, a legal opinion was obtained, wherein it has been opined that the land can be transferred u/s 11A of Sick Textile Undertaking (Nationalisation) Act, 1974 (STUNA) with the prior sanction of the GOI.

Post Balance Sheet date, a Tripartite Memorandum of Understanding (MOU) has been entered into between GOI, GOM and NTC on 5th April, 2015 whereby GOI has agreed to grant its sanction for transfer of the land to GOM. NTC has irrevocably undertaken to transfer the said land on receipt of due compensation in terms of MOU which will be decided by a sub-committee, to be constituted in terms of the MOU for the said purpose.

Pending the exact amount of compensation to be decided by the sub-committee, there is no impact on the Annual Accounts during the year.

- 30.9.2** In terms of the consent terms filed in the Hon'ble Supreme Court, during the year 2008-09 a settlement was entered into with M/s. Hall and Anderson Ltd. in respect of the land of Madhusudan Mills and accordingly land area of approx 27585 sq. mtrs. together with the building and structure standing thereon has been conveyed and transferred to M/s. Hall and Anderson Ltd. and land area of approx 52507 sq. mtrs has been retained by the NTC. However, the total area of the Mills land differs from the area mentioned in the said Agreement. Correction of the same in the Agreement is under process. During the year, there is no further development in the matter.
- 30.9.3** Shree Sitaram Mills has surrendered approx. 1,11,115 sq. ft. of land alongwith structures thereon free of cost for 60 ft. D.P. Road network realignment through the Mills to MCGM as per the plan of MCGM dated 14.01.2009. NTC would be entitled for FSI for the said surrender as per norms of MCGM. Since the actual joint measurement of land is pending, effect in the financial statement will be given on actual joint measurement of the land/receipt of FSI from MCGM.

- 30.9.4.a** In respect of area of 170.5 sq.ft in Survey No.211 of Coimbatore Murugan Mills, an eviction order has been passed by the Estate Officer. The occupant has gone on appeal before the Court and the matter is pending before the High Court.
- 30.9.4.b** In respect of the Textile Mills in Pondicherry Viz. the Swadeshi Cotton Mills and Sri Bharathi Mills, NTC(TN&P) Ltd. had entered into an MOU with the Pondicherry Textile Corporation Ltd. (A Government of Pondicherry Undertaking) on 1st April, 2005 for the transfer of the Mills assets to them (SCHEDULES 1 and 2 to the MOU) for a consideration of ₹39.43 Crores. Pursuant to the said MOU, possession and operation of the said two Mills were taken over by the Pondicherry Textile Corporation Ltd. on 1st April 2005. In the meantime, Government of Pondicherry formed another company by name Swadeshee Bharathee Textile Mills Ltd. as per GOM/S No.11/2005-IND-B dated 4.7.2005 and the management of the two mills vested with the said company. Execution of documents for transfer is pending as the consideration has not been received by the Corporation from Govt. of Pondicherry. But it has discharged certain liability of NTC like Gratuity of employee, EPF, ESI and Central Excise etc. The net amount receivable ₹ 34.28 crores from Govt. of Pondicherry is shown as Short Term Loans and Advances- due from others. **(Note No. - 18)**
- 30.9.5** Name Change formalities in respect of Land & Buildings valued at ₹0.89 Lakhs taken over from the erstwhile management of Sri Sarada Mills remains to be completed, as the original Title Deeds were deposited by the erstwhile owners with Banks and Financial institution.
- 30.9.6** Title deeds in respect of (14.88 acres) Land belonging to Azam Jahi Mills is not available.
- 30.9.7** Parvathi Mills-50 cents of landed property is in attachment by PF authorities for which the Company has obtained stay from High Court of Kerala towards disputed liability of ₹21.43 Lakhs.
- 30.9.8** Sub-lease rent to the tune of ₹ 84 Lakh (previous year ₹ 84 Lakh) and relating to the period from 2007-08 till 30.11.2011 is pending receipt from M/s Sheena Home Tex (P) Ltd. The principal amount together with interest @ 9% p.a. has been claimed in the suit filed by the Company on 31.01.2012 for a sum of ₹101.09 lakhs (previous year ₹ 101.09 lakhs).
- 30.9.9** Title deeds of land of Muir Mills, Kanpur are in possession of State of Bank of India since the pre nationalization period.
- 30.9.10** Based on the legal opinion obtained in context to The Textile Undertakings (Nationalisation) Laws (Amendment and Validation) Act, 2014, in view of the Management; NTC is neither liable to pay mesne profit nor liable to vacate the suit property as the lessor has to continue the lease at a lease rent as per the original lease agreement. To this effect, NTC has filed applications before the Hon'ble Courts except premises at Fort, Mumbai namely Dena Bank premises.
- Since The Textile Undertakings (Nationalisation) Laws (Amendment and Validation) Act, 2014 came into force from 24th Oct.2014, an amount of ₹29158.00 lakhs towards the claim of mesne profit shown as contingent liability as on 31st March, 2014 has been withdrawn.
- 30.9.11** During the year 2009-10, NTC had invited offers for sale of property of the Finlay Mills Mumbai, including plant & machinery. The highest bid received was ₹ 65790.00 Lakhs which was subsequently voluntarily revised by the bidder to ₹ 71000.00 Lakhs with a view to match the Reserve Price. The said offer was rejected by NTC. The bidder had filed Writ Petition in High Court challenging the rejection, wherein the Hon'ble High Court passed Order directing Asset Sale Committee (ASC) to re-examine its decision and also directed the Petitioner to deposit ₹10000.00 Lakhs towards EMD. In absence of unanimous decision in the matter, ASC decided to refer the matter to BIFR. The BIFR, vide order dated 18.05.2010, directed NTC to accept the bid of ₹ 71000.00 Lakhs. The said Order was challenged by NTC in the Appellate Authority for Industrial & Financial Reconstruction (AAIFR). The appeal of NTC has been dismissed by the AAIFR, vide its Order dated

24.06.2011. The said decision of the AAIFR has been challenged by NTC by way of filing Writ Petition in the Hon.ble High Court at New Delhi by praying inter alia that Order of the AAIFR be quashed and set aside and also permit NTC to conduct a fresh valuation of Finlay Mill assets and thereafter to conduct an open and transparent public sale of Finlay Mills property under the supervision of the ASC of the Hon'ble BIFR strictly in terms of BIFR guidelines. Matter is pending for hearing. Meanwhile Govt. of India has also filed application for impleadment as a party in the matter. The amount of ₹ 10000.00 Lakhs deposited by the party as EMD is still lying with NTC.

30.9.12 National Textile Corporation Limited, New Delhi (NTC) handed over 22 mills out of the various mills nationalised under Sick Textile Undertakings (Nationalisation) Act, 1974 and 13 mills out of the various mills nationalised under The Textile Undertakings (Nationalisation) Act, 1995 (totally 35 mills) to its erstwhile subsidiaries National Textile Corporation (South Maharashtra) Ltd. and National Textile Corporation (Maharashtra North) Ltd., now known as Western Region Office, Mumbai of the NTC. One of the mills, The Elphinstone Spinning and Weaving Co. Ltd. has filed a Writ Petition (WP) in the High Court of Bombay in the year 1996-97, challenging the nationalization of the said mill. The High Court in its Order has referred that a similar case has been referred for consideration by a larger bench of not less than seven judges in the Supreme Court. In view of this, the High Court has adjourned the case sine die with liberty to the parties to move the High Court in case the Supreme Court delivers the judgement. During the year, there is no further development in the matter.

30.10 INTEGRATED DEVELOPMENT SCHEME

30.10.1 The Municipal Corporation of Greater Mumbai (MCGM) had approved an Integrated Development Scheme (IDS) of 7 mills. The Lay Out Plans of Mills land (for sale) namely Kohinoor Mill No.3, Jupiter Textile Mills, Mumbai Textile Mills (including land known as Kawali Compound, Marwari Chowka and New Jack Printing Press), Elphinstone Spinning and Weaving Mills (including Mills chawl), Apollo Textile Mills (part sale), Moraraka Bungalow (Apollo Textile Mills) and surrender of New Hind Textile Mills to MHADA & India United Mills No. 2 & 3 to MHADA & MCGM were approved on 27.10.2004 as per provisions of Regulation 58 of Development Control Regulations, 1991. Further same were amended on 17.02.2007, 13.12.2007, 13.05.2009, 27.05.2011 & latest on 14.02.2012.

The status of the land sold and surrendered (with details of accounted and yet to be accounted) under this Scheme is as given below:

(Area in.sq.mtrs.)

S No	Particulars	For MHADA from New Hind Tex. Mills	For MHADA from India United Mills No.2&3	For MCGM from India United Mills No.2&3
a	Total land required to be surrendered as per letter dated 14.02.2012 and to be accounted in the Books.	31,501	7,275	34,584
b	Less:			
	i) Surrender required for Kawali Compound (yet to be sold hence shall be accounted on sale of the same)	552	57	543
	ii) Surrender required for retained area of Apollo Textile Mills as and when comes up for development, which is leased to the Joint Venture Company for Mills activity. (yet to be developed hence shall be accounted as and when developed)	NIL	2,989	2,666
	Total (b) (i + ii)	552	3,046	3,209

S No	Particulars	For MHADA from New Hind Tex. Mills	For MHADA from India United Mills No.2&3	For MCGM from India United Mills No.2&3
c	Balance required to be accounted in the Books as per letter dated 14.02.2012 (a-b)	30,949	4,229	31,375
d	Less: Total land accounted during earlier years as surrendered as per letter dated 13.12.2007 for Mills land already sold.	30,949	3,161	30,423
e	Balance yet to be accounted in the books (same shall be accounted on identification of another Mill in place of India United Mill No. 2 & 3 towards the surrender of MHADA component. (c-d)	NIL	1,068	952
f	Actual Land Surrendered (including 2226.45 sq. mtrs. of setback area in case of New Hind Textile Mills).	33,727	NIL	61,057
g.	Excess/(short) surrendered (to be adjusted and accounted on approval of the subsequent IDS for remaining Mills land, on identification of the another Mill in place of India United Mill No. 2 & 3 towards the surrender of MHADA component and/or receipt of FSI/TDR towards set back area in case of New Hind Textile Mills.) (f-a)	2,226	(7,275)	26,473
h.	Entitlement of Transfer of Development Right (TDR) and Entitlement of Floor Space Index (FSI) in terms of letter dated 14.02.12 (Refer "a" above × 1.33)	TDR	TDR	FSI
		41,897	9,676	45,997
i.	Less entitlement of TDR/FSI: For Kawali Compound (yet to be sold hence shall be accounted on sale of the same. Refer "b i" above × 1.33)	734	75	722
	For retained area of Apollo Textile Mills as and when comes up for development, which is leased to the Joint Venture Company for mills activity. (yet to be developed hence shall be accounted as and when developed Refer "b ii" above × 1.33)	0	3,976	3,546
	For differential balance accounting of land to be surrendered (same shall be accounted on identification of another mill in place of India United Mill No. 2 & 3 towards the surrender of MHADA component. Refer "e" above × 1.33)	NIL	1,420	1,267

S No	Particulars	For MHADA from New Hind Tex. Mills	For MHADA from India United Mills No.2&3	For MCGM from India United Mills No.2&3
	Less: land accounted as surrender but actually not surrendered for MHADA from India United Mills No. 2 & 3 (Column (d) – (f) × 1.33)	NIL (Nil since excess land surrendered)	4,205	NIL (Nil since excess land surrendered)
j.	Balance entitlement of FSI/TDR accounted in the books during earlier years as per letter dated 13.12.2007 and also physically surrendered (Column (d) × 1.33)	41,163	NIL (since land not surrendered)	40,462
k.	Less: FSI sale accounted during the year 2011-12.	NIL	NIL	18,580
l.	Balance FSI included in the gross block of land	41,163	NIL	21,882
		₹ 92		₹ 21,882

30.10.2 Gross Block of Land and Building of India United Mills No. 2 & 3 and New Hind Textile Mills includes the cost of above referred additional surrender of land including set back area/the land to be surrendered for Kawali Compound (yet to be accounted) which are physically surrendered to MCGM/MHADA and not in a possession of the NTC are as under:

(₹ In Lakhs)

Description	Gross Block (Net Block)	Provision for Depreciation	Area (sq.mt₹)
Land	147.98 (147.98)	-	30,251
Factory Building	8.79 (2.00)	6.79	29,595 built-up
Non-Factory Building	0.16 (0.08)	0.08	1,722 built-up
Total	156.93 (150.06)	6.87	-
Previous Year	156.93 (150.06)	6.87	-

30.10.3 Further, in respect of surrender of land of India United Mills No. 2 & 3, the cost of demolition of existing structures, clearing of site and levelling of plot, demolition of existing compound wall, and cost of construction of road setback to land, construction of SWD, laying of sewage line/water line & construction of new compound wall are required to be reimbursed by NTC to MCGM. However, the amount is not ascertainable. Hence, necessary accounting entries shall be made as and when actual expenditure is incurred/reimbursed to MCGM.

30.10.4 New Hind Textile Mill's land was surrendered to MHADA as per the revised IDS during the year 2007-08. The Collector of Mumbai has raised a demand of unearned income amounting to ₹ 3477.62 lakhs payable to the Government of Maharashtra (GOM) in terms of section 84 of the Maharashtra Land Revenue Manual. (Appeal has been filed with GOM & concerned authorities for reconsideration and based on legal opinion, NTC does not envisage any liability towards the said demand). However, same has been included in the Contingent Liability as claim of unearned income.

30.11 HERITAGE STRUCTURE

Pursuant to the Writ Petition filed by Indian National Trust for Art & Cultural Heritage (INTACH) for declaring certain structures of the various Textile Mills as heritage, the Hon'ble High Court at Bombay on 07.02.2006 granted stay on demolition of 77 structures on the Land of the NTC's Mills at Mumbai. Pending hearing in the matter, the NTC has proposed to the Government of Maharashtra (GOM)/MCGM to consider listing of heritage structures only on one mill instead of 19 mills proposed and considered constructing a textile-cum-heritage museum at that one mill. NTC also offered ₹ 2000.00 lakhs for setting up the textile museum, for which the liability has been recognised in the books during the year 2010-11. The GOM having followed due process has issued a notification dated 21.02.2008 declaring only 7 structures of India United Mills No. 2&3 as heritage. All other structures proposed at other NTC 18 mills and 2 structures at India United Mills No. 2&3 stand deleted. The petition is now listed for final hearing and is pending before the said Court. During the year, there is no further development in the matter.

30.12 INVESTMENTS

30.12.1 The details of investment in each Subsidiary Company/ Associate are as under:

(₹ in Lakhs)

S.No	Name of Subsidiary Companies /Strategic Partner (SP)	No. of shares	(%)	Cost
01	Aurangabad Textiles & Apparel Parks Ltd. (SP – Alok Industries Ltd.)	1060800	51	106.08
02	New City of Bombay Mfg. Mills Ltd. (SP – Alok Industries Ltd.)	4676700	51	467.67
03	Apollo Design Apparel Parks Ltd. (SP – Pantaloon Retail {India} Ltd.)	2881500	51	288.15
04	Goldmohur Design & Apparel Parks Ltd. (SP – Pantaloon Retail {India} Ltd.)	2983500	51	298.35
05	India United Textiles Mills Ltd. (SP – Bhaskar Ind. Ltd.)	6482610	51	648.26
06	Swadeshi Mining & Manufacturing Limited	1718344	97.91	165.80
	TOTAL	19803454		1974.31

S.No	Name of Associate Company	No. of shares	(%)	Cost
01	Swadeshi Polytex Limited	1311750	33.63	145.42
	TOTAL	1311750		145.42

30.12.2 Investments in each body corporate, quoted and unquoted and cost of purchase along with market value, wherever ascertainable, is given in **Annexure- I**.

30.13 COMMISSIONER OF PAYMENTS

Other Current Assets include amount claimed from Commissioner of Payments in respect of nine erstwhile subsidiary companies amounting to ₹ 115.66 Lakhs (Previous Year - ₹ 145.20 Lakhs) as per details given below: **(Note No. 19)**

(₹ in Lakhs)

Description	As on 31.03.2015	As on 31.03.2014
Total amount claimed	3604.70	3604.70
Amount awarded & received	1681.39	1654.62
Rejected & taken-up again for reconsideration	1807.65	1804.88
Provision made	1807.65	1804.88
Balance claims pending	115.66	145.20

30.14 OTHER NON-CURRENT ASSETS
30.14.1 RECEIVABLES FROM CENTRAL GOVERNMENT

In terms of Section 5(2) (c) of the Textile Undertakings (Nationalization) Act, 1995, the liabilities pertaining to the Wages, Salaries, Gratuity and Other Dues for the period from 18.10.83 to 31.03.94 of the employees of 13 Textile Undertakings transferred to Western Region Office, Mumbai were of the Central Government and NTC would pay the liability on behalf of Central Government as and when it becomes due. NTC has paid ₹10592.49 Lakhs (Previous year ₹ 10487.18 Lakhs) and shown the same as claim receivable from Central Government.

Further, in addition to above, the balance of un-discharged liability as on 31.03.2015 amounting to ₹1434.99 Lakhs (Previous year ₹ 1540.30 Lakhs) has also been recognized during the earlier years.

Based on various correspondences with the Ministry of Textiles the management is of the opinion that the above reflected liabilities of the Central Government discharged by NTC may not be liable for reimbursement by the Central Government and hence NTC has fully provided for the receivables from the Central Government amounting to ₹ 12027.48 Lakhs. (Note No. 14)

30.14.2 ₹12.81 Lakh in Current a/c with Central Bank of India, Rabindra Sarani Branch, Kolkata and ₹4.14 Lakh in Current a/c with Central Bank of India, Espanade Branch has been shown as other bank balances under other long term assets as the matters in under arbitration.

The balance with Central bank of India at Rabindra Sarani Branch and Esplanade Br, Kolkata has been unilaterally adjusted by the said Bank against Pre-Nationalisation dues of the then Ramporia Cotton Mills taken over by NTC in 1974.

NTC challenged the steps of the Bank before the High Court Calcutta claiming the said amount as per the Nationalisation Act. Hon'ble High Court directed that the said dispute would be decided by the Committee on Dispute (COD).

