



**Annual Report  
2013-14**

**CANTABIL**<sup>ITALY</sup>  
International Clothing

**Cantabil Retail India Limited**



A man and a woman are standing on a balcony. The man is wearing a black and white checkered shirt and brown trousers. The woman is wearing a light green shirt and tan trousers, holding a tan crocodile-patterned clutch bag. In the background, there is a large mosque with multiple domes and minarets under a clear blue sky.

Annual Report  
2013-14

**CANTABIL**<sup>ITALY</sup>  
International Clothing

**BOARD OF DIRECTORS**

Mr. Vijay Bansal	:	Chairman - cum - Managing Director
Mr. Deepak Bansal	:	Whole Time Director
Mr. Anil Bansal	:	Whole Time Director
Mr. Lalit Kumar	:	Director
Dr. Arun Kumar Roopanwal	:	Director
Mrs. Renu Jagdish	:	Director

**Company Secretary** - Ms. Poonam Chahal

**Chief Financial Officer** - Mr. Rajesh Rohilla

**Auditors** - M/s Suresh & Associates  
Chartered Accountants  
New Delhi

**Cost Auditor** - Aggarwal Ashwani K. & Associates

**Registered Office** B-16, Ground Floor, Lawrance Road,  
Industrial Area, Delhi - 110035

**Registrar & Transfer Agent**

**Beetal Financial and Computer Services Pvt. Ltd.,**

Beetal House, 3rd Floor,  
99, Madangir, Behind Local Shopping Complex,  
Near Dada Harsukhdas Mandir,  
New Delhi - 110062

**Banker**

Oriental Bank of Commerce  
Standard Chartered Bank Ltd.  
Axis Bank Ltd.  
HDFC Bank Ltd.  
State Bank of India  
Union Bank of India  
ICICI Bank Ltd.  
Yes Bank Ltd.

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**CANTABIL RETAIL INDIA LIMITED****Registered and Corporate Office**

B- 16, Ground Floor, Lawrence Road, Industrial Area, New Delhi – 110035  
CIN: L74899DL1989PLC034995 Telephone: 91-11-27156381/82 Fax: 91-11-27156383  
email: investors@cantabilinternational.com Web: www.cantabilinternational.com

**NOTICE OF 26<sup>TH</sup> ANNUAL GENERAL MEETING**

Notice is hereby given that 26th Annual General Meeting of CANTABIL RETAIL INDIA LIMITED will be held on 30th day of September, 2014 at 9:00 A.M. at Tivoli Garden Resort Hotel, Chhattarpur Hills, Mehrauli, New Delhi- 110 074 to transact the following businesses:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as on March 31, 2014, Statement of Profit and Loss A/c for the financial year ended on that date together with the Report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Anil Bansal (DIN 02443104), who retires by rotation and being eligible offers himself for re-appointment.
3. Appointment of M/s. Suresh & Associates, Chartered Accountants as the Statutory Auditors of the Company.

**"RESOLVED THAT**, M/s. Suresh & Associates, Chartered Accountants, be and are hereby appointed as the Statutory Auditors of the Company for a period of three years i.e. from the conclusion of this 26th Annual General Meeting till the conclusion of 29th Annual General Meeting of the Company, subject to annual ratification by the shareholders at every Annual General Meeting and at such remuneration as may be fixed by the Board of Directors of the Company on the recommendation of the Audit Committee."

**SPECIAL BUSINESS**

To consider and, if thought fit, to pass with or without modification(s) the following resolutions:

**As Ordinary Resolution(s):**

4. **"RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152 and 160 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder and Clause 49 of the Listing Agreement (including any statutory modification(s) or re-enactment thereof), Mr. Lalit Kumar ( DIN 00025150) be and is hereby appointed as an Independent Director of the Company to hold office for a period starting from the date of this Annual General Meeting for five consecutive years from the date of this meeting upto September 29, 2019."
5. **"RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152 and 160 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder and Clause 49 of the Listing Agreement (including any statutory modification(s) or re-enactment thereof), Dr. Arun Kumar Roopanwal (DIN 00406817) be and is hereby appointed as an Independent Director of the Company to hold office for a period starting from the date of this Annual General Meeting for five consecutive years from the date of this meeting upto September 29, 2019."
6. **"RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152 and 160 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder and Clause 49 of the Listing Agreement (including any statutory modification(s) or re-enactment thereof), Mrs. Renu Jagdish be and is hereby appointed as an Independent Director of the Company to hold office for a period starting from the date of this Annual General Meeting for five consecutive years from the date of this meeting upto September 29, 2019."