Hon'ble High Court directed that the said dispute would be decided by the Committee on Dispute (COD). The COD decided that the matter would be resolved by Permanent Machinery of Arbitration (PMA) at New Delhi. The PMA heard the matter on different occasion. The balance of ₹12.81 lakhs at Rabindra Sarani Br, Kolkata and ₹4.14 lakhs at Esplanade Branch is under Long Term asset.

30.15 OTHER LIABILITIES

- 30.15.1** Other Current Liabilities includes ₹ 707.15 Lakhs (Previous Year – ₹ 707.15 Lakhs) for Controlled Cloth Subsidy (Note No. - 9) for which Fixed Deposits with Bank (FDR) are earmarked as given in Note No. 17.
- 30.15.2** Other Current Liabilities - Others of ₹ 20959.48 Lakh (Previous Year ₹ 15037.78 Lakh) (Note No. 9) includes ₹ 501.96 Lakh (Previous Year ₹592.68 Lakh) payable to 1406 employees (Previous Year – 1472 employees) who were relieved under MVRS and did not vacate the staff quarters/chawls and buildings premises etc.
- 30.15.3** Earnest Money/Security Deposit of ₹ 10837.01 Lakh (Previous Year ₹ 11039.67 Lakh) (Note No. 9) includes ₹ 10015.00 Lakh (Previous Year ₹ 10015.00 Lakh) towards Earnest Money Deposit received against Tender for sale of properties of Finlay Mills, Mumbai on account of non-confirmation of the sales by the Company and disputes are also pending in this regard.
- 30.15.4** The company has received ₹ 167.64 Lakhs from Ministry of Textile (MOT) under Integrated Skill Development Scheme (ISDS) for the skill development of the people. The skill development program has been started at 10 different locations of the NTC mills. **(Note No. 9)**

30.16 HANK YARN OBLIGATIONS

Company is required to meet Hank Yarn Obligation in packing of yarn as per Government of India Order. The balance unfulfilled obligation is 624.71 Lakh Kgs (Previous Year – 613.82 Lakhs Kgs). However, the Company has taken up the matter with the government through Ministry of Textiles for waiver to meet out the outstanding Hank Yarn Obligation.

30.17 Finance Charges

Government of India has given loan of ₹ 27000.00 Lakhs in the earlier years at the rate of 15.5% for ₹ 6250.00 Lakhs & 14.5% for ₹ 20750.00 Lakhs, in case of default, additional penal rate of 2.75% & 2.50%. These loans are repayable in 4 equal installments after the moratorium period of repayment of one year and are overdue for repayment.

Although the Sanctioned Rehabilitation Modified Scheme (MS-08) requires waiver of loan and interest on the loan outstanding as on 31.03.2007, loans and interest outstanding as on 31.03.2006 has been waived off. Pending approval for waiver by Government of India, interest has been provided during the year ₹1140.62 Lakhs (Previous Year ₹ 1140.62 Lakhs) on loan of ₹ 6250.00 Lakhs given during the financial year 2006-07. The cumulative interest from 2006-07 to 31.03.2015 on the above loan outstanding is ₹ 9435.95 Lakhs (Previous Year ₹ 8295.33 Lakhs).

Company has also received loan of ₹ 6250 Lakhs and ₹ 14500.00 Lakhs during the year 2007-08 & 2008-09 respectively. Company has requested the Government to convert the loan of ₹ 20750.00 Lakhs into equity and waiving off the accrued interest of ₹ 20896.58 Lakhs (Previous Year – ₹ 17353.45 Lakhs) on the above loan. Confirmation is awaited from the Government for the request made by Company and as such, the total

interest accrued of ₹ 30332.53 Lakhs (Previous Year – ₹ 25648.78 Lakhs) is shown under Other Current Liabilities. **(Note No. 9)**

30.18 DIRECTORS REMUNERATION

During the year, Director's Remuneration of ₹ 58.65 Lakh (Previous Year ₹ 68.20 Lakh) has been paid to three Wholetime Directors.

30.19 EXTRA ORDINARY INCOME

During the year, the Company has accounted net extra ordinary income of ₹ 1.46 Lakh (Previous Year ₹ 485.15 Lakh) from profit on sale of land, Building and other assets. **(Note no. 29)**

30.20 EXTRA ORDINARY EXPENDITURE

Modified Voluntary Retirement Scheme

As per the sanctioned rehabilitation scheme, employees rendered surplus are offered modified voluntary retirement scheme (MVRS). During the year MVRS compensation (ex-gratia) of ₹ 430.76 Lakh was paid (Previous Year ₹ 667.73 Lakh). **(Note No. 29)**

30.21 JOINT VENTURES

30.21.1 In addition to the formation of 5 Joint Ventures, Company signed an MOU on 14.11.2008 in respect of Joint Ventures arrangements with 3 strategic partners for 11 mills, namely: Chaliswaon Textile Mills, Dhule Textile Mills, Nanded Textile Mills, RBBA Spg & Wvg. Mills, Savatram Ramprashad Mills, Orissa Cotton Mills, Laxminarain Cotton Mills, Sodepur Cotton Mills, Swadeshi Cotton Mills, Mau, Sri Sarada Mills & Parvathi Mills.

30.21.2 All the 3 MOUs were terminated vide letter dated 14.09.2010, since definite agreements were not executed within 240 days of the date of execution of the MOU in the manner specified in the MOU.

30.21.3 The strategic partners have filed petitions for Arbitration in 2011 claiming ₹ 51362.00 Lakhs (Previous Year ₹ 51362.00 Lakhs) for damages towards loss of profit due to cancellation and expenses incurred by them. The proceedings are pending before Arbitration Tribunal. The amount claimed by the parties not accepted but shown as contingent liability. The upfront money of ₹ 840.00 Lakhs received from the three strategic partners towards surrender of rights of 11 JV mills by the Company refunded to the strategic partner but not accepted and hence, treated as current liabilities payable to them. **(Note No. 30.1). (Note No. 9)**

30.22 DISCLOSURES UNDER ACCOUNTING STANDARD 15 "EMPLOYEE BENEFITS"

30.22.1 Defined Contribution Plan

Amount recognized as an expense in defined contribution plans:

(₹ In Lakhs)

PARTICULARS	Expense recognized in 2014-15	Expense recognized in 2013-14
Contributory Provident Fund & Employees Pension Scheme 1995	1977.70	1870.20

Company is having trust for employee's provident fund in respect of Head Office and Sub-offices whereas units are making payments of their contribution to the respective Regional Provident Fund Commissioner.

30.22.2 Defined Benefit Plans

The Company is having following Defined Benefit Plans:

- Gratuity (Unfunded)
- Leave Encashment (Unfunded)
- Sick Leave (Unfunded)
- LTC & Terminal Benefits (Unfunded)

PARTICULARS		Gratuity (Unfunded)	Leave Encashment (Unfunded)	Sick Leave (Unfunded)	LTC & Terminal Benefits (Unfunded)
YEAR		2014-15	2014-15	2014-15	2014-15
		2013-14	2013-14	2013-14	2013-14
a) Actuarial Assumptions					
Discount rate		7.95%	7.95%	7.95%	7.95%
		9.03%	9.03%	9.03%	9.03%
Expected rate of return on assets		-	-	-	-
		-	-	-	-
Expected rate of future salary increase		5.50%	5.50%	5.50%	5.50%
		5.50%	5.50%	5.50%	5.50%
Attrition Rate		2.00%	2.00%	2.00%	2.00%
		2.00%	2.00%	2.00%	2.00%
b) Reconciliation of opening and closing balances of Defined Benefit obligation					(₹ In Lakhs)
Present value of obligations as at beginning of year		13245.33	2897.49	1296.56	129.88
		13169.39	2974.22	1174.25	152.82
Interest cost		1196.05	-	-	-
		1086.47	-	-	-
Current Service Cost		441.59	-	-	-
		447.81	-	-	-
Benefits paid		(1894.04)	(779.96)	(57.74)	(61.52)
		(2158.79)	(778.58)	(132.76)	(52.61)
Actuarial (gain)/loss on Obligations		192.12	586.91	(159.04)	59.06
		700.45	701.85	255.07	29.67
Present value of obligations as at end of year		13181.05	2704.44	1079.78	127.42
		13245.33	2897.49	1296.56	129.88

PARTICULARS	Gratuity (Unfunded)	Leave Encashment (Unfunded)	Sick Leave (Unfunded)	LTC & Terminal Benefits (Unfunded)
	2014-15	2014-15	2014-15	2014-15
	2013-14	2013-14	2013-14	2013-14
c) Actuarial Gain/Loss recognized (₹ In Lakhs)				
Actuarial gain/(Loss) for the year – Obligation	(192.12)	(586.91)	(159.04)	(59.06)
	(700.45)	(701.85)	(255.07)	(29.67)
Actuarial (gain)/Loss for the year – plan assets	-	-	-	-
	-	-	-	-
Total (gain)/Loss for the year	192.12	586.91	(159.04)	59.06
	700.45	701.85	255.07	29.67
Actuarial (gain)/Loss recognized in the year	192.12	586.91	(159.04)	59.06
	700.45	701.85	255.07	29.67
d) The amounts recognized in the balance sheet (₹ In Lakhs)				
Present value of obligations as at the end of year	13181.05	2704.44	1079.78	127.42
	13245.33	2897.49	1296.56	129.88
Fair value of plan assets as at the end of the year	-	-	-	-
	-	-	-	-
Funded status	(13181.05)	(2704.44)	(1079.78)	(127.42)
	(13245.33)	(2897.49)	(1296.56)	(129.88)
Net (Asset)/liability recognized in balance sheet	13181.05	2704.44	1079.78	127.42
	13245.33	2897.49	1296.56	129.88
e) Expenses Recognized in statement of Profit & Loss (₹ In Lakhs)				
Current Service Cost	441.59	-	-	-
	447.81	-	-	-
Interest cost	1196.05	-	-	-
	1086.47	-	-	-
Expected return on plan assets	-	-	-	-
	-	-	-	-
Net Actuarial (gain)/Loss recognized in the year	192.12	586.91	(159.04)	59.06
	700.45	701.85	255.07	29.67
Expenses recognized in statement of Profit & Loss	1829.76	586.91	(159.04)	59.06
	2234.73	701.85	255.07	29.67

i) Reconciliation of opening and closing balances of fair value of plan assets – There are no fund assets hence, not applicable.

ii) Reconciliation of fair value of assets and obligations – There are no fund assets hence, not applicable.

30.23 SEGMENT INFORMATION AS PER ACCOUNTING STANDARD (AS - 17) “SEGMENT REPORTING”

The Corporation has identified two primary segments as Reportable Business Segments viz. Yarn and fabric in the context of AS-17 on Segment Reporting issued by the Institute of Chartered Accountants of India, taking into account the nature of products, the deferring risks and returns, the organisational structure and reporting system.

Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis. The expenses which are not directly relatable to the Business Segments, are shown as unallocated cost. Assets & Liabilities that cannot be allocated between the segments are shown as unallocated Assets & Liabilities respectively.

Further, Corporation has identified Geographical Segments as Secondary Segments i.e. within India and outside India.

The Mills have its production facilities of yarn & cloth and all assets are located in India. Information on segment reporting is enclosed herewith as **Annexure II**.

30.24 RELATED PARTY DISCLOSURES AS REQUIRED BY ACCOUNTING STANDARD (AS-18):

a) Name of the related parties:-

i) Subsidiaries of the Company:

Apollo Design Apparel Parks Limited
Goldmohur Design & Apparel Parks Limited
Aurangabad Textile & Apparel Parks Limited
New City of Bombay Manufacturing Mills Limited
India United Textile Mills Limited
Swadeshi Mining & Manufacturing Company Limited

ii) Associate of the Company:

Swadeshi Polytex Limited

iii) Key Managerial Personnel:

Mr. P. C. Vaish, Chairman & Managing Director
Mr. R. K. Sinha, Director (Human Resources)
Mr. Alokendra Banerjee, Director (Marketing)

30.24.1 Details of transactions relating to parties referred to in items (i), (ii) & (iii):

(₹ in Lakhs)

S.No	Particulars	Year	(i)	(ii)	(iii)
1.	Amount Payable at year end	2014-15	1503.83	-	-
		2013-14	1391.09	-	-
2.	Amount recoverable as at year end	2014-15	108.15	179.15	-
		2013-14	19.29	183.03	-
3.	Payments/Adjustments	2014-15	488.29	-	-
		2013-14	2319.98	-	-
4.	Payment received	2014-15	129.80	-	-
		2013-14	1577.24	-	-
5.	Doubtful Advance Outstanding as at year end	2014-15	1111.75	-	-
		2013-14	1111.75	-	-
6.	Purchases	2014-15	382.37	-	-
		2013-14	952.61	-	-
7.	Sales	2014-15	-	-	-
		2013-14	-	-	-
8.	Dividend Received	2014-15	691.18	-	-
		2013-14	644.80	-	-
9.	Rent Received	2014-15	0.01	-	-
		2013-14	0.01	-	-
10.	Managerial Remuneration	2014-15	-	-	90.23
		2013-14	-	-	102.57

During the year 2014-15, company has received dividend of ₹ 691.18 lakhs from 5 Subsidiary Companies (JVCs). 5 JVCs have proposed dividend aggregating to ₹ 749.69 Lakhs for the financial year 2014-15 which shall be accounted for by NTC on receipt basis during the year 2015-16 after the approval of accounts of JVCs in their respective AGMs.

30.24.2 Non Financial Transactions

- i) The Company has executed a corporate guarantee of ₹ 1000.00 Lakhs (Previous Year ₹ 1000.00 Lakhs) as a co guarantor to SREI Infrastructure Finance Limited (SIFL) for the loan availed by Swadeshi Polytex Limited (SPL).
- ii) The managerial remuneration does not include provision for gratuity, leave encashment, LTC, Sick Leave & Terminal Benefits under Accounting Standard-15 (Revised), since same is not available for individual employees.

30.25 OPERATING LEASE (AS-19)

30.25.1 Gross Block of Land and Building includes the value of land and buildings given on lease for the period of 33 years to the Joint Venture Companies in 2007 in respect of 5 mills to be revived through Joint Ventures. The mill-wise details of the same is as under:

(₹ In Lakhs)

Name of the Mill	Area of land (sq.mtr.)	Gross block (Net Block) value of land	Gross block (Net Block) value of building
Apollo Tex. Mills, Mumbai	*18,067	1.72 (1.72)	37.14 (4.36)
Gold Mohur Mills, Mumbai	30,149	1.29 (1.29)	1.34 (0.41)
New City of Bombay Mfg. Mills, Mumbai	27,106	1.00 (1.00)	3.59 (1.14)
Aurangabad Tex. Mills, Aurangabad	1,08,235	0.04 (0.04)	26.46 (2.64)
India United Mills No.1, Mumbai	86,006	282.84 (282.84)	84.53 (4.04)
Total	2,69,563	286.89 (286.89)	153.06 (12.59)

*Excluding set back area

30.25.2 As per lease agreement between NTC and the 5 Joint Venture Companies (JVC) dated 15.11.2007, lease of ₹ 100 each was received for leasing of Land and Building as per details given in the para below. The lease terms are for 33 years and renewable for 2 additional terms of 33 years each in accordance with terms of the present deed.

The lease rents receivable in respect of 5 JV companies are as under:

Minimum Commitments on Lease	As at 31 st March, 2015 (₹)	As at 31 st March, 2014 (₹)
Not Later than one year	500.00	500.00
Later than 1 year & not later than 5 years	2,000.00	2,000.00
Later than 5 years	9,810	10,310.00

Aggregate amount of rent received during the year under operating lease ₹ 500 (previous year ₹ 500) towards the lease rent received from the JVC in respect of Apollo Textile Mills, Gold Mohur Mills, New City of Bombay Mfg. Mills, Aurangabad Textile Mills and India United Mills No. 1 and same has been included in Other Income. **(Note No. 21).**

30.25.3 40 Acres of land is taken on lease from Karnataka Industrial Area Development Board, Hassan on lease for 20 years by paying ₹559.25 Lakh (Gross Block). The amount paid for land scaping and development charges is ₹146.06 Lakh (Gross Block). As per the accounting Policy, premium paid on lease hold lands and development charges are amortized over the lease period. The amount amortized for the year 2014-15 works out to ₹ 35.36 Lakh (Previous year ₹36.18 Lakh) (**Note No 11**).

The liability in respect of lease rent and maintenance charges payable for New Minerva mills is as under :-

(₹ in Lakhs)

Sl. No	Particulars	Not later than one year	Later than one year and not over five years	Later than five years
1.	New Minerva Mills, Hassan	1.60	6.40	11.73

30.25.4 The Sub Office owns a residential flat at Asiad Village, Delhi and the same was given under operating lease for the period of three years. The agreement was expired on 31.12.2014. Lease receipts of ₹ 3.24 Lakhs (previous year ₹ 4.32 Lakhs) are recognized in the statement of Profit and Loss account as per terms of agreement. The future lease receipts will be Nil as the flat has been vacated on 31.12.2014.

30.26 EARNING PER SHARE (EPS) PURSUANT TO ACCOUNTING STANDARD – 20 (AS-20) HAS BEEN CALCULATED AS FOLLOWS

Particulars		Current year (2014-15)	Previous year (2013-14)
(i)	Profit after Taxation(₹ in Lakhs)	(31624.87)	(17571.06)
(ii)	No. of Equity Shares	30621601	30621601
(iii)	Basic earnings per Share (in ₹)	(103.28)	(57.38)
(iv)	Diluted earnings per Share (in ₹)	(103.28)	(57.38)
(v)	Par value per Equity Share (in ₹)	1000.00	1000.00
EPS excluding Extraordinary Items		Current year (2014-15)	Previous year (2013-14)
(i)	Profit/(Loss) after Taxation(₹ in Lakhs)	(31194.12)	(17620.17)
(ii)	No. of Equity Shares	30621601	30621601
(iii)	Basic earnings per Share (in ₹)	(101.87)	(57.54)
(iv)	Diluted earnings per Share (in ₹)	(101.87)	(57.54)
(v)	Par value per Equity Share (in ₹)	1000.00	1000.00

30.27 ACCOUNTING STANDARD (AS 24) – DISCONTINUING OPERATIONS

The Company is in the process of restructuring, rehabilitation and modernizing the units. In this process, some of the unviable units are closed down and Company is in the process of modernizing some units through Joint Venture. The old surplus assets are being sold and the usable assets have been identified, renovated and utilized for viable units to modernize and expand capacity. As such, Company is continuing all activities of operations and, hence, in the opinion of the management, the Accounting Standard AS-24 relating to Discontinuing Operations is not applicable. The closing down of the unviable units, transferring of five mills to JV Companies and utilizing surplus assets for viable units or realizing residual value of such assets are part of restructuring exercise to achieve viability and hence, there are no “Discontinuing Operations” for the Company as a whole.

Though the assets are being disposed off piecemeal, there is no settlement of liabilities individually against such disposal. The discontinuing activities do not represent a separate major line of business or geographical areas of operations as the Company continues all its activities.

30.28 ACCOUNTING STANDARD (AS 28) – IMPAIRMENT OF ASSETS

In the opinion of the management, the recoverable amounts of the assets held for disposal are more than the carrying amount and, therefore, provision for impairment of assets is not required.

30.29 MICRO, SMALL AND MEDIUM ENTERPRISES

Trade payable (**Note No. 8**) includes the dues of sundry creditors amounting to ₹ 79.26 Lakh (Previous Year ₹ 33.90 Lakh) including overdue interest of ₹ NIL (Previous Year – ₹ NIL) relating to Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the various sub offices of the Company.

30.30 A. CAPITAL WORK IN PROGRESS

₹ in Lakh

S. No.	Particulars	As at 31.03.2015	As at 31.03.2014
1	Plant & Machinery	814.03	1,302.81
2	Civil Works	108.05	315.52
3	Others	194.06	176.48
	Total	1,116.14	1,794.81

B. RAW MATERIAL CONSUMED

₹ in Lakh

S. No	Particulars	As at 31.03.2015	As at 31.03.2014
1	Cotton	40,619.94	40,023.72
2	Polyester Fiber	22,468.82	24,413.48
3	Viscose Fiber	758.41	1,114.24
4	Yarn Purchased	955.28	42.70
5	Packing Material	1,463.23	1,205.28
	Total	66,265.68	66,799.42

C. GOODS PURCHASED FOR TRADING
₹ in Lakh

S. No.	Particulars	As at 31.03.2015	As at 31.03.2014
1	Yarn	5.10	1,269.55
2	Cloth	9,973.49	4,172.10
3	Readymade	700.12	1,694.91
	Total	10,678.71	7,136.56

D. VALUE OF IMPORTS ON C.I.F. BASIS
₹ in Lakh

S. No	Particulars	As at 31.03.2015	As at 31.03.2014
1	Raw Material	-	-
2	Components & Spare Parts	83.85	76.78
3	Capital Goods	-	239.56
	Total	83.85	316.34

E. VALUE OF CONSUMPTION
₹ in Lakh

S.No	Particulars	As at 31.03.2015		As at 31.03.2014	
1.	RAW MATERIALS				
a)	Indigenous	66,265.68	100%	66,799.42	100%
b)	Imported	-	-	-	-
	Total	66,265.68	100%	66,799.42	100%
2.	COMPONENTS & SPARE PARTS				
a)	Indigenous	2,757.80	96.64%	3339.92	98.18%
b)	Imported	95.98	3.36%	62.05	1.82%
	Total	2,853.78	100%	3,401.97	100%
3.	CAPITAL GOODS				
a)	Indigenous	815.67	100%	8,840.55	100%
b)	Imported	-	-	-	-
	Total	815.67	100%	8,840.55	100%

F. EARNINGS IN FOREIGN EXCHANGE
₹ in Lakh

S.No.	Particulars	As at 31.03.2015	As at 31.03.2014
a)	Export of Goods on F.O.B. Basis	5,811.39	4,510.99
	Total	5,811.39	4,510.99

G. EXPENDITURE IN FOREIGN CURRENCY

₹ in Lakh

S. No	Particulars	As at 31.03.2015	As at 31.03.2014
1	Royalty, Know-how, Professional & Consultation Fees	-	-
2	Interest and Dividend	-	-
3	Others	72.95	12.29
	Total	72.95	12.29

H. PAYMENT TO AUDITORS

₹ in Lakh

S. No	Particulars	As at 31.03.2015	As at 31.03.2014
1	Audit fee	34.85	34.67
2	Tax Audit	10.23	10.40
3	Other Services	3.43	4.22
4	Reimbursement of Expenses	7.44	9.26
	Total	55.95	58.55

30.31 GENERAL

30.31.1 DEPRECIATION

Consequent to the enactment of the Companies Act, 2013 (the Act) and its applicability for accounting periods commencing from April 1, 2014, the Company has realigned the remaining useful lives of its tangible fixed assets in accordance with the provisions prescribed under Schedule II to the Act.

In case of tangible fixed assets which have completed their useful lives, the carrying value (net of residual value) as at April 1, 2014 amounting to ₹ 177.80 Lakh has been adjusted against retained earnings. **(Note No. 3.5)**

Due to the realignment of the remaining useful lives of the assets, as aforesaid, the Depreciation expense for the Year Ended 31st March 2015 is higher by ₹ 3904.74 Lakh.

30.31.2 Confirmations from trade receivables, short term loans & advances, trade payables, other current liabilities, other long term liabilities etc. have been obtained from major trade receivables (79.61%), Short term borrowings (98.08%), trade payables (90.68%), other current liabilities (95.91%), other long term liabilities (92.49%).

30.31.3 Short terms loans & advances – Due from Others **(Note No. 18)** includes a bridge loan of ₹ 7071.00 Lakh given to British India Corporation Limited (BIC) for settlement of secured creditors as per the directions of Ministry of Textiles with the concurrence of Ministry of Finance which was to be repaid in terms of the sanction through budgetary allocation in 2011-12.

In terms of various MoUs with BIC for release of above and other loans, interest of ₹ 2878.74 Lakh is outstanding as on 31.03.2015 **(Note No. 19 – Interest Accrued on Deposits, Loans & Advances)**.

Interest accrued of ₹ 271.97 Lakh (Previous Year:-₹ 213.02 Lakh) has not been acknowledged by BIC.

30.31.4 The Company has defaulted the payment of outstanding amount and interest on Cash Credit Accounts to State Bank of Mysore in respect of Kaleeswar Mills and Somasundra Mills to the extent of ₹75.45 Lakh. The Southern Regional Office has submitted application for waiver of entire interest of ₹75.45 Lakh. **(Note No. 7)**

30.31.5 Indore showroom was sealed on 13.02.2014 by the District Administration as per court orders on account of non-payment of gratuity to the ex-workers of 3 mills under Sub Office, Indore. Corporation has filed SLP in Supreme Court which is pending for decision.

The Indore Showroom was opened on permission of the District Administrator for one day on 17.09.2014 for one hour to take out books of accounts. The stock is still sealed till today. That stock of ₹ 31.26 Lakhs lying in Indore showroom on 31.03.2014 has been shown on 31.03.2015 also.

30.31.6 EVENT OCCURRING AFTER BALANCE SHEET

On 4th April, 2015 Ho'nable Arbitration Tribunal has declared an award in favor of "M/s. Vimal Construction" for payment of ₹ 171.30 lakhs with simple interest @ 10.00% p.a. from 22.10.2012 till the date of payment in respect of construction contract entered into with the party in the past. The claim of "M/s. Vimal Construction" was for ₹ 327.39 Lakhs with interest @ 18.00% p.a. The NTC has obtained legal opinion, according to which the award declared by the Ho'nable Arbitration Tribunal in favour of "M/s. Vimal Construction" is legally wrong and hence the NTC is considering to legally challenge the order of the Ho'nable Arbitration Tribunal within 90 days of the date of the order. The management on the basis of the legal opinion so obtained, is of the view that the NTC may not be required to pay the amount to "M/s. Vimal Construction" as per the award declared by the Ho'nable Arbitration Tribunal and hence the award so declared has no impact on the financial statements for the year.

30.31.7 Previous Year's figures have been regrouped / rearranged wherever necessary.

Sd/-
(Pankaj Agarwal)
Company Secretary

Sd/-
(Alokendra Banerjee)
Director (Marketing)

Sd/-
(R.K. Sinha)
Director (HR)

As per our separate report of even date attached
For **TIWARI & ASSOCIATES**
Chartered Accountants
Firm Registration Number: 002870N

Sd/-
(P.C. Vaish)
Chairman & Managing Director

Sd/-
(Devender Magoo)
Partner
Membership Number: 085739

Place of signing: New Delhi
Date: 19-06-2015

INVESTMENT
FINANCIAL YEAR 2014-15

S. No.	Sub Office/Name of Company	No. of Shares	Face Value Per Share (₹)	Cost Price Total Value (₹)	Market Rate Per Share (₹)	Market Value (₹)	Provision as on 31.03.2015 (₹)
1	2	3	4	5	6	7	(5-7)
	Non Current Investments						
1	Trade Investments						
	Investment in Subsidiary Companies						
	Aurangabad Textile & Apparel Parks Ltd.	1060800	10.00	10,608,000.00	-	-	-
	New City Of Bombay Mfg. Mills Ltd.	4676700	10.00	46,767,000.00	-	-	-
	Apollo Design Apparel Parks Ltd.	2881500	10.00	28,815,000.00	-	-	-
	Goldmohur Design & Apparel Parks Ltd.	2983500	10.00	29,835,000.00	-	-	-
	India United Textile Mills Ltd.	6482610	10.00	64,826,100.00	-	-	-
	Swadeshi Mining & Mfg. Ltd.	1718344	10.00	16,580,153.00	-	-	16,580,153.00
	Total			197,431,253.00		-	16,580,153.00
	Grand Total			197,431,253.00		-	16,580,153.00
2	Other Investments						
	Quoted						
	NTC-HO						
	Lakshmi Machine Works Ltd.	480	10.00	1,000.00	3,826.55	1,836,744.00	-
	Total - HO			1,000.00		1,836,744.00	-
	NTC (UP)						
	Century Text. & Ind. Ltd.	480	10.00	512.00	637.15	305,832.00	-
	Standard Ind. Ltd.	84	5.00	215.00	21.90	1,839.60	-
	Dhanlaxmi Mills Ltd.	150	10.00	2,603.00	-	-	2,603.00
	Binny Mills Ltd.	67	10.00	3,591.00	340.40	22,806.80	-
	S. V. Global Mills Ltd.	470	5.00	-	144.80	68,056.00	-
	Total - UP			6,921.00		398,534.40	2,603.00

S. No.	Sub Office/Name of Company	No. of Shares	Face Value Per Share (₹)	Cost Price Total Value (₹)	Market Rate Perr Share (₹)	Market Value (₹)	Provison as on 31.03.2015 (₹)
1	2	3	4	5	6	7	(5-7)
	NTC (DPR)						
	Akzo Nobel India Ltd (Formerly I C I India Ltd)	15	10.00	325.00	1,405.10	21,076.50	-
	Arvind Ltd	13	10.00	383.00	262.00	3,406.00	-
	The Maftal Lal Fine Spg & Mfg Co Ltd	1	100.00	445.00	-	-	445.00
	The Khatau Makanji Spg & Wvg Mills Co. Ltd.	1	100.00	128.00	-	-	128.00
	The Shree Niwas Cotton Mills Ltd	5	100.00	765.00	-	-	765.00
	Mafatlal Engg. Ind. Ltd.	356	100.00	35,600.00	-	-	35,600.00
	Total - DPR			37,646.00		24,482.50	36,938.00
	NTC (WRO)						
	The Phoenix Mills Ltd	250	2.00	81.00	351.45	87,862.50	-
	The Century Spg. & Wvg. Co. Ltd.	250	10.00	740.00	637.15	159,287.50	-
	The Simplex Mills Co. Ltd.	7	10.00	79.00	11.80	82.60	-
	The Morarjee Gokuldas Spg. & Wvg. Co Ltd. (Now- Peninsual Land)	400	7.00	1.00	27.75	11,100.00	-
	The Bombay Dying & Mfg Co. Ltd.	125	2.00	272.00	63.90	7,987.50	-
	The Swan Mills Co. Ltd.	500	2.00	1,026.00	61.70	30,850.00	-
	The Dawn Mills Co. Ltd. (Peninsual Land)	100	2.00	1.00	27.75	2,775.00	-
	The Victoria Mills Ltd.	1	100.00	150.00	1,842.00	1,842.00	-
	Total - WRO			2,350.00		301,787.10	-
	NTC (GUJARAT)						
	Govt Securities			6,811.91	-	-	6,811.91
				6,811.91		-	6,811.91
	INVESTMENTS IN ASSOCIATES						
	Swadeshi Polytex Ltd.	1311750	10	14,542,243.50	26.50	34,761,375.00	-
	Grand Total			14,596,972.41		37,322,923.00	46,352.91

S. No.	Sub Office/Name of Company	No. of Shares	Face Value Per Share (₹)	Cost Price Total Value (₹)	Market Rate Per Share (₹)	Market Value (₹)	Provision as on 31.03.2015 (₹)
1	2	3	4	5	6	7	(5-7)
	Other Investments						
	Un-Quoted						
	NTC (DPR)						
	Kohinoor Mills Co. Ltd.	1	100.00	175.00	-	-	175.00
	Tata Mill Ltd.	1	25.00	33.00	-	-	33.00
	Ucm Sehkari Upbhokta Bhandar, Udaipur	10	10.00	100.00	-	-	100.00
	Total			308.00		-	308.00
	NTC (MP)						
	Govt Securities			8,100.00	-	-	8,100.00
	Mafatlal Engg. Ind. Limited	929	100.00	92,900.00	-	-	92,900.00
	indore Cloth Market Warehouse Ltd	21	100.00	2,100.00	-	-	-
	Delhi Ahilya New Cloth market Co ltd	20	100.00	2,000.00	-	-	-
	Total			105,100.00		-	101,000.00
	NTC (UP)						
	C.P. Properties Ltd.	6900	100.00	697,775.00	-	-	697,775.00
	Beardsheel Ltd.	90	10.00	2,380.00	-	-	2,380.00
	Mafatlal Engg. Industries Ltd.	100	100.00	10,000.00	-	-	10,000.00
	Dalhousie Holding Limited	3650	100.00	381,619.00	-	-	381,619.00
	Elgin Mills Co. Ltd.	50	10.00	275.00	-	-	275.00
	Cawnpore Textile Mills	50	5.00	112.00	-	-	112.00
	Total			1,092,161.00		-	1,092,161.00
	NTC (WRO)						
	Shree Nivas Cotton Mills Ltd.	1	100.00	168.00	-	-	168.00
	Swadeshi Mill Co. Ltd.	10	10.00	178.00	-	-	178.00
	Khetau Makanji Spg. & Wvg. Co. Ltd.	1	100.00	1.00	-	-	1.00
	Standard Mills Co. Ltd.	60	10.00	1,204.00	-	-	1,204.00
	Mafatlal Fine Spg. & Wvg. Co. Ltd.	5	100.00	361.00	-	-	361.00
	Bradbury Mills Ltd.	5	50.00	845.00	-	-	845.00
	Laxmi Vishnool Cotton Mills Ltd.	1	100.00	63.00	-	-	63.00
	Mafatlal Engineering Ind. Ltd. Mumbai	251	200.00	25,100.00	-	-	25,100.00

S. No.	Sub Office/Name of Company	No. of Shares	Face Value Per Share (₹)	Cost Price Total Value (₹)	Market Rate Perr Share (₹)	Market Value (₹)	Provison as on 31.03.2015 (₹)
1	2	3	4	5	6	7	(5-7)
	Tata Services Ltd.	175	1,000.00	175,000.00	-	-	-
	Associated Buildings Ltd.	250	1,000.00	75,000.00	-	-	-
	Cesta Bella Co-Hsg Soc.	50	10.00	500.00	-	-	-
	Rosary Co-Hsg Soc.	10	100.00	1,000.00	-	-	-
	Gulmohur Co-Hsg Soc.	5	50.00	250.00	-	-	-
	New Piece Goods Bazar Co. Ltd.	240	100.00	24,000.00	-	-	-
	New Piece Goods Bazar Co. Ltd.(Bonus)	192	100.00	-	-	-	-
	Total			303,670.00		-	27,920.00
	NTC (GUJARAT)						
	Others			11,792.00	-	-	9,900.00
	Total			11,792.00		-	9,900.00
	NTC(SRO)						
	United Bleachers Limited			125,000.00	-	-	125,000.00
	Others			56,385.00	-	-	17,605.00
	Western India Ind. Corp. Ltd.			15,000.00	-	-	-
	Government Securities			1,000.00	-	-	-
	Total			197,385.00		-	142,605.00
	NTC (WBABO)						
	Other Investment			98,718.00	-	-	98,718.00
	Total			98,718.00		-	98,718.00
	Total Other Investment (Un-Quoted)			1,809,134.00		-	1,472,612.00
	Total Other Investments			16,406,106.41		37,322,923.00	1,518,964.91
	Total Investments			213,837,359.41		37,322,923.00	18,099,117.91
	Net Non-Current Investments						195,738,241.50

SEGMENT REPORT FOR THE YEAR 2014-15

₹ in Lakh

Particulars	Yarn	Cloth	Others	Total	Inter sub office	Unallocated	Total
REVENUE							
External Sales	95,980.07	22,042.46	805.74	118,828.27			118,828.27
Other operating revenue	2,567.21			2,567.21			2,567.21
Excise Duty	(6.74)			(6.74)			(6.74)
Revenue from operations	98,540.54	22,042.46	805.74	121,388.74			121,388.74
Inter Segment Sales							
Inter Unit Transfer							
Inter Sub Office Transfer					864.76		
Other Income						15,469.80	15,469.80
Total Revenue	98,540.54	22,042.46	805.74	121,388.74		15,469.80	136,858.54
Total Revenue of each segment as a percentage of total revenue of all segments	72.00	16.11	0.59	88.70		11.30	100.00
EXPENSES							
Segmental Expenses	113,050.80	26,824.34	421.65	140,296.79		17,289.09	157,585.88
Inter Segment Purchases							
Inter Unit Purchases							
Inter Sub Office Purchases					864.76		
Total Expenses	113,050.80	26,824.34	421.65	140,296.79		17,289.09	157,585.88
RESULT							
Segment Result(Profit & Loss)	(14,510.26)	(4,781.88)	384.09	(18,908.05)		(1,819.29)	(20,727.34)
Interest Expense(External)						5,760.72	5,760.72
Provision made						20.37	20.37
Profit/ (Loss) before exceptional, extraordinary items and tax	(14,510.26)	(4,781.88)	384.09	(18,908.05)		(7,600.38)	(26,508.43)