**As Special Resolutions:**

7. **"RESOLVED THAT** pursuant to the provisions of Sections 180(1)(c) of the Companies Act, 2013 (corresponding Section 293(1)(d) of the Companies Act, 1956) and all other applicable provisions, if any, of the Companies Act, 2013 and pursuant to the provisions of the Articles of Association of the Company and in supersession of all the earlier resolution(s) passed in this regard, consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow in any manner from time to time any sum or sums of moneys at its discretion on such terms and conditions as the Board of Directors may deem fit, notwithstanding that the moneys to be borrowed by the Company together with the moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) from the financial institutions, company's bankers and or from any person or persons, firms, bodies corporate whether by way of loans, advances, deposits, bill discounting, issue of debentures, bonds or any financial instruments or otherwise and

whether secured or unsecured which may exceed the aggregate of the paid up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose, provided that the maximum amount so borrowed by the board and outstanding any one time shall not exceed the sum of Rs. 150 Crores (Rupees One Hundred Fifty Crores)".

**"RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorised to do and perform all such acts, deeds matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) aforesaid and also to delegate all or any of the above powers to such Committee of Directors or the Directors or the Key Managerial Personnel of the Company and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution."

8. **"RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 (corresponding Section 293(1)(a) of the Companies Act, 1956) and all other applicable provisions, if any, of the Companies Act, 2013, and in supersession of all the earlier resolution(s) passed in this regard, consent of the Company be and is hereby accorded to the board of Directors of the Company to create mortgages/charges/hypothecation in any manner whatsoever on all or any of the immovable and movable properties of the Company present and future, of the whole or substantially the whole of the undertaking of the Company, ranking pari-passu or otherwise and/or subservient and/or subordinate to the mortgages/charges/hypothecation already created or to be created in future by the Company for securing any loans and/or advances and/or guarantees and/or any financial assistance obtained or may be obtained from financial institutions, banks or machinery suppliers and/or any other persons or institutions providing finance for purchase of assets and/or for the business of the Company or for working capital or for purchase of specific items of machinery and equipments under any deferred payment scheme or bills discounting scheme or in favour of trustees for Debentureholders/ Bondholders FCCB holders that may be appointed hereafter, as security for the debentures/ bonds/FCCBs that may be issued by the Company, with power to take over the management, business and concern thereof in certain events of default, on such terms and conditions and at such times and in such form and manner as the Board of Directors may deem fit, so that the total outstanding amount at any time so secured shall not exceed the aggregate of the amounts consented by the Company by the Resolution passed at this meeting pursuant to Section 180(1)(a) of the Companies Act, 2013 i.e. Rs. 150 Crores (Rupees One Hundred Fifty Crores only) together with interest, if any, cost, charges, expenses, remuneration payable to the trustees and all other monies payable by the Company".

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to prepare, finalise, approve and execute on behalf of the company with the lenders, banks, machinery suppliers, persons, institutions and trustees for the Debenture/bond/FCCB holders, the documents, deeds, agreements, declarations, undertakings and writings as may be necessary and expedient for giving effect to the foregoing resolution and also to delegate all or any of the above powers to the committee of Directors or the Managing Director or the Director or the Key Managerial Personnel of the Company".

9. **To change the terms of appointment of Mr. Deepak Bansal (DIN 01111104) as a Whole- time Director and in this regard to consider and if thought fit, to pass with or without modification, the following resolution :**

**"RESOLVED** that subject to the provisions of Section 196 of the Companies Act, 2013 and in partial modification of resolution passed by the shareholders of the Company in at the 24th Annual General Meeting held on 29th day of September, 2012, consent of the shareholders be and is hereby accorded and in pursuance of resolution passed by the Board of Directors in its meeting held on 14th August, 2014, that Shri Deepak Bansal who was appointed Whole Time Director for a term of five years w.e.f. 8th August, 2012, shall henceforth be liable to retire by rotation pursuant to and in compliance of the provisions of Section 152 (6) of the said Act.

**RESOLVED** further that save as provided above, other terms and conditions of appointment of Shri Deepak Bansal as Whole Time Director will remain unchanged and will continue to be governed by resolution passed by the shareholders of the Company at the 24th Annual General Meeting held on 29th day of September, 2012."

By Order of the Board

For Cantabil Retail India Limited

Place : New Delhi  
Date : 14th , August 2014

(POONAM CHAHAL)  
Head- Legal & Company Secretary  
Membership No. A-22574

**NOTES:**

1. A member entitled to attend and vote at the Annual General Meeting (the "Meeting) is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty eight hours before the commencement of the Meeting.
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company voting rights. A member holding more than ten percentage of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder
3. The explanatory statement pursuant to section 102 of the Companies Act, 2013, which sets out the details relating to Special Businesses at the meeting, is annexed hereto.
4. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. The instrument of proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed not less than 48 hours before the commencement of the meeting. A proxy Form is annexed herewith. Proxies submitted on behalf of the Companies etc. must be supported by an appropriate resolution/authority as applicable.
5. The Register of Members and the Share Transfer Books of the Company will remain closed from Monday, September 22, 2014 to Tuesday, September 30, 2014 (both days inclusive)
6. Members who would like to ask any questions on the accounts are requested to send their questions at Corporate Office of the Company at least 10 days before the Annual General Meeting to enable the Company to answer their queries satisfactorily.
7. Members are requested to intimate change, if any, in their postal addresses immediately to RTA, Beetal Financial and Computer Services Pvt. Ltd.
8. The members/proxies should bring the attendance slip duly filled in and signed for attending the meeting.
9. Pursuant to the requirements of clause 49 of the Listing Agreement entered into with stock exchanges, the information about the Directors proposed to be appointed/ re-appointed is given in the Annexure to the notice.

**10. Voting through Electronic means:**

In terms of the provisions of clause 35B of the Listing Agreement and Sections 107 and 108 of the companies Act, 2013 read with companies (Management and Administration) Rules, 2014, the Company is providing its members the facility to exercise their right to vote at the meeting by electronic means on any or all of the business specified in the accompanying Notice. Necessary arrangements have been made by the Company with CDSL to facilitate e-voting through E-voting or in person at the General Meeting.

The procedure and instructions for voting through electronic means are as follows:-

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

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

(vi) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	<ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> </ul>
	<ul style="list-style-type: none"> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company's records for the said demat account or folio.
	<ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

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

(viii) Members holding shares in physical form will then reach directly to the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting of resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(x) Click on the EVSN for the relevant <Cantabil Retail India Ltd. > on which you choose to vote.

(xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvi) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.

- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

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

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvi) above to cast vote.
- (B) The voting period begins on 24th September, 2014 at 10.a.m and ends on 26th September, 2014 at 5 p.m.. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 29th August, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 (CORRESPONDING SECTION 173(2) OF THE COMPANIES ACT, 1956):****ITEM NO. 4 & 5**

Independent Directors Mr. Lalit Kumar and Dr. Arun Kumar Roopanwal have completed their five years term. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. Lalit Kumar and Dr. Arun Kumar Roopanwal being eligible and offering themselves for appointment, are proposed to be appointed as Independent Directors upto five consecutive years till respective Annual General Meeting. Respective notices have been received from members proposing their candidature for the office of Directors of the Company. In the opinion of the Board Mr. Lalit Kumar and Dr. Arun Kumar Roopanwal fulfill the conditions specified in the Companies Act, 2013 and rules framed thereunder for their appointment as Independent Directors of the Company and are independent of the management. Given below are the brief resumes of Mr. Lalit Kumar and Dr. Arun Kumar Roopanwal pursuant to Clause 49 of the listing Agreement:

**Mr. Lalit Kumar** (DIN-00025150) is a Non-Executive Independent Director. He is a Chartered Accountant & Company Secretary. He is heading the retail operations in Jumbo Electronics LLC Dubai. He was a president of M/s Vishal Retail Limited in 2008 and CEO of Ebony for three years. He has a strong understanding of retail space in India with the ability to monitor new market developments.

He is a director of various Companies like - M/s Gaap Education Limited, M/s Gaap Bright E Learning Private Limited, M/s Oaktree InfraVentures Private Limited, M/s W2H Ventures Private Limited, M/s Truehealth Worldwide Services Private Limited, M/s Alley & Brown Ventures Private Limited and M/s Blue Sapphire Ventures Private Limited.

**Dr. Arun Kumar Roopanwal** (DIN-00406817) is a Non-Executive Independent Director. He holds PHD Degree in textiles from the Indian institute of Technology. He has vast experience in textiles industrie and held various top managerial position in the past like Executive Director for GIVO Ltd. CEO of Niryat Sam Apparels (India) limited. Vice President of Sutlej Textiles Industries and Senior Scientific Officer in ministry of Textiles.

None of the Directors of the Company or their relatives or Key Managerial Personnel of the Company or their relatives except Mr. Lalit Kumar and Dr. Arun Kumar Roopanwal, are concerned or interested in the proposed Resolution.

**ITEM NO. 6**

The Company had appointed Mrs. Renu Jagdish as Independent Director pursuant to the provisions of the Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

In terms of section 149 and other applicable provisions of the Companies Act, 2013, it is proposed to appoint the above named Independent Director for a consecutive period of five years for a term up to 29th September, 2019. A notice proposing their candidature for the office of Director has been received by the Company. Mrs. Renu Jagdish fulfills the conditions specified in the Companies Act, 2013 and the rules made there under for the appointment as an Independent Director of the Company. A brief profile of Mrs. Renu Jagdish is given as under pursuant the Clause 49 of the Listing Agreement.



**Mrs. Renu Jagdish** holds a degree of Chartered Accountant and Company Secretary. She is having an experience of 25 years in audit, accounts and company law matters. Presently, she is a partner in M/s Goel and Joshi Associates Chartered Accountants. None of the Directors of the Company or their relatives or Key Managerial Personnel of the Company or their relatives except Mrs. Renu Jagdish, are concerned or interested in the proposed Resolution.