Particulars	Yarn	Cloth	Others	Total	Inter sub office	Unallocated	Total
Prior Period adjustments						(4,931.00)	(4,931.00)
Exceptional Items						245.31	245.31
Extra ordinary items						(430.75)	(430.75)
Tax expenses							-
Net Profit/Loss	(14,510.26)	(4,781.88)	384.09	(18,908.05)		(12,716.83)	(31,624.88)
OTHER INFORMATION							
Segment Assets	117,372.64	23,816.32	2,977.49	144,166.45		169,283.54	313,449.99
Inter Unit Assets							
Inter Sub Office Assets							
Total Assets	117,372.64	23,816.32	2,977.49	144,166.45		169,283.54	313,449.99
Segment Liabilities	112,789.58	11,600.74	3,531.15	127,921.47		185,528.52	313,449.99
Inter unit liabilities							
Inter Sub Office Liabilities							
Total Liabilities	112,789.58	11,600.74	3,531.15	127,921.47		185,528.52	313,449.99
Capital Expenditure	430.11	11.44	0.01	441.56		21.42	462.98
Depreciation/Amortisation	15,227.19	2,116.29	88.92	17,432.40		114.55	17,546.95
Non Cash Expenses							

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part “A”: Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹ in Lakhs)

Name of the Subsidiary	Apollo Design Apparel Parks Ltd.	Gulmohar Design & Apparel Parks Ltd	India United Textile Mills Ltd	New City of Bombay Mfg. Mills Ltd	Aurangabad Textile & Apparel Parks Ltd
Reporting period for the subsidiary concerned	31.03.2015	31.03.2015	31.03.2015	31.03.2015	31.03.2015
Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	NA	NA	NA	NA	NA
Share capital	565.00	585.00	1,271.10	917.00	208.00
Reserves & Surplus	9,078.18	8,803.24	13,992.54	6,052.71	1,419.70
Total Assets	10,955.25	10,630.74	16,284.56	10,826.71	3,010.33
Total Liabilities	10,955.25	10,630.74	16,284.56	10,826.71	3,010.33
Investments	-	-	-	-	-
Turnover	25,722.60	24,590.57	26,723.73	17,557.16	5,234.82
Profit before Taxation	1,108.76	1,040.49	1,159.92	613.26	72.13
Provision for Taxation	387.64	320.74	394.03	204.51	25.49
Profit after Taxation	721.12	719.74	765.89	408.75	46.65
Proposed Dividend	282.50	292.50	572.00	298.03	24.96
% of shareholding	51%	51%	51%	51%	51%

Note :-

NTC is having 17,18,344 shares (97.91%) in Swadeshi Mining & Manufacturing Limited but the accounts of this subsidiary company could not be consolidated due to non finalization of accounts since 1999-2000. The company was under liquidation and the matter is still sub-judice.

Part “B”: Associates and Joint Ventures

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

Name of Associates/Joint Ventures

(Information in respect of each Associate/Joint Venture to be presented with amounts in ₹ in Lakhs)

Name of Associates/Joint ventures	Swadeshi Polytex Limited
1. Latest audited Balance Sheet Date	27.05.2015
2. Shares of Associate/Joint Ventures held by the company on the year end	
No. of Shares	1311750
Amount of Investment in Associates/Joint Venture	145.42
Extend of Holding %	33.63%
3. Description of how there is significant influence	33.63% shareholding
4. Reason why the associate/joint venture is not consolidated	Not Applicable
5. Net worth attributable to Shareholding as per latest audited Balance Sheet	Negative
6. Profit / Loss for the year	8.00
i) Considered in Consolidation	2.69
ii) Not Considered in Consolidation	5.31

**ANNUAL
ACCOUNTS
(CONSOLIDATED)**



संलग्नक

संलग्नक No. : MAB-II/Ins/Accounts/38-14/15-16/256

प्रधान निदेशक वाणिज्यिक लेखा परीक्षा एवं पदेन सदस्य, लेखा परीक्षा बोर्ड - II, नई दिल्ली

**INDIAN AUDIT & ACCOUNTS DEPARTMENT
OFFICE OF THE PRINCIPAL DIRECTOR OF
COMMERCIAL AUDIT & EX-OFFICIO MEMBER,
AUDIT BOARD-II, NEW DELHI**

संलग्नक @DATE :21-08-2015.....

सेवा में,

अध्यक्ष एवं प्रबंधक निदेशक
नेशनल टेक्सटाइल कॉर्पोरेशन लिमिटेड
कोर-4, स्कोप कॉम्प्लैक्स,
7-लोदी रोड,
नई दिल्ली - 110003

कंपनी अधिनियम 2013 की धारा 143 (6) (b) के अधीन 31 मार्च 2015 को समाप्त वर्ष के लिए नेशनल टेक्सटाइल कॉर्पोरेशन लिमिटेड के कन्सोलिडेटेड फाइनेंशियल स्टेटमेंट पर भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ अग्रेषित करती हूँ। इन टिप्पणियों को कंपनी की वार्षिक रिपोर्ट में प्रकाशित किया जाए।

महोदय,

मैं कम्पनी अधिनियम 2013 की धारा 143 (6) (b) के अधीन 31 मार्च 2015 को समाप्त वर्ष के लिए नेशनल टेक्सटाइल कॉर्पोरेशन लिमिटेड के कन्सोलिडेटेड फाइनेंशियल स्टेटमेंट पर भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ अग्रेषित करती हूँ। इन टिप्पणियों को कंपनी की वार्षिक रिपोर्ट में प्रकाशित किया जाए।

भवदीया,



प्रधान निदेशक

वाणिज्यिक लेखा परीक्षा एवं पदेन सदस्य, लेखा परीक्षा बोर्ड - II
नई दिल्ली

संलग्नक : यथोपरि

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF NATIONAL TEXTILE CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2015

The preparation of consolidated financial statements of National Textile Corporation Limited for the year ended 31 March 2015 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) read with section 129(4) of the Act is responsible for expressing opinion on the financial statements under section 143 read with section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 19 June 2015.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) read with section 129(4) of the Act of the consolidated financial statements of National Textile Corporation Limited for the year ended 31 March 2015. We conducted a supplementary audit of the financial statements of National Textile Corporation Limited, Aurangabad Textiles & Apparel Parks Limited, Goldmohur Design & Apparel Parks Limited, New City of Bombay Manufacturing Mills Limited, Apollo Design and Apparel Parks Limited, India United Textiles Mills Limited but did not conduct supplementary audit of the financial statements of Swadeshi Polytex Limited for the year ended on that date. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) read with section 129(4) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the consolidated financial statements and the related audit report:

A. Comments on Consolidated Profitability

1. Balance Sheet

Current Assets

Note 19- Other Current Assets

Interest accrued on deposits, loans and advances- ₹ 34.52 crore

The above includes interest of ₹ 21.94 crore on ₹ 56.10 crore loans given by the Company on 16 January 2012 to British India Corporation (BIC) after Ministry of Finance (MOF) conveyed its sanction (November 2011) to the Ministry of Textile (MOT) for the said loan. MOT in turn agreed for repayment of said loan to NTC through budgetary allocation in financial year 2011-12 but without budgetary support for interest on bridge loan.

As BIC is a sick company and largely dependent on budgetary support from MOT, interest income should not have been recognised in compliance with AS 9 which stipulates that revenue should be recognised only when no significant uncertainty exists.

Recognition of income has resulted in overstatement of income and understatement of Loss for the year by ₹ 7.63 crore, overstatement of Reserve and Surplus by ₹ 14.31 crore and Current Assets by ₹ 21.94 crore.

**For and on the behalf of the
Comptroller & Auditor General of India**



**(Suparna Deb)
Principal Director of Commercial Audit
& Ex-officio Member, Audit Board-II
New Delhi**

**Place: New Delhi
Date: 21.08.2015**

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NATIONAL TEXTILE CORPORATION LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Financial Statements of National Textile Corporation Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and jointly controlled entities, comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the Consolidated financial position, Consolidated financial performance and Consolidated cash flows of the Group and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies(Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and its jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the Accounting and Auditing Standards and matters which are required to be included in the Audit Report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error. In making

those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the Consolidated Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the Consolidated Financial Statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Basis for Qualified Opinion

We state that cumulative MAT Credit Entitlement of ₹ 9,230.26 Lacs shown as claimable as on 31st March, 2015 is not in accordance with Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income Tax Act, 1961 issued by the Institute of Chartered Accountants of India, since no convincing evidence is available that the company will pay normal income tax during the specified period and will be able to claim MAT Credit Entitlement. Had the Company not accounted MAT Credit Entitlement, long term loans & advances would have been ₹ 767.66 Lacs as against reported figure of ₹ 9,997.92 Lacs and Reserves & Surplus would have been ₹ (1,70,272.96) Lacs against reported figure of ₹(1,61,042.70) lacs. This was also subject matter of basis for qualified opinion in previous year.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us except for the effects of the matter described in the basis for qualified opinion paragraph above, the accompanying Consolidated Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the Consolidated state of affairs of the Group and jointly controlled entities as at 31st March, 2015, and their Consolidated loss and their Consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the following matters in the Notes to the Consolidated Financial Statements:

- a) Note No.30.1 consolidated financial statement- National Textile Corporation Limited is having 1718344 Shares constituting 97.91% in Swadeshi Mining & Manufacturing Limited but accounts of this subsidiary could not be consolidated due to non finalization of accounts since 1999-2000.The company is under liquidation and the matter is still sub-judice.
- b) Note No.30.4 to consolidated financial statement– Notes of Holding company are not reproduced in Consolidated Financial Statements as a result of which, emphasis of matter reported in Stand Alone Report can not be reproduced in Consolidated Financial Statements.
- c) Note No. 30.4.1 to consolidated financial statement– Area under encroachment and litigation.
- d) Note No. 30.4.2 to 30.4.5 to consolidated financial statement stamp duty on properties paid but property not registered.
- e) Note No. 30.4.6 to Consolidated Financial Statements– on working of Swadeshi Polytex Ltd.

Our opinion is not modified in respect of these matters.

Other Matters

- a) We did not audit the Financial Statements/Financial Information of the following subsidiaries and jointly controlled entities whose Financial Statements / Financial Information reflect the details given below of total assets as at 31st March 2015, total revenues and net cash flows for the year ended on that date to the extent to which they are reflected in the Consolidated Financial Statements:

(₹ in crores)

Name of the Companies	Total Assets	Total Revenues	Net Cash Flows
Associates:			
Swadeshi Polytex Limited	19.63	8.86	-2.44
Subsidiaries:			
Aurangabad Textile & Apparel Parks Ltd	30.29	52.37	0.02
New City of Bombay Mfg. Mills Ltd	108.66	176.26	-0.26
Apollo Design Apparel Parks Ltd.	110.28	259.37	0.22
Gulmohar Design & Apparel Parks Ltd	106.91	248.21	1.28
India United Textile Mills Ltd	163.65	269.09	2.82
Total	539.42	1014.16	1.64

These Financial Statements /Financial Information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and jointly controlled entities, and our report in terms of sub-sections(3)and (11) of Section143 of the Act, in so far as it relates to the aforesaid subsidiary and jointly controlled entities is based solely on the reports of the other auditors.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the Financial Statements/Financial Information certified by the Management.

Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable including the relevant comments from the reports of Subsidiary and joint ventures audited by the respective auditor's appointed.
- As required by the Comptroller and Auditor-General of India vide its letter dated 24.04.2015 No.MAB-II/AA/9-27/14-15/97-98/100 in terms of sub-section (5) of section 143 of the Companies Act, 2013, we are unable to submit a statement on the matters specified in Annexure I and II of the letter due to non availability of information from Five Region/ branch auditors of National Textile Corporation Limited.

3. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the reports of the statutory auditors of its subsidiary companies and jointly controlled companies incorporated in India, none of the directors of the Group companies and jointly controlled companies incorporated in India is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The consolidated financial statements disclose the impact of pending litigations on the Consolidated Financial position of the Group and jointly controlled entities.
 - ii) The Group, its associates and jointly controlled entities did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary companies and jointly controlled companies incorporated in India.

For **TIWARI & ASSOCIATES**
Chartered Accountants
(Firm Registration No. 002870N)

Sd/-
(**Devender Magoo**)
(**Partner**)
Membership No. 085739

Place : New Delhi
Date : 19th June, 2015

Annexure referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date:-

1. (a) **In respect of Fixed Assets:**The company, its subsidiary and associate companies have maintained records showing full particulars including quantitative details and situation of fixed assets, except in regard to **National Textile Corporation Limited, Item wise cost and depreciation of assets as on 01.04.1974 are not available in Closed Mills in Gujarat as reported by Sub Office Gujarat Auditors. Fixed Asset Register have not been updated in Kerala Lakshmi Mills, RMD Patna, RMD Kolkata, Sub Office UP.**
 - (b) The fixed assets, have been verified by the management. In our opinion, the frequency of such verification is reasonable having regard to the size of the company and nature of assets. As per the information given to us by the management, no material discrepancies as compared to book records were noticed in respect of fixed assets physically verified during the year. **However in respect of National Textile Corporation Limited . However, no physical verification was carried out in respect of lands, buildings, bungalows, staff quarters and chawls which are in the possession of third parties or illegal occupants and verification not done in RMD, Patna & Kolkata as reported by Sub Office West Bengal auditors.**
2. **In respect of Inventories:**
 - a) The inventory has been physically verified by the respective Managements of the Holding Company, its subsidiary and jointly controlled companies during the year in respect of those companies which are holding inventory **except one showroom of National Textile Corporation Limited at Indore which is sealed by the order of court.** In our opinion, the frequency of such verification is reasonable.
 - b) In our opinion, the procedures of physical verification of inventory followed by the respective Managements of the Holding Company, its subsidiary and jointly controlled companies are reasonable and adequate in relation to the size of the aforesaid Holding Company, its subsidiary and jointly controlled companies incorporated in India.
 - c) On the basis of our examination of the inventory records and the reports of the other auditors, in our opinion, the Holding Company, its subsidiary and jointly controlled companies are maintaining proper records of inventory except for inventories lying with third parties in case of holding company. The discrepancies noticed on physical verification of inventory of the aforesaid Holding Company, its subsidiary and jointly controlled companies incorporated in India as compared to the respective book records were not material.
3. The company, its subsidiary and jointly controlled companies incorporated in India have not granted any loans, secured or unsecured to the companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. In view of this, sub-clauses (a) and (b) of clause (iii) of the order are not applicable.
4. In our opinion, and according to the information and explanations given to us, and the reports of the other auditors on the subsidiary and jointly controlled companies as furnished to us, there is an adequate internal control system commensurate with the size of the Holding Company, its subsidiary and jointly controlled companies and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services **except Cloth Sales made to Schools at Kerala State and Kerala Lakshmi Mills of Southern Regional Office where the internal control procedures need to be strengthened in respect of Fixed Assets as reported by SRO Auditors.** Further, on the basis of our examination of the books and records of the aforesaid Holding Company and the reports of the other auditors on the subsidiary and jointly controlled companies as furnished to us, and

according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.

5. The company, its subsidiary and jointly controlled companies have not accepted any deposit from public within the meaning of sections 73 to 76 or any other provisions of the Companies Act, 2015 Rules made there under.
6. The Company and its one subsidiary, Aurangabad Textile & Apparel Parks Ltd. have made and maintained cost accounts and records specified by the Central Government under 148(1) of the Companies Act, 2013 except in case of Arati Cotton Mills under Kolkata Sub Office where no such records were made available to the Branch Auditors. However, we have not made a detailed examination of these accounts and records with a view to determine whether they are accurate or complete. Maintenance of Cost Records is not prescribed in other five joint venture companies.
7. **In respect of Statutory Dues:**
 - a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, its subsidiary and jointly controlled companies, amounts deducted/accrued in the books of accounts in respect of, undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of custom, duty of excise, value added tax, cess and any other material statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanation given to us and the records of the company examined by us, in our opinion, except for dues given below, the company is generally regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance, Sales tax, Service tax, Excise Duty, Cess and other material statutory dues, as applicable, with the appropriate authorities. The extent of the arrears of the statutory dues outstanding as at 31st March, 2015, for a period of more than six months from the date they became payable are as follows:

Name of the Statute	Nature of the Due	Amount (₹ in Lacs)	Period to which the amount relates
The Employees' Provident Funds and Miscellaneous Provisions Act, 1952	PF Contribution related to Pre Nationalization period & PF Liquidated Damages	524.65	NA
ESI Act, 1948	ESI Contribution, Interest & Liquidated Damages	231.93	NA
Central Sales Tax Act and Sales Tax Act of various States	CST ,VAT & Local Taxes	56.61	NA
	Interest on Sales Tax	1.08	NA
Central Excise Act, 1944 & Customs Act, 1962	Custom & Excise Duty	471.87	NA
Local Acts of various States	Water Tax	136.97	NA
	Municipal Tax	80.38	NA
	Interest on Professional Tax	5.12	NA
	Municipal Corporation Dues	5.53	NA
	Electricity charges	941.06	NA
Income Tax Act, 1961	Minimum Alternate Tax	9230.26	2010-11 to 2012-13
	Capital Gain Tax	20746.92	2010-11 to 2012-13
Wealth Tax Act, 1957	Wealth Tax	179.94	NA
Service Tax	Service Tax	0.11	NA

Information in respect of period for which the dues relate and due date has not been made available to us in some cases.

- b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of disputed dues on account of income tax, sales tax, excise duty, service tax and other statutory dues that have not been deposited as at 31st March, 2015 by the Company on account of a dispute are as follows :-

Holding Company

Name of the Statute	Nature of the Due	Amount (₹ in Lacs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty	538.53	NA	Appellate Authorities at various level of central excise Department, under appeal at Appellate Tribunal
	Differential Excise Duty	1.19	NA	Commissioner of Central Excise.(Appeals)
ESI Act , 1948	ESI	40.85	NA	Court case for terminated employees , ESI Court
	Post Take over & post Nationalization damages ESIC	1487.19	NA	Regional Deputy Director ESIC & ESI Court
The Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Provident Fund (includes ₹ 30.25 Lacs relating to Head office)	59.08	2006-07 to 2009-10 (Head office)	Court case for terminated employees, Appellate Tribunal, Kerala High Court
	Penalty & Damages of PF	811.26	NA	Regional Provident Fund Commissioner, Provident Fund Commissioner
	Post Take over & post Nationalization damages PF	5118.34	NA	Central Provident Fund Commissioner
	Post Take over & post Nationalization damages (Disputed PF)	1463.66	NA	Regional Provident Fund Commissioner
Customs Act, 1962	Custom Duty	28.72	NA	Appellate Tribunal
Central Sales Tax Act and Sales Tax Act of various States	Sales Tax	807.09	NA	Pending Appeal, Appellate Authorities of Sales Tax Department
	CST	5062.25	NA	Chennai High Court
	VAT	226.36	NA	Chennai High Court
	UP Trade Tax	109.06	NA	Appeal pending with Appellate Authority
	TNGST, CST & Penalty	80.60	NA	Additional Appellate Assistant Commissioner
Local Acts of various States	Property Tax	193.56	NA	Tax Board of Rajasthan, Municipal Corporation
	Municipal Corporation Dues	165.27	NA	Local Authorities
	Professional Tax	15.48	NA	Professional Tax Authorities

Information in respect of period for which the dues relate has not been made available to us in many cases.

Subsidiary Company

(₹ in Lacs)

Name of the Statute	Nature of the dues	Amount	Year to which it pertains	Forum where dispute is pending
Indian Income Tax Act, 1961	Additional Tax Demand	24.59	2010-11	CIT (A)
Indian Income Tax Act, 1961	Additional Tax Demand	2084.30	2008-09	CIT (A)
Vat & CST	Additional Tax Demand	4.59	2009-10	Com Appeals, Sales Tax Officer
Vat	Additional Tax Demand	16.19	2008-09	Com Appeals, VAT Officer
Entry Tax	Additional Demand	5.72	2008-09	Com Appeals
Various Sales Tax Act	Sales Tax	149.37	Various	Various Forum
The Central Excise Act	Excise Duty	165.22	Various	CESAT & Supreme Court
The Central Excise Act	Penalty on Excise Duty	25.00	2012	CESAT
The Customs Act	Custom duty	8.50	Various	D C Customs Mumbai

c) As per the records of the company, its subsidiary and jointly controlled companies and according to information and explanations given to us, no amount is required to be transferred to Investor Education and Protection Fund (IEPF) in accordance with the provision of section 205C of the Companies Act, 1956 read with the IEPF (Awareness and Protection of Investors) Rules, 2001.

8. **The Company, and jointly controlled company Swadeshi Polytex Ltd have accumulated losses of more than 50% of its net worth at the end of the financial year. Further, the Company has incurred cash losses during the year ended 31st March, 2015 and also in the immediately preceding financial year ended 31st March, 2014.**
9. **According to the information and explanations, the Holding Company SRO's, Kaleeswarar Mills and Somasundaram Mills has defaulted in payment of interest on Cash Credit Accounts to State Bank of Mysore by an amount of ₹ 75.45 Lacs in previous years, which is outstanding as on 31st March, 2015. The SRO has submitted application of Waiver of entire interest. (Refer Note No. 30.31.4).**
10. In our opinion, and according to the information and explanations given to us, the Companies have not given guarantee for loans taken by others from banks or financial Institutions during the year. Accordingly, the provisions of Clause 3(x) of the Order are not applicable to the Company. However the Holding Company, National Textile Corporation Limited has given guarantee of ₹ 1000 Lacs taken by Swadeshi Polytex Limited (Subsidiary) from Srei Infrastructure Ltd on 15.02.2006.

11. In our opinion and according to the information and the explanations given to us, and on overall examination of the Balance Sheet of the Company, and based on the reports of the other auditors of the Holding company's subsidiaries and jointly controlled companies, in our opinion, we report that term loans have been applied for the purpose for which they were obtained.

In 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 and based on the reports of the other auditors, we have neither come across any instance of material fraud on or by the Holding Company, its subsidiaries and jointly controlled companies, noticed or reported during the year, nor we have been informed of any such case by the Management of the aforesaid Holding Company or reported in the audit reports of its subsidiaries and jointly controlled companies **except in one of the Retail outlet at Tirunelveli where a fraud has been noticed in respect of Shortage of Stocks of ₹4.61 Lacs during this current year and investigation is under progress, hence the financial implication could not be quantified.**

For **TIWARI & ASSOCIATES**
Chartered Accountants
(Firm Registration No. 002870N)

Sd/-
(Devender Magoo)
(Partner)
Membership No. 085739

Place : New Delhi
Date : 19th June, 2015

REPORT UNDER SECTION 143 (5) OF THE COMPANIES ACT, 2013 OF THE NATIONAL TEXTILE CORPORATION LIMITED - CONSOLIDATED FOR THE YEAR ENDED 31ST MARCH, 2015

Sr.No	Questions	Answers								
1	If the Company has been selected for disinvestment, a complete status report in terms of valuation of Assets (including intangible assets and land) and Liabilities (including Committed & General Reserves) may be examined including the mode and present stage of disinvestment process.	Not Applicable								
2	Please report whether there are any cases of waiver/write off of debts/loans/interest etc., if yes, the reasons there for and the amount involved.	During the course of our audit, we have not come across any such cases.								
3	Whether proper records are maintained for inventories lying with third parties & assets received as gift from Govt. or other authorities.	Based on the reports received from the Branch Auditors, wherever applicable, the units have maintained proper records for inventories lying with third parties except India United Textile Mills Ltd. Further, on the basis of our checks, information & explanation obtained, the Corporation has not received any asset as gift from the Government or other authorities.								
4	A report on age-wise analysis of pending legal/arbitration cases including the reason of pendency and existence/ effectiveness of a monitoring mechanism for expenditure on all legal cases (foreign and local) may be given.	<p>The Branch Auditors has reported the age-wise details of the pending cases by taking the different age groups of the cases, which we have summarized as under:-</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;">Period</th> <th style="text-align: center;">No. of Cases</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Upto 3 years</td> <td style="text-align: center;">606</td> </tr> <tr> <td style="text-align: center;">Above 3 years</td> <td style="text-align: center;">2639</td> </tr> <tr> <td style="text-align: center;">Others (details not available)</td> <td style="text-align: center;">17</td> </tr> </tbody> </table> <p>The Branch Auditor has not provided reasons for the pendency of the cases. As far as Head office is concerned, cases are at different stages and are being followed. The company is incurring huge expenses on legal matters for safeguarding the assets but we have not come across any monitoring mechanism to verify its effectiveness.</p>	Period	No. of Cases	Upto 3 years	606	Above 3 years	2639	Others (details not available)	17
Period	No. of Cases									
Upto 3 years	606									
Above 3 years	2639									
Others (details not available)	17									

Sub directions issued u/s 143(5) of the Companies Act, 2013

Sr.No	Questions	Answers																														
1	Land																															
	Whether the Company has clear title/lease deeds for freehold and leasehold land respectively? If not, please state the area of freehold and leasehold for which title/lease deeds are not available.	Yes, as per the information and explanations given to us and based on reports received from the Branch Auditors, the Corporation has clear title/lease deeds for freehold and leasehold land respectively except as disclosed under Note No. 30.5 & 30.7 to the Financial Statements of the Company. In case of India United Textile Mills, New City of Bombay Mfg. Mills Ltd., Apollo Design Apparels Parks Ltd. and Goldmohur Design & Apparel Park Ltd., the clear titles to the leasehold land are not available. The lease deeds have been executed, stamp duty has been paid, however, lease deeds have not been registered with the local authorities for want of execution from NTC Ltd.																														
2	Confirmation of balances																															
(i)	Whether amount of (a) bank balances (b) trade receivables (c) trade payables (d) loans and advances for which third party confirmation was not made available has been reported?	As far as NTC Standalone is concerned, the third party confirmation was not made available in respect of 1. Bank Balances – 0.0001% 2. Trade Receivable – 20.39% 3. Trade Payable – 9.32% 4. Loans & Advances – 17.13% Branch Auditors of subsidiary companies have reported status of balance not confirmed as under:-																														
		<table border="1"> <thead> <tr> <th>Name of Subsidiary</th> <th>Bank Balances</th> <th>Trade Receivable</th> <th>Trade Payable</th> <th>Loans & Advances</th> </tr> </thead> <tbody> <tr> <td>India United Textile Mills Ltd.</td> <td>Not Available</td> <td>Not Available</td> <td>Not Available</td> <td>Not Available</td> </tr> <tr> <td>Apollo Design Apparel Parks Ltd.</td> <td>Not Available</td> <td>0.00</td> <td>6.24%</td> <td>Not Available</td> </tr> <tr> <td>Goldmohur Design & Apparel Parks Ltd.</td> <td>Not Available</td> <td>Not Available</td> <td>Not Available</td> <td>Not Available</td> </tr> <tr> <td>New City of Bombay Mfg. Mills Ltd.</td> <td>Not Available</td> <td>0.15%</td> <td>0.25%</td> <td>Not Available</td> </tr> <tr> <td>Aurangabad Textile & Apparel Parks Ltd.</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> </tr> </tbody> </table>	Name of Subsidiary	Bank Balances	Trade Receivable	Trade Payable	Loans & Advances	India United Textile Mills Ltd.	Not Available	Not Available	Not Available	Not Available	Apollo Design Apparel Parks Ltd.	Not Available	0.00	6.24%	Not Available	Goldmohur Design & Apparel Parks Ltd.	Not Available	Not Available	Not Available	Not Available	New City of Bombay Mfg. Mills Ltd.	Not Available	0.15%	0.25%	Not Available	Aurangabad Textile & Apparel Parks Ltd.	0.00	0.00	0.00	0.00
Name of Subsidiary	Bank Balances	Trade Receivable	Trade Payable	Loans & Advances																												
India United Textile Mills Ltd.	Not Available	Not Available	Not Available	Not Available																												
Apollo Design Apparel Parks Ltd.	Not Available	0.00	6.24%	Not Available																												
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Aurangabad Textile & Apparel Parks Ltd.	0.00	0.00	0.00	0.00																												
(ii)	Where such balance has been confirmed by respective parties, whether it varies widely from the amounts reflected under respective heads in the financial statements, and if so, difference to be disclosed.	As explained and as per documents produced before us by the management and based on the reports received from the Branch Auditors, we have not come across any such incidence.																														
3	Reconciliation of deposits																															
	Whether the deposits/advances made by the Company to the Customs, Excise, Income tax, Sales tax (VAT), Service tax and other authorities have been verified and reconciled with the respective authorities?	Based on the reports received from Branch Auditors and as per information and explanations given to us, the deposits / advances made by the company to the Customs, Excise, Income tax, Sales tax (VAT), Service tax authorities has been scrutinized as per the Books of Accounts vis-à-vis respective returns. However, no such reconciliation has been done with the respective authorities.																														
4	Employee Benefits																															
	Independent verification may be made of information/inputs furnished to Actuary, viz number of employees, average salary, retirement age and assumptions made by the Actuary regarding discount rate, future cost increase, mortality rate, etc for arriving at the provision for liability of retirement benefits, viz gratuity, leave encashment, post retirement medical benefits etc.	We have broadly reviewed the information/input furnished to the Actuary and prima facie it appears to be accurate and complete. Further, in respect of the benchmark used by the actuary for assumptions such as discount rate, future cost increase, mortality rate etc for arriving as the provision for liability of retirement benefits viz gratuity, leave encashment, post retirement medical benefits etc., we submit that the matter being technical in nature we have relied upon the actuary who is subject expert.																														

Compliance Certificate

We have conducted the audit of the accounts of **National Textile Corporation Limited - Consolidated**, New Delhi for the year ended on 31st March, 2015 in accordance with the directions/sub-directions issued by the C&AG of India under Section 143 (5) of the Companies Act, 2013 and certify that we have complied with all the directions issued to us.

For TIWARI & ASSOCIATES
Chartered Accountants
Firm Registration Number: 002870N

Sd/-
(Devender Magoo)
Partner
Membership Number 85739

Place: New Delhi
Date: 16.07.2015

**CONSOLIDATED BALANCE SHEET
AS AT 31ST MARCH, 2015**

Amount ₹ in Lacs

PARTICULARS	Note No.	Figures as at the end of the current reporting period 31-03-2015	Figures as at the end of the previous reporting period 31-03-2014
I. EQUITY AND LIABILITIES			
1. Shareholders Funds			
a) Share Capital	2	306,216.01	306,216.01
b) Reserve & Surplus	3	(141,905.08)	(110,472.57)
Sub Total (1)		164,310.93	195,743.44
2. Minority Interest		18,684.18	18,186.14
3. Non Current Liabilities			
a) Other Long Term Liabilities	5	3,959.20	4,523.48
b) Long Term Provisions	6	12,919.14	13,240.15
Sub Total (3)		16,878.34	17,763.63
4. Current Liabilities			
a) Short Term Borrowings	7	2,854.12	7,007.00
b) Trade Payables	8	30,997.71	34,487.47
c) Other Current Liabilities	9	95,972.50	84,015.46
d) Short Term Provisions	10	34,871.93	34,928.67
Sub Total (4)		164,696.26	160,438.60
TOTAL (1+2+3+4)		364,569.71	392,131.81
II. ASSETS			
1. Non Current Assets			
a) Fixed Assets			
i) Tangible Assets	11 (I)	111,344.77	127,859.95
ii) Intangible Assets	11 (II)	15.97	52.14
iii) Goodwill on Consolidation		14.25	14.25
iv) Capital Work in Progress		1,148.24	1,820.83
Sub Total (a)		112,523.23	129,747.17

PARTICULARS	Note No.	Figures as at the end of the current reporting period 31-03-2015	Figures as at the end of the previous reporting period 31-03-2014
b) Non Current Investments	12	3.45	3.45
c) Deferrred Tax Assets (Net)	4	760.15	721.81
d) Long Term Loans and Advances	13	10,416.39	10,525.65
e) Other Non Current Assets	14	3,846.86	3,370.63
Sub Total (1)		127,550.08	144,368.71
2. Current Assets			
a) Inventories	15	33,969.81	35,383.38
b) Trade Receivables	16	51,211.96	35,404.31
c) Cash and Bank Balances	17	126,588.94	135,722.15
d) Short term Loans and Advances	18	12,037.26	28,585.78
e) Other Current Assets	19	13,211.66	12,667.48
Sub Total (2)		237,019.63	247,763.10
TOTAL (1+2)		364,569.71	392,131.81

Significant Accounting Policies &
Notes to the Financial Statements

1
30

Sd/-
(Pankaj Agarwal)
Company Secretary

Sd/-
(Alokendra Banerjee)
Director (Marketing)

Sd/-
(R.K. Sinha)
Director (HR)

As per our separate report of even date attached
For **TIWARI & ASSOCIATES**
Chartered Accountants
Firm Registration Number: 002870N

Sd/-
(P.C. Vaish)
Chairman & Managing Director

Sd/-
(Devender Magoo)
Partner
Membership Number: 085739

Place of signing: New Delhi
Date: 19-06-2015

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

Amount ₹ in Lacs

PARTICULARS	Note No.	Figures for the current reporting period 2014-15	Figures for the previous reporting period 2013-14
I. Revenue from operations (Gross)	20	221,569.49	173,289.82
Less: Excise duty		(6.74)	(9.78)
Revenue from operations (Net)		221,562.75	173,280.04
II. Other Income	21	15,641.48	17,139.83
III. Total Revenue		237,204.23	190,419.87
IV. EXPENSES			
Cost of Material Consumed	22	69,244.23	70,340.96
Purchase of Stock in Trade		100,832.45	60,768.21
Change in Inventories	23	122.95	(7,045.93)
Employees Benefit Expenses	24	29,375.80	29,127.03
Finance Cost	25	6,291.78	5,718.08
Depreciation and Amortization Expenses		17,829.78	11,469.02
Manufacturing, Administrative and Selling Expenses	26	36,551.88	34,540.85
Provisions	27	22.33	131.84
TOTAL EXPENSES		260,271.20	205,050.06
V. Profit/ (Loss) before exceptional, extraordinary items and tax (III - IV)		(23,066.97)	(14,630.19)
VI. Prior Period Income/(Expenses).	28	(4,944.68)	(158.20)
VII. Exceptional Items			
Debts written off		0.04	(721.34)
Old Assets written off		(0.26)	(41.25)
Provisions Written Back		100.11	1,092.36
VIII. Profit/ (Loss) before extraordinary items and Tax (V+VI+VII)		(27,911.76)	(14,458.62)
IX. Extraordinary Items	29	(430.71)	49.12
X. Profit/ (Loss) before Tax		(28,342.47)	(14,409.50)
XI. Tax Expenses			
Current Taxes		1,427.67	1,129.35

PARTICULARS	Note No.	Figures for the current reporting period 2014-15	Figures for the previous reporting period 2013-14
MAT Credit Entitlement		-	-
a) Net Current Taxes		1,427.67	1,129.35
b) Deffered Taxes		(38.34)	(160.13)
c) Tax Adjustment of Previous years (Net)		(33.97)	17.13
XII. Profit/ (Loss) for the period for the continuing operations (X - XI)		(29,697.83)	(15,395.85)
XIII. Profit/ (Loss) from Discontinuing operations		(110.32)	-
XIV. Tax Expenses of Discontinuing operations		16.87	-
XV. Profit/ (Loss) for the period for the Discontinuing Operations (XIII-XIV)		(93.45)	-
XVI. Profit/ (Loss) for the period (XII + XV)		(29,791.28)	(15,395.85)
XVII. Minority Interest in the Profit/(Loss) of the Consolidated Subsidiaries		(1,164.66)	(1,255.55)
XVIII. Net Profit/ (Loss) for the period (XVI - XVII)		(30,955.94)	(16,651.40)
XIX. Earning per equity share (Par value ₹ 1000/- per share)			
1. Basic (in ₹)		(101.09)	(54.38)
2. Diluted (in ₹)		(101.09)	(54.38)
Earning per equity share excluding Extraordinary Items			
1. Basic (in ₹)		(99.69)	(54.54)
2. Diluted (in ₹)		(99.69)	(54.54)