**ITEM NO. 7 & 8**

At the 21st Annual General Meeting of the Company held on September 9, 2009, the members had, by way of an Ordinary Resolution and in pursuance of the provisions of Section 293(1)(a) and (d) of the Companies Act, 1956, authorized the Board to:

- borrow monies on behalf of the Company (apart from temporary loans obtain are to be obtained from the Company's bankers in the ordinary course of business) in excess of the aggregate of the paid-up capital of the Company and its free reserves, subject to the total outstanding amount so borrowed not exceeding a sum of Rs. 150 Crores at any time; and
- create a mortgage or charge or hypothecation on the Company's assets in favour of lending agencies to secure the amounts borrowed i.e. Rs. 150 Crores, including interest, charges etc. payable thereon.

Section 180 of the Companies Act, 2013 ('the Act') was notified on September 12, 2013. Under the said section, the above powers of the board are required to be exercised only with the consent of the Company by way of a Special resolution. The Ministry of Corporate Affairs ("MCA") had vide its General Circular No. 4/2014 dated March 25, 2014, clarified that the Ordinary Resolutions passed under Section 293(1)(a) and (d) of the Companies Act, 1956 would be sufficient compliance of Section 180 of the Act until September 11, 2014.

The approval of the Members for the said borrowings and creation of mortgage or charge for the said borrowings is, now being sought, by way of Special Resolutions, pursuant to Section 180(1)(a) and (c) of the Act, respectively.

The Directors recommend the Resolutions at item No. 7 & 8 of the accompanying Notice for the approval of the Members of the Company.

None of the Directors of the Company or their relatives or Key Managerial Personnel of the Company or their relatives, are concerned or interested in the passing of the Resolutions at item No. 7 & 8.

**ITEM NO. 9**

Mr. Deepak Bansal was re-appointed as Whole Time Director of the Company in the Board Meeting held on 8th August, 2012 for a period of five consecutive years and such appointment have been approved by the members of the Company in its Annual General Meeting held on 29th September, 2012.

To have the optimal number of rotational directors in due compliance of the provisions of the Companies Act, 2013, the Board has decided to amend the terms and conditions of his appointment and his office will be liable to retire by rotation. Other terms and conditions of his appointment shall remain same as approved by the shareholders of the Company at their 24th Annual General Meeting held on 29th day of September, 2012.

None of the Directors of the Company or their relatives or Key Managerial Personnel of the Company or their relatives, except Mr. Deepak Bansal and Mr. Vijay Bansal are concerned or interested in the proposed Resolution.

By Order of the Board  
For **Cantabil Retail India Limited**

Place : New Delhi  
Date : 14th August, 2014

(**POONAM CHAHAL**)  
Head- Legal & Company Secretary  
Membership No. A-22574

**DETAILS OF THE DIRECTOR SEEKING RE-APPOINTMENT**  
 (Pursuant to clause 49 of the Listing Agreement)

Name of Director	Mr. Anil Bansal	Mr. Lalit Kumar	Dr. Arun Kumar Roopanwal	Mrs. Renu Jagdish
<b>Date of birth &amp; Age</b>	16.03.1975 39 Years	01.08.1964 49 Years	23.03.1951 63Years	12-10-1965 49 Years
<b>Nationality</b>	Indian	Indian	Indian	Indian
<b>Appointed on</b>	15.09.2009	11.09.2009	11.09.2009	11.09.2009
<b>Expertise in specific functional areas</b>	Administration	Finance & Accounts	Textiles & Strategic directions to the Company for managing business operations	Audit & Accounts and company Law Matters, Taxation etc.
<b>Brief Resume</b>	Mr. Anil Bansal is a Whole Time Director of the Company. He effectively manages stores in Delhi & NCR and plays an important role in implementing different schemes to promote our brand.	Mr. Lalit Kumar is an Independent Director. He is a Chartered Accountant & Company Secretary. He was a president of M/s Vishal Retail Limited in 2008 and CEO of Ebony for 3 years. He is heading the retail operations in Jumbo Electronics LLC Dubai. He has a strong understanding of retail space in India with the ability to monitor new market developments.	Dr. Arun Kumar Roopanwal is an Independent Director. He holds a Ph.D degree in textiles from the Indian Institute of Technology. He has vast experience in Textile Industry and held various top managerial position in past like Executive Director for GIVO Limited, CEO for Niryat Sam Apparels (India) Ltd., Vice President of Suttlej Textile Industries and Senior Scientific Officer in Ministry of Textiles.	Mr. Renu Jagdish is an Independent Director. She is a Chartered Accountant & Company Secretary. She has 25 years experience in audit, Accounts, Company Law Matters and taxation. She was partner in M/s Sunil K. Mittal & Co. Chartered Accountants from 1989 to 1996 after that doing practice in her own name M/s Renu Sandeep &co and from 2004 she is partner in M/s Goel and Joshi Associates Chartered Accountants as well. She has been Directors in several companies from 1991 to 1996.
<b>List of Directorships held in other Companies</b>	Dolphin Packaging Pvt. Ltd.	<ol style="list-style-type: none"> <li>Gaap Education Limited</li> <li>OaktreeInfra Venture Private Limited</li> <li>W2HvVentures Private Limited</li> <li>Truehealth Worldwide Services Private Limited</li> <li>Alley &amp; Brown Ventures Pvt. Ltd.</li> <li>Then India Energy Pvt. Ltd.</li> </ol>	NIL	NIL
<b>Membership/ Chairmanship of various Board Committees</b>	Cantabil Retail India Limited Member – Stakeholders Relationship Committee	Cantabil Retail India Limited Chairman – Audit Committee Chairman –Stakeholders Relationship Committee Chairman- Nomination and Remuneration Committee	Cantabil Retail India Limited Member – Audit Committee Member- Nominations and Remuneration Committee	NIL
<b>Shareholding in Cantabil Retail India Limited</b>	160 shares	NIL	NIL	NIL

## DIRECTORS' REPORT

To

The Shareholders,

### Cantabil Retail India Limited

Your Directors have immense pleasure in presenting the 26th Annual Report on the business and operations of the Company together with the Audited Statements of Accounts of the Company for the year ended 31st March 2014.

### FINANCIAL HIGHLIGHT:

The financial results of the Company for the year under review are compared below with the previous year's results for your consideration:

(Rs. In Lacs)

Particulars	For the year ended 31.03.2014	For the year ended 31.03.2013
Total Revenue	11142.83	11488.01
Profit before Tax & Depreciation	(752.48)	(3158.54)
Profit before Tax	(908.16)	(3327.09)
Provisions for Deferred Tax Liability/ (Assets)	2.34	(39.48)
Profit after Tax	(910.50)	(3287.60)

### REVIEW OF PERFORMANCE

The Textile and Clothing segment has shown reasonable growth during the year. Inflationary trend continued to hurt even during the current year also which has restricted the discretionary spend in market resulting in flat to marginal growth in domestic business in general consumer product categories. Your company's growth in topline was also flat due to such depressing factors and volatile market due to geopolitical events in the country. However the company has been successful in reducing its losses and brightening it's future by taking strong strategic decisions which have helped the company to come out of low remunerative regime of market competition.

Consumer demand has shown an improved trend with the new stable Government reviving the "feel good" factor. The momentum is yet to gain ground for the cycle of higher demand, increased investment, manufacturing and a return to sustained and balanced growth of GDP that will build a sustainable healthy demand. The outlook for the business looks to be promising in the medium to long term.

Company recorded sales revenue of Rs. 11142.83 Lacs as against Rs. 11488.01 Lacs in Financial Year 2013-14 recording a downfall of 3%. The Profit after taxes has improved from a negative of 3287.60 lacs to negative of 910.50 lacs thereby recording an improvement in profitability of 72%.

### INITIAL PUBLIC OFFER:

Your Company entered the capital market by issuing of 77.78 lac shares and raising Rs. 105 crores through 100% Book Building Route. The management is pleased to inform you that the IPO proceeds of Rs. 105 Crore have been fully utilized towards the completion of the Objects of IPO.

### REGISTERED OFFICE:

The Registered office of the Company was also changed from B-47, 1st Floor, Lawrence Road, Industrial Area, Delhi- 110035, India to B-16, Ground Floor, Lawrence Road, Industrial Area, Delhi- 110035, India w.e.f. 14th August 2014.

### DIVIDEND:

Keeping in view of the non-profitability of the previous year, your Directors are of the opinion not to declare any dividend.



**CORPORATE GOVERNANCE:**

Cantabil Retail India Limited committed to conducting business of your Company with the highest level of integrity and transparency. The commitment of your Company is clearly reflected in the business activities of the Company. Your Company fully confirm to comply standards set out by SEBI and other regulatory authorities and has implemented and complied with all of its major stipulations. Report on Corporate Governance as stipulated by clause 49 of the Listing Agreement with the stock exchanges forms a part of the Annual Report. The Compliance Certificate from a practicing Company Secretary by your Company is attached to the Report on Corporate Governance.

**CODE OF CONDUCT:**

As per Clause 49(I)(D), the Board of the Company has laid down Code of Conduct for all the Board Members of the Company and senior management as well and the same has been posted on website of the Company. Annual Compliance Report for the year ended 31st March 2014 has been received from all the Board members and senior management of the Company regarding the compliance of all provisions of Code of Conduct. Declaration regarding compliance by Board members and senior management personnel with the Company's Code of Conduct is hereby attached as annexure to this report.

**MANAGEMENT DISCUSSION AND ANALYSIS:**

A detailed review of operations, performance and future outlook of the Company is given separately under the head Management Discussion and Analysis and forms part of this report.