Significant Accounting Policies &
Notes to the Financial Satements

1
30

Sd/-
(Pankaj Agarwal)
Company Secretary

Sd/-
(Alokendra Banerjee)
Director (Marketing)

Sd/-
(R.K. Sinha)
Director (HR)

As per our separate report of even date attached
For **TIWARI & ASSOCIATES**
Chartered Accountants
Firm Registration Number: 002870N

Sd/-
(P.C. Vaish)
Chairman & Managing Director

Sd/-
(Devender Magoo)
Partner
Membership Number: 085739

Place of signing: New Delhi
Date: 19-06-2015

**CASH FLOW STATEMENT FOR THE
YEAR ENDING 31ST MARCH, 2015**

Amount ₹ In Lacs

	Particulars	Sources/ (Applications)	
		For the year 2014-15	For the year 2013-14
A	Net Profit before Taxation, Exceptional and Extraordinary Items	(23,177.29)	(14,630.19)
B	Adjustments for		
	i) Depreciation and Amortizations	17,829.78	11,469.02
	ii) Foreign exchange rate difference (Net)	(45.54)	(31.63)
	iii) Interest and Other Income	(14,365.27)	(15,735.44)
	iv) Dividend Income	(3.31)	(6.54)
	v) Finance Charges	6,110.52	5,560.80
	vi) Provisions	22.33	131.84
C	Operating Profit before working capital Changes (A+B)	(13,628.78)	(13,242.14)
D	Cash flow from Working capital changes		
	i) Increase/Decrease in Inventory	1,413.57	(7,521.85)
	ii) Increase/Decrease in Trade Receivables	(15,807.65)	(4,045.59)
	iii) Increase/Decrease in Other Current Assets	(1,020.41)	(1,227.80)
	iv) Increase/Decrease in Loans and Advances	16,657.78	(2,804.03)
	v) Increase/Decrease in Trade Payable/ Current Liabilities/ Provisions	2,936.04	10,320.99
	vi) Provisions	(22.33)	(131.84)
	vii) Other Bank Balances	15,081.56	5,082.95
E	Cash generated from Operations (C+D)	5,609.78	(13,569.31)
F	Adjustments for Taxation, Exceptional and Prior Period Items		
	i) Extraordinary Items	(432.21)	(427.77)
	ii) Prior Period Items	(4,944.68)	(158.20)
	iii) Provision Written Back	100.11	946.94
	iv) Bad Debts, Old Assets written off	(0.22)	(762.59)
	v) Taxes	(1,410.80)	(1,160.08)
G	Net Cash Flow from Operating Activities (E+F)	(1,078.02)	(15,131.01)
H	Cash Flow from Investing Activities		
	i) Purchase of Fixed Assets	(890.40)	(5,375.71)
	ii) Sale of Fixed Assets and FSI	103.06	618.46
	iii) Advance Against sale of Assets	-	(12.54)
	iv) Increase/Decrease Other Investments	-	(0.15)
	v) Sundry Creditors for Machinery	(130.59)	(258.39)
	vi) Foreign exchange rate difference (Net)	45.54	31.63

Particulars	Sources/ (Applications)	
	For the year 2014-15	For the year 2013-14
vii) Interest Income	14,365.27	15,721.75
viii) Dividend received	3.31	6.54
ix) Extraordinary Items (Surrender of Rights & Others)	-	(8.26)
Cash Flow from Investing Activities (Sub Total - H)	13,496.19	10,723.33
I Cash Flow from Financing Activities		
i) Repayment of Secured Loans	(4,152.88)	(229.02)
ii) Finance Charges	(1,426.77)	(2,074.95)
iii) Dividend paid	(664.07)	(619.53)
iv) Tax paid on Dividend	(226.10)	(211.32)
Cash Flow from Financing Activities (Sub Total - I)	(6,469.82)	(3,134.82)
J Net Change in Cash and Cash Equivalents (G+H+I)	5,948.35	(7,542.50)
Cash and Cash Equivalents as at 1st April (Opening Balance)	13,085.00	20,627.50
Cash and Cash Equivalents as at 31st March (Closing Balance)	19,033.35	13,085.00
Notes:		
1. CASH AND CASH EQUIVALENTS		
Balance with Banks		
In Current A/C	4,240.95	5,587.79
In Savings A/C	3.50	-
In Fixed Deposits (having Maturity within 3 Months)	14,562.57	7,234.56
Cheques in Hand	2.16	160.09
Stamps in Hand	0.06	0.03
Remittances in transit	144.11	17.32
Cash in Hand	76.48	82.14
Employees Security Deposit	3.22	2.77
Balance with Post Office	0.30	0.30
	19,033.35	13,085.00
2. Being a Manufacturing Company Financial Charges paid is included in Financial activity and Income from Investment in Banks etc. is shown under Investment activity as per AS-3		

Sd/-
(Pankaj Agarwal)
Company Secretary

Sd/-
(Alokendra Banerjee)
Director (Marketing)

Sd/-
(R.K. Sinha)
Director (HR)

Sd/-
(P.C. Vaish)
Chairman & Managing Director

As per our separate report of even date attached
For **TIWARI & ASSOCIATES**
Chartered Accountants
Firm Registration Number: 002870N

Sd/-
(Devender Magoo)
Partner
Membership Number: 085739

Place of signing: New Delhi
Date: 19-06-2015

47th Annual Report 2014-15
(Consolidated)

Note No. 1
OTHER SIGNIFICANT ACCOUNTING POLICIES

These are set out under Significant Accounting Policies as given in the Company's separate financial statements.

In view of different sets of environment in which the subsidiaries/ Joint Ventures/ Associates are operating, the accounting policies followed by the subsidiaries/ Joint Ventures/ Associates are different from the accounting policies of the Company in respect of the following changes. Such different accounting policies have been adopted in respect of the following:

Particulars	Name of Joint Venture/ Subsidiary	Accounting Policies	
		National Textile Corporation Limited	Joint Venture/ Subsidiary
Inventory Valuation	Goldmohur Design & Apparel Parks Ltd. Apollo Design Apparel Parks Ltd.	Materials in Process: At cost or net realizable value whichever is lower	Materials in Process: At direct cost and an appropriate portion of overheads.
Inventory Valuation	Goldmohur Design & Apparel Parks Ltd. Apollo Design Apparel Parks Ltd.	Stores and Spares: At weighted average cost or net realizable value whichever is lower.	Stores and Spares: At lower of cost or net realizable value.
Inventory Valuation	Goldmohur Design & Apparel Parks Ltd. Apollo Design Apparel Parks Ltd.	Raw Material in Stock: At variety-wise monthly weighted average cost or net realizable value whichever is lower.	Raw Material in Stock: At lower of cost or net realizable value.
Inventory Valuation	Swadeshi Polytex Limited	No Policy	Lease Hold Land held for sale: At lower of book value or net realizable value.

Note No. 2

SHARE CAPITAL

Amount ₹ in Lacs

PARTICULARS	Figures as at the end of the current reporting period 31-03-2015	Figures as at the end of the previous reporting period 31-03-2014
Authorised		
{50000000 Equity Shares (Previous Year 50000000 Equity Shares) of ₹ 1000/- each}	500,000.00	500,000.00
Issued, Subscribed & Paid up {30621601 Equity Shares (Previous Year 30621601 Equity Shares) of ₹ 1000/- each of equal rights}	306,216.01	306,216.01
Total	306,216.01	306,216.01

2.1 Reconciliation of the number of shares outstanding is set out below :

	Amount	Amount
Equity shares at the beginning of the year	306,216.01	306,216.01
Add : Shares issued during the year	-	-
Less: Shares buyback during the year	-	-
Equity shares at the end of the year	306,216.01	306,216.01
	No. of Shares	No. of Shares
Equity shares at the beginning of the year	30,621,601	30,621,601
Add : Shares issued during the year	-	-
Less: Shares buyback during the year	-	-
Equity shares at the end of the year	30,621,601	30,621,601

2.2 Details of Shareholders holding more than 5% shares

Government of India		
No. of Shares	30,548,825	30,548,825
Percentage	99.76%	99.76%

2.3 Rights, Preferences and restrictions attached to Shares:

Equity shares: The Company has issued one class of equity shares having par value of ₹ 1000/- per share. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

Note No. 3
RESERVE AND SURPLUS
Amount ₹ in Lacs

PARTICULARS	Figures as at the end of the current reporting period 31-03-2015	Figures as at the end of the previous reporting period 31-03-2014
1. Capital Reserve		
Balance at the beginning of the year	346,674.27	346,674.26
Additions/ (Deductions) during the Year	-	0.01
Balance at the end of the year	346,674.27	346,674.27
2. Revaluation Reserve		
Balance at the beginning of the year	16,724.99	16,724.99
Additions/ (Deductions) during the Year	-	-
Balance at the end of the year	16,724.99	16,724.99
3. Capital Redemption Reserve		
Balance at the beginning of the year	36.91	36.91
Additions/ (Deductions) during the Year	-	-
Balance at the end of the year	36.91	36.91
4. Special Reserve u/s 36 (i) (viii) of the Income Tax Act		
Balance at the beginning of the year	242.48	242.48
Additions/ (Deductions) during the Year	-	-
Balance at the end of the year	242.48	242.48
5. Securities Premium Reserve		
Balance at the beginning of the year	15,482.39	15,482.39
Additions/ (Deductions) during the Year	-	-
Balance at the end of the year	15,482.39	15,482.39
6. General Reserve		
Balance at the beginning of the year	1,391.61	1,271.60
Additions/ (Deductions) during the Year	135.62	120.01
Balance at the end of the year	1,527.23	1,391.61
7. Surplus		
Balance at the beginning of the year	(491,025.22)	(474,027.71)
Add: Profit/ (Loss) for the Year	(30,955.94)	(16,651.40)
Less: Adjustments for the Depreciation Reserves for earlier years	(180.45)	-
Less: Transfer to/ from the General Reserve	(135.62)	(120.01)
Less: Tax on Proposed Dividend	(296.12)	(226.10)
Balance at the end of the year	(522,593.35)	(491,025.22)
TOTAL	(141,905.08)	(110,472.57)

Note No. 4

DEFERRED TAX LIABILITIES/ ASSETS (NET)

Amount ₹ in Lacs

PARTICULARS	Figures as at the end of the current reporting period 31-03-2015	Figures as at the end of the previous reporting period 31-03-2014
DEFERRED TAX ASSETS		
A. Depreciation	5,371.95	1,585.09
B. Carried Forward Losses	-	5,043.49
C. Provision for doubtful Debts and Advances	7,668.84	7,530.67
D. Provisions for Leave Encashment	12.55	9.49
E. Provisions for Bonus	0.92	0.85
F. Provisions for Gratuity	8.99	6.52
G. Provisions for Contingencies	10.38	10.38
TOTAL	13,073.63	14,186.49
DEFERRED TAX LIABILITY		
A. Depreciation	12,313.28	13,464.45
B. Leave encashment allowed on Payment Basis	0.20	0.23
TOTAL	12,313.48	13,464.68
NET	760.15	721.81

4.1 As required by Accounting Standard - 22 in view of existence of carried forward losses and unabsorbed depreciation under tax laws, Deferred tax Assets have been recognised only to the extent they are virtually certain to be realised.

Note No. 5

OTHER LONG TERM LIABILITIES

Amount ₹ in Lacs

PARTICULARS	Figures as at the end of the current reporting period 31-03-2015	Figures as at the end of the previous reporting period 31-03-2014
1. Trade Payables		
Sundry Creditors for Raw Material	-	-
Sundry Creditors for Stores, Spare and Tools	-	-
Other Trade Payable	-	-
Sub Total (1)	-	-
2. Others		
Sundry Creditors for Machinery	-	-
Trade Deposits	136.48	130.75
Earnest Money/Security Deposit	325.13	324.00
Employees Security Deposit	10.08	7.12
Employee's Family Welfare Fund Deposits/Securities	81.87	73.35
Others	3,405.64	3,988.26
Sub Total (2)	3,959.20	4,523.48
TOTAL (1+2)	3,959.20	4,523.48

Note No. 6
LONG TERM PROVISIONS
Amount ₹ in Lacs

PARTICULARS	Figures as at the end of the current reporting period 31-03-2015	Figures as at the end of the previous reporting period 31-03-2014
a) Provisions for Employee Benefits		
Gratuity	10,790.28	10,955.89
Leave Salary/ Wages	1,988.98	2,142.47
LTC	37.36	32.77
Terminal Benefits	70.52	77.02
Sub Total (a)	12,887.14	13,208.15
b) Others Provisions		
Others	32.00	32.00
TOTAL	12,919.14	13,240.15

Note No. 7
SHORT TERM BORROWINGS
Amount ₹ in Lacs

PARTICULARS	Figures as at the end of the current reporting period 31-03-2015	Figures as at the end of the previous reporting period 31-03-2014
1. SECURED		
Cash Credit from Banks	260.29	315.88
Documentary Bill Purchase from Bank	230.62	1,840.71
Other Short term Loans	-	2,487.20
Loan from Related Parties	2,363.21	2,363.21
(Secured by Hypothecation of Stores, Raw Material, Finished Goods, Work in Progress and Trade Debts)		
TOTAL	2,854.12	7,007.00

Note No. 8
TRADE PAYABLES
Amount ₹ in Lacs

PARTICULARS	Figures as at the end of the current reporting period 31-03-2015	Figures as at the end of the previous reporting period 31-03-2014
Sundry Creditors for Raw Material	21,188.31	25,130.95
Sundry Creditors for Stores, Spare and Tools	547.19	575.04
Hank Yarn obligations	7.67	3.88
Sundry Creditors - Micro Small & Medium Enterprises	79.26	33.90
Other Trade payables	9,175.28	8,743.70
TOTAL	30,997.71	34,487.47

Note No. 9

OTHER CURRENT LIABILITIES

Amount ₹ in Lacs

PARTICULARS	Figures as at the end of the current reporting period 31-03-2015	Figures as at the end of the previous reporting period 31-03-2014
Sundry Creditors for Machinery	640.04	770.63
Trade Deposits	589.66	743.16
Earnest Money/Security Deposit	10,844.96	11,048.25
Advance against Sale of Assets	1,204.51	1,204.51
Interest accrued and due	30,530.50	25,775.96
Interest accrued but not due	4.55	9.36
Loan from Government of India	27,000.00	27,000.00
Commissioner of Payment in respect of Nationalised Mills	-	288.37
Controlled Cloth subsidy Balance	707.15	707.15
Others	24,451.13	16,468.07
TOTAL	95,972.50	84,015.46

Note No. 10

SHORT TERM PROVISIONS

Amount ₹ in Lacs

PARTICULARS	Figures as at the end of the current reporting period 31-03-2015	Figures as at the end of the previous reporting period 31-03-2014
a) Provisions for Employee benefits		
Gratuity	2,441.76	2,326.87
Leave Salary/ Wages	734.51	771.10
Sick Leave	1,079.78	1,296.56
LTC	5.56	5.47
Terminal Benefits	13.98	14.62
Sub-Total (a)	4,275.59	4,414.62
b) Other Provisions		
Income Tax	20,890.02	20,878.71
Income Tax under Minimum Alternate Tax - MAT	9,230.26	9,230.26
Wealth Tax	179.94	178.98
Tax on Proposed Dividend	296.12	226.10
Sub-Total (b)	30,596.34	30,514.05
TOTAL (a +b)	34,871.93	34,928.67

Note No. 11
I) TANGIBLE ASSETS
Amount ₹ in Lacs

S. No	PARTICULARS	Gross Block				Depreciation				Net Block	
		As at 01.04.2014	Additions during the year	Adjustments/Sales during the year	Cost as at 31.03.2015	As at 01.04.2014	For the year	Adjustments/Sales during the year	Up to 31.03.2015	As at 31.03.2015	As at 31.03.2014
1	Land - Free Hold	9,746.07	-	-	9,746.07	-	-	-	-	9,746.07	9,746.07
2	Land - Lease Hold	5,222.18	-	-	5,222.18	684.96	172.77	(0.09)	857.82	4,364.36	4,537.22
3	Building - Factory	29,137.09	287.99	(38.99)	29,464.07	3,618.39	915.73	(6.14)	4,540.26	24,923.81	25,518.70
4	Building - Non Factory	2,431.38	114.61	0.05	2,545.94	381.59	98.51	(19.89)	499.99	2,045.95	2,049.79
5	Tube Well	94.32	2.94	-	97.26	17.84	19.31	(12.46)	49.61	47.65	76.48
6	Plant & Machinery	132,562.50	589.20	(59.87)	133,211.57	52,374.89	15,721.26	173.01	67,923.14	65,288.43	80,187.61
7	Furniture & Fixtures	1,204.73	40.39	8.87	1,236.25	410.48	98.36	1.40	507.44	728.81	794.25
8	Vehicles	212.44	-	4.72	207.72	96.98	19.02	1.86	114.14	93.58	115.46
9	Electrical Fittings	4,862.70	72.63	7.24	4,928.09	1,007.89	504.57	(7.03)	1,519.49	3,408.60	3,854.81
10	Office & Factory Equipments	558.92	26.38	(0.45)	585.75	279.77	111.89	(54.95)	446.61	139.14	279.15
11	Bio Gas Plant	0.16	-	-	0.16	0.16	-	-	0.16	-	-
12	Computer	558.63	21.33	0.73	579.23	418.05	50.10	(37.27)	505.42	73.81	140.58
13	Railway	0.69	-	-	0.69	0.65	-	-	0.65	0.04	0.04
14	Lab Equipment	779.87	0.52	(9.14)	789.53	257.88	74.63	(5.57)	338.08	451.45	521.99
15	Silver Coins/ Vessels	58.26	2.17	0.32	60.11	20.53	4.53	(2.05)	27.11	33.00	37.73
16	Lives Stock	0.07	-	-	0.07	-	-	-	-	0.07	0.07
	TOTAL	187,430.01	1,158.16	(86.52)	188,674.69	59,570.06	17,790.68	30.82	77,329.92	111,344.77	127,859.95
	Previous Year	143,819.93	43,819.32	209.24	187,430.01	48,217.41	11,428.58	75.93	59,570.06	127,859.95	95,602.52

II) INTANGIBLE ASSETS

S. No	PARTICULARS	Gross Block			Depreciation				Net Block		
		As at 01.04.2014	Additions during the year	Adjustments/Sales during the year	Cost as at 31.03.2015	As at 01.04.2014	For the year	Adjustments/Sales during the year	Up to 31.03.2015	As at 31.03.2015	As at 31.03.2014
1	Goodwill	-	-	-	-	-	-	-	-	-	-
2	Softwares	201.93	2.96	-	204.89	151.14	38.71	(0.03)	189.88	15.01	50.79
3	Brands/ Trademarks	1.96	-	-	1.96	0.61	0.39	-	1.00	0.96	1.35
	TOTAL	203.89	2.96	-	206.85	151.75	39.10	(0.03)	190.88	15.97	52.14
	Previous Year	202.46	1.43	-	203.89	111.31	40.44	-	151.75	52.14	91.15

During the year 1997-98, the land was revalued in respect of eight unit mills situated within the limits of Coimbatore Municipal Corporation as per the Valuation Report dated 17.05.1997 of the approved valuer based on the going market rate. As against the book value of ₹16.96 lakhs, the land has been revalued at ₹19225.96 lakhs. The entire surplus of ₹19209.00 lakhs on re-valuation has been credited to "Land Revaluation Reserve". Balance in the Land Revaluation Reserve as at 31st March 2015 ₹16722.89 lakhs represents the balance surplus after withdrawal of proportionate Revaluation Reserve of sale of land during 2003-04, 2004-05, 2005-06, 2006-07, 2007-08 & 2008-09.