**DEPOSITS:**

The Company has not accepted any deposit within the meaning of Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975 made thereunder.

**LISTING FEES:**

The equity shares of your company are listed on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited. The Annual Listing fee for the financial year 2014-2015 has been paid.

**DEMATERIALISATION OF SHARES:**

Your Company has entered into agreements with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialization of shares of the company. Accordingly shares of the company are available for dematerialization and can be traded in Demat form.

**DEMAT SUSPENSE ACCOUNT:**

As per the Registrar to the Issue, M/s Beetal Financial & Computer Services Pvt. Ltd., there is no unclaimed share lying in the Escrow Account of the Company which is required to be disclosed in view of the compliance of the provisions of Clause 5A of the Listing Agreement.

**DIRECTORS:**

Pursuant to the provisions of Companies Act, 2013 and Articles of Association of the Company, Mr. Anil Bansal, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, have offer himself for re-appointment.

Impending notification of section 149 and other applicable provisions of the Companies Act, 2013, your Directors are seeking re-appointment of Mr. Lalit Kumar, Mr. Arun Kumar Roopanwal and appointment of Mrs. Renu Jagdish as Independent Director of the Company for five consecutive years for a term up to 29th September, 2019.

Brief resume of the Director proposed to be appointed and reappointed, nature of their expertise in specific functional areas and names of companies in which they hold directorship and membership / chairmanship of the Board/ Committees, as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges in India, are provided in the Report on Corporate Governance forming part of the Annual Report.

During the period, Mr. B.M. Aggarwal, Independent Director resigned and was relieved from the Board of the Company with effect from close of business hours of August 14, 2014. The board and the management extend its gratitude and warm regards for all his long association with the company. The company has been immensely benefitted from the rich and vast professional acumen and expertise of our outgoing director.

**STATUTORY DISCLOSURE:**

None of the Directors of your Company is disqualified as per provision of section 164(2) of Companies Act, 2013 (corresponding section 274(1)(g) of the Companies Act, 1956). The Directors of the Company have made necessary disclosures, as required under various provisions of the Act and Clause 49 of the Listing Agreement.

**AUDITORS:**

The Statutory Auditors of the Company, M/s Suresh & Associates, Chartered Accountants, retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Company has received a letter from M/s Suresh & Associates to the effect that their re-appointment, if made at the ensuing Annual General Meeting, would be within the limits prescribed under Section 139 of Companies Act, 2013 and they are not disqualified for such re-appointment within the meaning of Section 141 of the said Act and Companies (Audit and Auditors) Rules, 2014. (Corresponding Section 224(1B) and 226 of the Companies Act, 1956).

**AUDITORS' REPORT:**

The observation made by the Auditors with reference to notes on accounts for the year ended 31st March 2014 are self explanatory and therefore do not call for any further comments under section 217(3) of the Companies Act, 1956.

**AUDIT COMMITTEE:**

In accordance with Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement, the Company has constituted an Audit Committee, which consists of two Non-Executive Independent Directors of the Company viz Mr. Lalit Kumar (Chairman of the Audit Committee) and Dr. Arun Kumar Roopanwal (Member) and one Executive Director Mr. Vijay Bansal (Member). The Audit Committee functions in terms of the powers and role delegated by the Board of Directors keeping in view the provisions of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement, have been described separately under the head Audit Committee on Report of Corporate Governance.

**PARTICULARS OF EMPLOYEES:**

In terms of the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975, as amended, there is no employee in the Company who falls under the criteria set out in the Section 217(2A) and whose particulars forms part of this report.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

As required under section 217(2AA) of the Companies Act, 1956 the Directors hereby confirm that:

1. in the preparation of the Annual Accounts for the year ended as on 31st March 2014, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
2. 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;
3. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. the Directors have prepared the accounts for the financial year ended 31st March 2014 on a 'going concern' basis.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:**

Information in accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo is given below:

**A. CONSERVATION OF ENERGY:**

The operations of your Company are not energy intensive. However, wherever possible your company strives to curtail the consumption of energy on a continued basis by using energy-efficient equipment.

As energy costs comprise a very small part of your Company's total expenses, the financial implications of these measures are not material.

**B. POLLUTION CONTROL**

The operations of the company are not spreading the pollution and effluents. As the company has no activities under its operation requiring the water and water resources as an industrial input they are being used only for the normal usage of human consumption or for office and administrative purposes.

**C. TECHNOLOGY ABSORPTION**

The particulars regarding absorption of technology is given below as per Form B of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988:

**Research and Development (R & D):**

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

Manufacture of fashion garments as per Indian and international trends and standards are the areas in which general research and development work pertaining to the manufacturing process is carried out by the Company.

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

Product improvement.

**(3) Future Plan of Action:**

Appropriate actions are being planned.

**(4) Expenditure on R&D:**

(a) Capital:

(b) Recurring: } Amount incurred though not material but included in manufacturing cost.

(c) Total:

(d) Total R&D expenditure as a percentage of total turnover

**Technology Absorption, Adaptation and Innovation :**

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

The Company is monitoring the technological up-gradation taking place in other countries in the field of garment manufacturing and the same are being reviewed for implementation.

**(2) Benefit derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution etc.**

Product Improvement.

**(3) In case of imported Technology (Imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished:**

(a) Technology Imported:	}	
(b) Year of Import	}	
(c) Has technology been fully absorbed	}	NIL
(d) If not fully absorbed, areas where this has not taken	}	
Place, reasons therefore and future plans of actions:	}	



**C. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Foreign Exchange Earning and outgo :

a)	Imports on CIF basis	NIL
b)	Expenditure in Foreign Currency (Foreign traveling Directors)	NIL
c)	Earning in Foreign Currency	NIL

Initiatives taken to increase Exports:

The Company mainly deals in domestic market and has NIL sales on account of exports during the Financial Year 2013-14. Hence details regarding followings are not applicable:

- 1) Activities relating to exports
- 2) Development of new export markets for products and services
- 3) Export Plan

**ACKNOWLEDGEMENT**

Your Directors would like to express their grateful appreciation for the assistance and co-operation received from Banks, Government Authorities, Business Associates and shareholders during the year under review. Your Directors wish to place on record their deep sense of appreciation for the devoted services of the executives, staff and workers of the Company for its success.

By Order of the Board  
For **Cantabil Retail India Limited**

Sd/-

Place : New Delhi

**VIJAY BANSAL**

Date : 14th August 2014

Chairman

## MANAGEMENT DISCUSSION & ANALYSIS

### Economic Overview:

Having growth in high single digit over past few years, the GDP of India slowed down and attained sub 5% growth consecutively for the second year. During 2013-14, in particular, Indian economy witnessed multifaceted challenges on account of persistently high inflation, elevated interest rates etc., leading to slow down in consumption and investment demand. Steep depreciation of Indian Rupee added to the woes. High inflation impacted the consumer sentiments and discretionary spends.

Led by fiscal and monetary initiatives taken by the Government and Reserve Bank of India (RBI), fiscal deficit and current account deficit have narrowed down. Going forward a modest recovery in the Indian economy is expected, driven by a stable Government, revival of global economy, moderation of inflation and implementation of recently approved investment projects.

### INDUSTRY OVERVIEW:

#### Indian Retail Sector

India has been ranked as the most attractive nation for retail investment. The long term growth potential of Indian retail industry remains intact. It is on the threshold of bringing the next big revolution after the IT sector. Although organized retail market is not so strong as of now. The size of retail market is expected to grow. Rising income levels and preference towards quality products are likely to drive consumption expenditure in India. One of the biggest beneficiaries of this growth will be the organized retail sector which is projected to grow. At about 60%, food and grocery segment is the highest contributor to the Indian retail market followed by the clothing and fashion segment which contribute 8%. While unorganized retailing accounts for the most of the food and grocery segment penetration of the organized sector is highest in the clothing and fashion segment at 33%.

Clothing and fashion retailing is the second largest contributor to the Indian retail market with a share of 8%. In the organized retail market, clothing and fashion retailing is the largest and the most penetrated segment. It accounts for roughly one-third of the organized retailing market. Organised apparel market is growing at a faster pace than the overall apparel market, driven by multiple factors including income and changing lifestyle. Easy availability of credit and use of 'plastic money' have contributed to a strong and growing consumer culture in India. Expansion in the size of the upper middle class and advertisement has led to high brand consciousness and greater spending on luxury products. Within organized apparel market, men's category is the largest segment with more than 50% share. Menswear will continue to dominate the market in years to come, however, the womenswear and kidswear are expected to grow faster and enhance their share in the overall expanding pie. With increasing women in the workforce and the growing economic independence of women, the demand for branded womenswear is growing at a faster pace and is expected to increase its share to 29% by 2020.

The competitive landscape of Indian organized retail is also rapidly changing. In September 2012, the Government signaled its determination to pursue economic reforms including allowing FDI in multi brand retail; thus opening up of the sector for potential investment and expansion of organized retail. However, just a couple of players have evinced interest in setting up shops in India. Large global players facing sluggish growth in their local markets are awaiting the result of General Election 2014 before taking any strategic decision.

Another significant competition entering the industry is online retailers. Apparel E-tailing is also gaining increasing traction on the back of factors like increasing time poverty, changing life styles, convenience and flexibility of shopping from home.

#### Organized Retail

##### Business Review:

Cantabil was born with the forward visionary thought of providing affordable men's wear for masses. The company has created a space in Apparel market under the brand name of "CANTABIL" "LAFANSO" and "KANESTON". Company moved up the value chain from a garment manufacturer to a retailer by launching its first exclusive brand outlet in 2000 with more than 450 brand outlet across India, it has a wide range of apparel designs suited for all segments including corporate, formal and casual dressings.