Note No. 12
NON CURRENT INVESTMENTS
Amount ₹ in Lacs

PARTICULARS	Figures as at the end of the current reporting period 31-03-2015	Figures as at the end of the previous reporting period 31-03-2014
1. Trade Investments		
Investment in Subsidiary Companies	165.80	165.80
Sub Total (1)	165.80	165.80
2. Other Investments		
Quoted		
Investments in Equity Instruments	0.48	0.48
Investments in Government or Trust Securities	0.07	0.07
Un-Quoted		
Investments in Equity Instruments	15.43	15.43
Investments in Government or Trust Securities	0.09	0.09
Investments in debentures or Bonds	0.05	0.05
Other Non Current Investments	2.52	2.52
Sub Total (2)	18.64	18.64
Total (1+2)	184.44	184.44
Less: Provision for diminution in value of Investment*	(180.99)	(180.99)
NET	3.45	3.45

*Includes ₹ 165.80 Lacs (Previous year ₹ 165.80 Lacs) for the Investment in Subsidiary Company

Note No. 13
LONG TERM LOANS AND ADVANCES
Amount ₹ in Lacs

PARTICULARS	Figures as at the end of the current reporting period 31-03-2015	Figures as at the end of the previous reporting period 31-03-2014
1. Capital Advances		
Secured	-	-
Un Secured (Considered good)	106.93	223.02
Un Secured (Considered doubtful)	34.42	33.66
Less: Provision for Doubtful	(34.42)	(33.66)
2. Security Deposits	206.97	206.97
3. Due from Employees		
Secured	0.58	0.75
Un Secured (Considered good)	89.29	87.79
Un Secured (Considered doubtful)	45.80	45.80
Less: Provision for Doubtful	(45.80)	(45.80)
Interest accrued on above loan	1.99	2.29

PARTICULARS	Figures as at the end of the current reporting period 31-03-2015	Figures as at the end of the previous reporting period 31-03-2014
4. Loans & Advances to Related Parties		
Secured	-	-
Un-Secured (Considered good)	-	-
Un-Secured (Considered doubtful)	1,111.75	1,111.75
Less: Provision for Doubtful	(1,111.75)	(1,111.75)
5. Due from Others		
Secured	-	-
Un-Secured (Considered good)	97.17	171.74
Un-Secured (Considered doubtful)	5,006.14	4,457.28
Less: Provision for Doubtful	(5,006.14)	(4,457.28)
6. MAT Credit Entitlement - Unsecured considered Good	9,230.26	9,230.26
7. Advance against Tax payments - Unsecured considered Good	683.20	602.83
TOTAL	10,416.39	10,525.65

Note No. 14

OTHER NON CURRENT ASSETS

Amount ₹ in Lacs

PARTICULARS	Figures as at the end of the current reporting period 31-03-2015	Figures as at the end of the previous reporting period 31-03-2014
1. Long Term Trade Receivables		
Secured	-	-
Un-Secured (Considered good)	-	-
Un-Secured (Considered doubtful)	499.92	501.54
Less: Provision for Doubtful	(499.92)	(501.54)
Sub Total (1)	-	-
2. Others		
Deposit with Govt. Bodies	2,483.09	1,912.51
Sundry Deposits Long Term	929.50	1,006.83
Less: Provision for Deposits	(292.50)	(294.02)
Employee's Family Welfare Fund Deposits/Securities	81.87	73.35
Commissioner of Payment (Doubtful)	1,804.37	1,804.88
Less: Commissioner of Payment (Provision)	(1,804.37)	(1,804.88)
Deposit with PF authorities under Protest	148.72	148.72

PARTICULARS	Figures as at the end of the current reporting period 31-03-2015	Figures as at the end of the previous reporting period 31-03-2014
Less: Provision for Deposit with PF authorities	(135.48)	(131.07)
Deposit with ESI authorities	364.16	364.66
Less: Provision for Deposit with ESI authorities	(352.95)	(353.45)
Claim receivable from Central Government	12,027.48	12,027.48
Less: Provision for Claim receivable from Central Government	(12,027.48)	(12,027.48)
Advance Tax	-	5.99
Less: Provision for Advance Tax	-	-
Others	435.68	440.26
Other Considered Doubtful	229.64	229.64
Less: Provision for doubtful	(229.64)	(229.64)
Other Bank Balances (having maturity more than 12 Months)	184.77	196.85
Sub Total (2)	3,846.86	3,370.63
TOTAL (1+2)	3,846.86	3,370.63

Note No. 15
INVENTORIES
Amount ₹ in Lacs

PARTICULARS	Figures as at the end of the current reporting period 31-03-2015	Figures as at the end of the previous reporting period 31-03-2014
Raw Materials	3,877.54	5,121.11
Raw Materials in transit	91.97	95.86
Work-in-process	4,786.31	4,596.96
Finished Goods	21,622.43	22,455.52
Finished Goods in transit	332.42	0.44
Stock in Trade	2,074.16	1,888.57
Stock in Trade in transit	2.62	2.95
Stores and Spares	680.71	713.11
Stores and Spares in transit	24.01	25.10
Less: Provision for Obsolete Stores	(130.93)	(121.26)
Waste	420.17	411.70
Scrap	188.40	193.32
TOTAL	33,969.81	35,383.38

Valuation of Inventories is done as per the Policy no. 1.5 of the Accounting Policies.

Note No. 16

TRADE RECEIVABLES

Amount ₹ in Lacs

PARTICULARS	Figures as at the end of the current reporting period 31-03-2015	Figures as at the end of the previous reporting period 31-03-2014
1. Outstanding for a period exceeding 6 months from the date due for payment		
Secured	-	-
Unsecured Considered good	2,450.35	2,678.04
Unsecured Considered doubtful	715.37	717.36
Less: Provision for Bad and doubtful debts	(715.37)	(717.36)
Sub Total (1)	2,450.35	2,678.04
2. Other Debts		
Secured	-	-
Unsecured Considered good	48,761.61	32,726.27
Unsecured Considered doubtful	-	-
Less: Provision for doubtful	-	-
Sub Total (2)	48,761.61	32,726.27
TOTAL (1+2)	51,211.96	35,404.31

Note No. 17

CASH AND BANK BALANCES

Amount ₹ in Lacs

PARTICULARS	Figures as at the end of the current reporting period 31-03-2015	Figures as at the end of the previous reporting period 31-03-2014
1. CASH AND CASH EQUIVALENTS		
Balance with Banks		
In Current Accounts	4,240.95	5,587.79
In Savings Accounts	3.50	-
In Fixed Deposits (having Maturity within 3 Months)	14,562.57	7,234.56
Cheques in Hand	2.16	160.09
Stamps in Hand	0.06	0.03
Remittances in transit	144.11	17.32
Cash in Hand	76.48	82.14
Employees Security Deposit	3.22	2.77
Balance with Post Office	0.30	0.30
Sub Total (1)	19,033.35	13,085.00
2. OTHER BANK BALANCES		
Fixed Deposits (Maturity period is from 3 to 12 months)	94,165.75	103,835.05
Fixed Deposits - Earmarked	12,818.20	18,217.51
Deposit for Margin Money	571.64	584.59
Sub Total (2)	107,555.59	122,637.15
TOTAL (1+2)	126,588.94	135,722.15

Note No. 18
SHORT TERM LOANS AND ADVANCES
Amount ₹ in Lacs

PARTICULARS	Figures as at the end of the current reporting period 31-03-2015	Figures as at the end of the previous reporting period 31-03-2014
1. To Employees		
Secured	14.38	17.60
Un-Secured (Considered good)	333.48	366.15
Interest accrued thereon	0.41	0.49
2. To Related Parties		
Secured	-	-
Un-Secured (Considered good)	-	14,678.88
3. Due from Others		
Secured	-	2,076.42
Un-Secured (Considered good)	11,317.83	11,150.82
4. Advance against tax payments - unsecured considered good	371.16	295.42
TOTAL	12,037.26	28,585.78

Note No. 19
OTHER CURRENT ASSETS
Amount ₹ in Lacs

PARTICULARS	Figures as at the end of the current reporting period 31-03-2015	Figures as at the end of the previous reporting period 31-03-2014
Balance with Excise Authorities	2.70	3.73
Deposit with Govt. Bodies	129.49	121.80
Commissioner of Payment (Good)	115.66	145.20
Others	154.68	441.36
Interest accrued on deposits, Loans and Advances	3,452.43	2,587.37
Prepaid Expenses	139.28	143.35
Claim Receivable	386.69	444.82
Sundry Deposits	102.61	126.60
Fixed Assets held for Sale	8,691.02	8,624.38
Current Account with Subsidiary Companies	37.10	28.87
TOTAL	13,211.66	12,667.48

Note No. 19.1

DETAILS OF FIXED ASSETS HELD FOR SALE

Amount ₹ in Lacs

S. No.	PARTICULARS	Figures as at the end of the current reporting period 31-03-2015			Figures as at the end of the previous reporting period 31-03-2014		
		Gross Block	Depreciation Reserve	Net Block	Gross Block	Depreciation Reserve	Net Block
1	Land - Free Hold	8,244.38	-	8,244.38	8,244.38	-	8,244.38
2	Land - Lease Hold	0.14	-	0.14	0.14	-	0.14
3	Building - Factory	544.38	406.71	137.67	544.38	406.71	137.67
4	Building - Non Factory	175.71	65.73	109.98	175.71	65.73	109.98
5	Tube Well	21.82	9.29	12.53	21.82	9.29	12.53
6	Plant & Machinery	1,957.12	1,800.06	157.06	1,668.76	1,579.09	89.67
7	Furniture & Fixtures	55.29	51.85	3.44	55.11	51.34	3.77
8	Vehicles	24.46	23.28	1.18	24.46	23.28	1.18
9	Electrical Fittings	54.51	50.41	4.10	53.12	48.56	4.56
10	Office & Factory Equipments	55.35	43.58	11.77	55.15	43.42	11.73
11	Bio Gas Plant	0.77	0.73	0.04	0.77	0.73	0.04
12	Computer	19.62	19.04	0.58	19.62	19.04	0.58
13	Railway	0.01	0.01	-	0.01	0.01	-
14	Lab Equipment	7.06	6.40	0.66	7.06	6.40	0.66
15	Silver Coins/ Vessels	1.06	-	1.06	1.06	-	1.06
16	Lives Stock	-	-	-	-	-	-
17	Building Salvage value	6.43	-	6.43	6.43	-	6.43
	TOTAL	11,168.11	2,477.09	8,691.02	10,877.98	2,253.60	8,624.38

Note No. 20
REVENUE FROM OPERATIONS
Amount ₹ in Lacs

PARTICULARS	Figures for the current reporting period 2014-15	Figures for the previous reporting period 2013-14
1. Sale of Products		
Cloth	26,813.69	26,804.31
Yarn	95,980.07	90,186.21
Readymade	95,251.06	52,146.38
Sub Total (1)	218,044.82	169,136.90
2. Sale of Servises		
Job Conversion Charges	233.87	315.68
Commission Earned	34.24	71.01
Sub Total (2)	268.11	386.69
3. Other Operating Revenues		
Sale of Waste	2,521.36	3,103.67
Other	735.20	662.56
Sub Total (3)	3,256.56	3,766.23
Total (1+2+3)	221,569.49	173,289.82

Note No. 21
OTHER INCOME
Amount ₹ in Lacs

PARTICULARS	Figures for the current reporting period 2014-15	Figures for the previous reporting period 2013-14
Interest on Bank Deposits	12,277.86	12,771.30
Interest on Others	2,087.41	2,950.44
Rent income	576.30	528.03
Insurance and other claims	124.61	61.43
Sale of Scrap and other unserviceable stores	162.15	234.84
Stock deficit recovered	6.93	12.64
Sundry Balances written back	56.01	90.26
Cash Discount	105.97	127.72
Dividend from Other Companies	3.31	6.54
Foreign Exchange Rate Difference	45.75	42.85
Miscellaneous Receipts	195.18	313.78
TOTAL	15,641.48	17,139.83

Note No. 22

COST OF MATERIAL CONSUMED

Amount ₹ in Lacs

PARTICULARS	Figures for the current reporting period 2014-15	Figures for the previous reporting period 2013-14
A. Raw/ Semi Finished		
Stock at Commencement	5,216.97	4,340.72
Add: Purchase	66,556.83	70,079.33
Less: Stock sold	(29.85)	(79.32)
Less: Stock At Close	(3,969.51)	(5,216.97)
Raw/ Semi Finished Material Consumed - Sub Total (A)	67,774.44	69,123.76
B. Packing material Consumed	1,469.79	1,217.20
Cost of Material Consumed (A + B)	69,244.23	70,340.96

Note No. 23

CHANGE IN INVENTORIES

Amount ₹ in Lacs

PARTICULARS	Figures for the current reporting period 2014-15	Figures for the previous reporting period 2013-14
Stock At Commencement		
Cloth	4,662.18	4,196.86
Yarn	17,793.78	10,938.16
Stock in Trade	1,891.52	1,829.95
Waste	411.70	376.27
Work-in-Process	4,596.96	4,489.04
Job in Process	-	-
Scrap	193.32	673.25
TOTAL	29,549.46	22,503.53
Stock At Close		
Cloth	4,641.76	4,662.18
Yarn	17,313.09	17,793.78
Stock in Trade	2,076.78	1,891.52
Waste	420.17	411.70
Work-in-Process	4,786.31	4,596.96
Job in Process	-	-
Scrap	188.40	193.32
TOTAL	29,426.51	29,549.46
(Increase)/ Decrease in Inventories	122.95	(7,045.93)

Note No. 24
EMPLOYEES BENEFIT EXPENSES
Amount ₹ in Lacs

PARTICULARS	Figures for the current reporting period 2014-15	Figures for the previous reporting period 2013-14
Salaries and Wages	20,894.82	19,695.11
Bonus	312.04	317.35
Contribution to PF & Pension	1,989.09	1,878.89
Cont. to E.S.I, DLI & Adm. Charges	609.84	601.43
Workmen & Staff Welfare Expenses	1,256.98	1,239.41
Leave Salary and Wages (Provision)	588.90	701.56
Sick Leave (Provision)	(159.04)	255.07
Terminal Benefits (Provision)	8.78	(2.39)
Contract Labour Charges	1,913.18	2,093.42
Gratuity (Provision)	1,851.46	2,244.14
LTC (Provision)	50.88	34.84
Remuneration to Directors	58.87	68.20
Total	29,375.80	29,127.03

Note No. 25
FINANCE COSTS
Amount ₹ in Lacs

PARTICULARS	Figures for the current reporting period 2014-15	Figures for the previous reporting period 2013-14
1. Interest Expenses		
Interest on Loan from GOI	4,683.75	4,595.28
Interest on Bank Loans for Working Capital	18.72	13.34
Interest on Trade Credits	20.86	17.54
Interest on Cotton Dues	637.29	347.00
Interest on Other Loans and Deposits	539.28	360.41
Interest on Provident Fund and ESI dues	5.67	0.06
Surcharge on Water/ Electricity etc	4.15	0.01
Interest on others	152.07	161.35
Sub Total (1)	6,061.79	5,494.99
2. Other Borrowing Costs		
Bank Charges and Loan Processing fee	52.88	68.61
Cash Discount Allowed	176.90	139.93
Guarantee fee	-	3.33
Sub Total (2)	229.78	211.87
3. Foreign Exchange Rate Difference	0.21	11.22
Total (1+2+3)	6,291.78	5,718.08

Note No. 26

MANUFACTURING, ADMINISTRATIVE, SELLING AND DISTT. EXPENSES

Amount ₹ in Lacs

PARTICULARS	Figures for the current reporting period 2014-15	Figures for the previous reporting period 2013-14
A. MANUFACTURING EXPENSES		
Stores, Spares, Dyes & Chemicals	2,880.69	2,520.06
Tools Used	-	0.01
Power, Fuel & Water	23,359.88	21,614.06
Repairs to Machinery	626.00	352.01
Repairs to Building	168.75	162.55
Repairs to Other Assets	58.01	38.23
Processing Charges	908.27	778.65
Job Charges	500.36	692.46
Stiching Charges	435.20	533.57
Hank Yarn obligation	73.66	29.33
Total A	29,010.82	26,720.93
B. ADMINISTRATIVE EXPENSES		
Rent	180.48	193.03
Rates & Taxes	851.61	773.85
Insurance	149.92	151.38
Publication of Notices	24.00	111.20
Entertainment Expenses	22.90	24.34
Hotel and Incidental	13.99	11.75
Payment to Statutory Auditors		
for Statutory Audits	41.91	41.57
for Tax Audits	12.95	12.22
for Other Services	3.43	4.22
Reimbursement of expenses	9.46	10.98
Payment to Other Auditors		
for Internal Audits	30.19	28.43
for Cost Audits	6.82	5.61
for Taxation work	3.14	4.81
for Company Law Matters	-	-
for Management Services	3.46	2.57
Postage, Telegram & Fax	36.13	33.46
Telephones	94.86	110.03
Printing & Stationery	112.94	114.64

PARTICULARS	Figures for the current reporting period 2014-15	Figures for the previous reporting period 2013-14
Vehicles Running & Maintenance	66.09	70.61
Legal and Professional Charges	1,235.57	1,025.62
Traveling Expenses	285.51	317.75
Local Conveyance	186.25	182.22
Director's Traveling Expenses	35.77	51.52
Director's Sitting Fees	7.93	7.51
Water and Electricity Charges	304.32	299.87
Provident Fund Administration Charges	148.27	132.32
Miscellaneous Expenses	229.19	347.25
Data Processing Charges	40.11	40.46
Watch and Ward Expenses	466.95	411.36
Repair to Other Assets	51.20	61.26
Festival Expenses	21.18	17.61
Gifts	8.02	9.38
Company Social Responsibility Expenses	59.45	5.44
Annual Maintenance Charges	16.51	12.88
Fee and subscription	10.77	10.51
Filing Fee	0.25	0.52
Maintenance of office Building	123.97	210.26
Other Administrative Expenses	91.75	201.51
Carrying charges on cotton	2.08	1.88
Training & Development	10.22	20.19
Meeting/ Committee Expenses	14.92	35.20
Total B	5,014.47	5,107.22
C. DISTRIBUTION EXPENSES		
Brokerage	330.94	187.62
Commission on sales	1,211.04	1,121.12
Sales expenses	245.89	263.09
Publicity Expenses	113.25	623.59
Export Expences	156.20	128.20
Other incidental, forwarding Expences	469.27	389.08
Total C	2,526.59	2,712.70
GRAND TOTAL(A+B+C)	36,551.88	34,540.85

Note No. 27

PROVISIONS

Amount ₹ in Lacs

PARTICULARS	Figures for the current reporting period 2014-15	Figures for the previous reporting period 2013-14
Doubtful Debts	1.96	0.64
Doubtful Advances	0.76	41.82
Obsolete Stores	16.84	4.05
Other Current Assets	2.77	85.33
Loss in Value of Investments	-	-
Total	22.33	131.84

Note No. 28

PRIOR PERIOD INCOME/ (EXPENSES)

Amount ₹ in Lacs

PARTICULARS	Figures for the current reporting period 2014-15	Figures for the previous reporting period 2013-14
A. EXPENSES		
Sales	38.59	3.56
Raw Material Consumption/ Purchase	9.25	12.62
Employees Remuneration and Benefits	22.32	68.66
Manufacturing Exp.	55.62	40.79
Administrative Expenses	96.17	39.51
Selling and Distribution Expenses	43.96	22.99
Depreciation	25.37	99.18
Finance Charges - Interest	55.68	333.53
Finance Charges - Others	4,779.39	3.90
Misc. Expenses	0.34	2.33
Statutory Dues/ Tax	10.50	27.60
Building repair	-	23.75
Others	32.29	1.86
TOTAL A	5,169.48	680.28

PARTICULARS	Figures for the current reporting period 2014-15	Figures for the previous reporting period 2013-14
B. INCOME		
Sales	22.09	27.82
Other Income	13.77	12.72
Adjustment for Raw Material Consumptions/ Purchase	82.96	5.91
Adjustment for Employees Remuneration and Benefits	25.77	153.65
Adjustment for Manufacturing exp.	13.49	255.48
Adjustment for Administrative Expenses	9.60	36.57
Adjustment for Selling and Distribution Expenses	23.29	5.65
Adjustment for Finance Charges - Interest	25.45	8.52
Adjustment for Finance Charges - Others	-	2.50
Adjustment for Depreciation	5.45	6.99
Others	2.93	6.27
TOTAL B	224.80	522.08
INCOME/ (EXPENSES)	(4,944.68)	(158.20)

Note No. 29
EXTRA-ORDINARY ITEMS
Amount ₹ in Lacs

PARTICULARS	Figures for the current reporting period 2014-15	Figures for the previous reporting period 2013-14
Expenses		
MVRS Compensation (Ex-Gratia)	430.76	667.72
Loss on Sale of Assets	0.26	1.13
Expenses on Sold Assets	-	8.73
Others	1.45	23.38
Total	432.47	700.96
Income		
Profit on sale of Land	-	209.03
Profit on sale of other Assets	1.76	277.25
Forfeiture of Security Deposit of Sale of Assets	-	0.47
Commissioner of Payment	-	20.25
Duty Exemption from Power Supplier - MDEDCL	-	243.08
Total	1.76	750.08
Net	(430.71)	49.12

Note No. – 30

NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015

30.1 BASIS OF PREPARATION

The Consolidation of Financial Statements (CFS) of National Textile Corporation Limited and its 5 subsidiaries and 1 Associate Company has been prepared in accordance with the Schedule III of the Companies Act, 2013 and applicable Accounting Standards.

The Consolidated Financial Statements represent consolidation of accounts of National Textile Corporation Limited, its subsidiaries (joint venture companies) and associate as detailed below:

S.No	Name of Companies	Country	No. of shares	(%)	Relation
01	Aurangabad Textiles & Apparel Parks Ltd.	India	1060800	51	Subsidiary
02	New City of Bombay Mfg. Mills Ltd.	India	4676700	51	Subsidiary
03	Apollo Design Apparel Parks Ltd.	India	2881500	51	Subsidiary
04	Goldmohur Design & Apparel Parks Ltd.	India	2983500	51	Subsidiary
05	India United Textiles Mills Ltd.	India	6482610	51	Subsidiary
06	Swadeshi Polytex Limited	India	1311750	33.63	Associate

Note: NTC is having 17,18,344 shares (97.91%) in Swadeshi Mining & Manufacturing Limited but the accounts of this subsidiary company could not be consolidated due to non finalization of accounts since 1999-2000. The company was under liquidation and the matter is still sub-judice.

30.2 PRINCIPLES OF CONSOLIDATION

The Financial Statements of the Company and its subsidiary companies & Associate are consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses in accordance with Accounting Standard (AS) 21-“Consolidated Financial Statements” as notified under Companies Accounting Standard Rules, 2006.

The Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company’s separate Financial Statements except as otherwise disclosed in the other Notes to Accounts.

Minority Interest’s share of Net Profit/Loss of Consolidated Subsidiaries & associate for the year is identified and adjusted against the income of the group in order to arrive at the Net Income attributable to the shareholders of the Company.

Minority Interest’s share of Net Assets of Consolidated subsidiaries & associate is identified and presented in the Consolidated Balance Sheet separately from liabilities and the equity of the Company’s shareholders.

30.3 CONTINGENT LIABILITIES & COMMITMENTS

(₹ in Lakh)

S. No.	Description	As at 31 st March, 2015	As at 31 st March, 2014
(i)	Contingent Liabilities		
(a)	Claims against the Company not acknowledged as debts :		
a.1	For workmen compensation*	13933.02	11674.38
a.2	For Excise & Custom Duty	743.09	743.36
a.3	Sales Tax/Purchase Tax –disputed	8509.74	6466.19
a.4	Disputed Claims in appeals	279.77	360.97
a.5	Disputed Property Tax and other Taxes	1871.16	1659.73
a.6	Interest claims of Suppliers/claims not provided as per Board for Industrial & Financial Reconstruction (BIFR) order	47622.60	39455.46
a.7	Towards resale loss of cotton bales & carrying charges	689.95	689.95
a.8	Disputed mesne profit for enhancement of rent/eviction of property	-	29158.02
a.9	Premium claimed by Govt. of Maharashtra– New Hind Textile Mills	3477.62	3477.62
a.10	Disputed Market Fee under appeal (Post Nationalization)	278.54	278.54
a.11	Claim by the parties for 11 Joint Ventures Mills for damages towards loss of profit due to cancellation of Joint Ventures	51362.00	51362.00
a.12	Interest on Income Tax Dues- Case pending before (BIFR)	13662.46	10062.46
a.13	For others	4100.17	4031.28
(b)	Guarantees given by the Company to the Banks /Financial institutions / Others	1709.07	1640.43
(c)	Others		
c.1	For Income Tax demands raised by the department – disputed	78.95	78.95
c.2	Estimated Damages and Interest on PF and ESI dues (Pre - Nationalisation)	1756.76	1753.56
c.3	Estimated Damages on PF and ESI dues (Post-Nationalization)	9016.50	8838.04
c.4	Electricity dues (Pre-Nationalisation/under litigation)	100.44	99.20
c.5	Stamp duty liability for issue of shares for which exemption is available as per BIFR Orders	252.51	252.51
c.6	Liability towards export obligations	1072.29	1737.55
(ii)	Commitments		
(a)	Estimated amount of contracts remaining to be executed on Capital account	123.93	479.99

*In some cases of workmen some cases of workmen compensation, amount is not ascertainable.

30.4 SALIENT NOTES TO ACCOUNTS

The detailed notes to accounts of NTC Limited are set out in the Company's separate financial statements. In respect of subsidiary & associate, the following salient Notes to Accounts are disclosed below:

30.4.1 Aurangabad Textiles & Apparel Parks Ltd.

Out of the total area of land owned by it of 108235.01 sq. mtrs., area under encroachment comes to around 45027.25 sq. mtrs & area under litigation comes to around 11137.96 sq. mtrs. The Company has paid property tax in respect of properties in its possession; however property tax has not been paid for area under encroachment or litigation for last many years. So the Company is contingently liable for property tax in respect of such properties & also for consequences of outcome of pending litigations.

30.4.2 Goldmohur Design & Apparel Parks Ltd.

The Company has paid stamp duty of ₹7,41,95,475/- as adjudicated by Collector of Stamps, Maharashtra, Mumbai for registration of lease deed dated November 15, 2007 for leasehold land in the financial year 2010-11 but registration of lease deed is still pending as the holding company yet to appoint its authorized representative to present the document for registration with concerned Sub Registrar. The Company will be able to implement the original business plan as provided under Shareholder's Agreement dated November 22, 2007 only after completion of registration process in respect of the lease deed.

30.4.3 New City of Bombay Mfg. Mills Ltd.

30.4.3.1 The capital reserve of ₹362.66 lakh represents the amount received from strategic partner (SP0), M/s Alok Industries Ltd. on account of stamp duty paid by the company. As per the share subscription and shareholders agreement between NTC Ltd. and Alok Industries Ltd. (SP) & New City of Bombay Mfg. Mills Ltd., all the Government duties including stamp duty or any other liability payable by the company will be borne by the SP & the SP will bring an additional amount into the company for making such payment which shall be considered as share premium for subscribing to the SP share. However the allotment of the shares to the SP, had been completed in the financial year 2007-08, while the amount of stamp duty got recognized & paid in the financial year 2011-12.

30.4.3.2 The company has not carried out any in house activity. The unit remained closed for whole of the year. But the same is not considered as discontinuance of operations as the management is of the view that the unit is temporarily closed. The company could not run the unit for garment activities as the company was facing labour problems and the Company was forced to temporary suspends its garmenting activities. The management of the Company is hopefully restarting the activity shortly.

30.4.4 Apollo Design & Apparel Parks Ltd.

The Company has paid stamp duty of ₹6,78,15,950/- as adjudicated by Collector of Stamps, Maharashtra, Mumbai for registration of lease deed dated November 15, 2007 for leasehold land in the financial year 2010-11 but registration of lease deed is still pending as the holding company yet to appoint its authorized representative to present the document for registration with concerned Sub Registrar. The Company will be able to implement the original business plan as provided under Shareholders Agreement dated November 22, 2007 only after completion of registration process in respect of the lease deed.

30.4.5 India United Textile Mills Ltd.

The stamp duty liability on account of the execution of the lease deed entered by company for leasing of land (Mill Land and surplus land) along with building and structure thereon, in view of the fact that in terms of subscription and shareholders agreement, strategic partners are to bear the cost of the stamp duty as additional share premium. But the allotment of shares is completed in the financial year 2007-08 while the amount of stamp duty has been identified/arrived & confirmed by the Collector of Stamp Duty, Mumbai in the financial year 2010-11 and the same has been paid in FY 2011-12 hence the said amount received from Strategic Partners has been shown as Capital Reserve. The company has filed an application for the registration of the lease deed before the Collector of stamps, Mumbai. The Company has received a demand notice on 23/02/2011 of ₹ 17,59,50,800/- on account of stamp duty payable to the Registering Authority within 60 day from the date of issue of demand notice i.e. from 23/02/2011. The same has been paid by the company on 21/4/2011. The registration is still pending for want of execution from the lessor i.e. from the NTC Ltd. The stamp duty has been capitalized during the financial year 2010-11 and amortization is done w.e.f. FY 2010-11 and same will be amortized for over the remaining period.

30.4.6 Swadeshi Polytex Limited

30.4.6.1 In view of the Economic/ Financial non-viability and on-going labour problems etc., the company had discontinued its operations of manufacturing of Polyester Fibers and Chips in the earlier year. In previous year, company had entered into a sale agreement for disposal of its entire Plant & Machinery and Building related to the discontinued operations and sold the significant part thereof. The unsold part has been shown as Building held for disposal.

30.4.6.2 Company has started developing the plots as per the approved plan of UPSIDC and accordingly has incurred an expenditure of ₹27,64,194.00 (Previous year ₹19,70,444.00 excluding write back of ₹31,37,718.00), which is allocated proportionately on the saleable area and unallocated portion made a part of stock in trade.

30.4.6.3 During the year, the company has changed the method of providing depreciation on assets other than Buildings and Plant & Machinery from Written Down Value method to Straight Line Method. Further, useful lives of the assets have been changed in terms of Schedule II of the Companies Act, 2013. Due to these changes, depreciation for the year has increased by ₹44,635.00 with a corresponding reduction in net block and Reserves and Surplus.

Sd/-
(Pankaj Agarwal)
Company Secretary

Sd/-
(Alokendra Banerjee)
Director (Marketing)

Sd/-
(R.K. Sinha)
Director (HR)

As per our separate report of even date attached
For **TIWARI & ASSOCIATES**
Chartered Accountants
Firm Registration Number: 002870N

Sd/-
(P.C. Vaish)
Chairman & Managing Director

Sd/-
(Devender Magoo)
Partner
Membership Number: 085739

Place of signing: New Delhi
Date: 19-06-2015

APPENDIX

DETAIL OF LOANS RECEIVED FROM GOVT. OF INDIA FROM 1994-95 ONWARDS

(₹ In Lacs)

Financial Yr.	LOAN						INTEREST					
	Opening Balance	Loan for the Yr.	Managed Mills	Conversion into equity	Loan Written Off	Closing Balance	Opening Balance	Interest for the Yr.	Interest adjustment	Interest Waived Off	Closing Balance	
1994-1995	202,848.47	12,300.00	25,106.26			90,042.21	80,637.88	3,154.97	26,689.06		57,103.79	
1995-1996	190,042.21	23,500.00				213,542.21	57,103.79	655.97			57,759.76	
1996-1997	213,542.21	33,300.00				246,842.21	57,759.76	6,133.03			63,892.79	
1997-1998	246,842.21	49,964.00				296,806.21	63,892.79	20,834.68			84,727.47	
1998-1999	296,806.21	40,800.00				337,606.21	84,727.47	27,032.81			111,760.28	
1999-2000	337,606.21	49,400.00				387,006.21	111,760.28	34,661.05			146,421.33	
2000-2001	387,006.21	49,400.00				436,406.21	146,421.33	45,935.43			192,356.76	
2001-2002	436,406.21	38,500.00		2,800.00		472,106.21	192,356.76	55,125.70		833.41	246,649.05	
2002-2003	472,106.21	35,047.00				507,153.21	246,649.05	62,244.08			308,893.13	
2003-2004	507,153.21	32,470.45		251,479.00		288,144.66	308,893.13	46,500.76	45,291.78	144,568.00	165,534.11	
2004-2005	288,144.66	25,717.00				313,861.66	165,534.11	51,152.55			216,686.66	
2005-2006	313,861.66	26,400.00				340,261.66	216,686.66	55,427.51			272,114.17	
2006-2007	340,261.66	6,250.00				346,511.66	272,114.17	60,945.06			333,059.23	
2007-2008	346,511.66	6,250.00				352,761.66	333,059.23	61,977.37			395,036.60	
2008-2009	352,761.66*	14,500.00			340,261.66	27,000.00	395,293.60**	2,014.78	120,579.85	272,713.00	4,015.53	
2009-2010	27,000.00	-				27,000.00	4,015.53	4,069.46			8,084.99	
2010-2011	27,000.00	-				27,000.00	8,084.99	4,157.66			12,242.65	
2011-2012	27,000.00	-				27,000.00	12,242.65	4,334.32			16,576.97	
2012-2013	27,000.00	-				27,000.00	16,576.97	4,476.53			21,053.50	
2013-2014	27,000.00	-				27,000.00	21,053.50	4,595.28			25,648.78	
2014-2015	27,000.00	-				27,000.00	25,648.78	4,683.75			30,332.53	
Total	-	443,798.45	25,106.26	254,279.00	340,261.66			560,112.75	192,560.69	418,114.41		

Note: *Includes Loan of ₹ 175.00 Lacs directly given by GOI to erstwhile NTC (MN) LTD

**Includes Interest of ₹ 257.00 Lacs provided on above loan given to erstwhile NTC (MN) Ltd