Cantabil will continue to focus on maintaining and reinforcing the image of its existing exclusive brand outlets and also introduce its apparel to new geographical areas and assessing fashion trends, making fashion forecasts and offering products to match the global fashion movements will keep cantabil at the leadership position for times to come.

As of march 31, 2014, the Cantabil brand was sold on a total floor area of approx. 132000 sq. ft.

**Financial Overview:**

The Company Sales in the domestic market have declined slightly during the year under review. Total revenue of the company declined to Rs. 11142.83 Lacs during the financial year ended March 31, 2014, as compared to Rs. 11488.01 Lacs during the financial year 2012-13. The Company incurred a loss of Rs. 910.50 Lacs during the year under review against a loss of Rs. 3287.60 Lacs during the financial year ended March 31, 2013. The year under review, your Company retained its position in the market. However, the Company is confident that it will improve its performance in the financial year 2014-15. As of today we have 145 stores spread across northern, southern, eastern and western parts of the country. .

**Strengths and Opportunities:**

- Brand Leadership
- Unparalleled reach
- Diversified geographical presence
- Strong customer connect
- Focus on superior customer experience
- Increasing volumes under women's wear.
- Better quality of production.
- Improved efficiency of working capital management.
- Improvement in cost structure would add to operating margins of the Company

**Risk & Threats:**

- Changing consumer preference
- High fixed cost structure
- Intensifying competition
- Changes in fashion trends and slow down in consumption pattern of the consumers, may adversely affect the turnover of the Company.
- Government Policy on relaxing the Foreign Direct Investment limits in the Retail Sector will allow many Multi National Companies to enter into the Indian Retail Market, which might pose as a probable risk, since the Company will be competing with the international players as well.

**Out Look**

The benefit of the stable Government after 3 decades has rightly evoked a "feel good" factor across industries. The Rupee is at a level where with some further depreciation expected, it would sharpen the competitiveness of the country and the industry.

The demand situation within India should improve, given the fact that there is a "feel good" factor. When the benefit of an improving economy percolates and generates further investment, manufacturing, growth and employment for the demographic dividend, it should translate into even further growth in demand, which has been visible only in fits and starts for the last few years.

Over the medium term, the growth in demand should become more stable and consistent. The growth of organized retail is slated to continue, which holds great promise.

**Internal Control System and Their Adequacies**

The Company has proper and adequate internal control procedures commensurate with the size and nature of the business. The internal control system is supplemented by extensive internal audits, regular reviews by the management and well-documented policies and guidelines to ensure reliability of financial and all other records and to prepare financial statements and other data. Moreover, your Company continuously upgrades these systems to ensure that all the assets are safeguarded and protected against any loss from unauthorized use or disposition and those transactions are authorized, recorded and reported correctly. The Company's internal systems are supplemented by an extensive programme of internal audit conducted by an external auditor periodically and reviewed by the management together with the Audit Committee of the Board. The emphasis of internal control prevails across functions and processes, covering the entire gamut of activities including finance, supply chain, sales and distribution, marketing etc.



The Company is continuously upgrading its internal control systems by measuring state of controls at various locations. Controls by an ERP system have been strengthened with help of review conducted Internal Auditors

**Discussion of Financial Performance with respect to Operational Performance:**

The financial statements have been prepared in accordance with the requirements of Companies Act, 1956 and applicable accounting standards issued by the Institute of Chartered Accountants of India. The details of the financial performance of the Company are appearing in the Balance Sheet, Profit & Loss Accounts and other financial statements forming part of this Annual Report. For financial highlights please refer heading 'FINANCIAL RESULTS' of Directors Report.

**Material Developments in Human Resources**

The role of Human Resources continues to remain vital and strategic to the Company. Employee recruitment and management is a key focus, and processes and policies are in place to attract and retain employees of high caliber. The Company regards its human resources as amongst its most valuable assets and proactively reviews policies and processes by creating a work environment that encourages initiative, provides challenges and opportunities and recognizes the performance and potential of its employees attracting and retaining the best manpower available by providing high degree of motivation, training and structured compensation which has been the main thrust of the Human Resources Department this year.

The total number of employees of the Company as on 31st March 2014 stood at 885.

**Cautionary Statement**

Statement in the Management discussion and Analysis describing Company's objective, projections, estimates, expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic markets in which the Company operates changes in the Government regulations, tax laws, statute and other incidental factors.

## CORPORATE GOVERNANCE REPORT FOR THE YEAR 2013-14

(as required under Clause 49 of the Listing Agreement entered into with the Stock Exchanges)

### CORPORATE GOVERNANCE:

Corporate Governance refers broadly to the rules, processes, or laws by which businesses are operated, regulated and controlled. A well defined and enforced corporate governance provides a structure that works for the benefit of everyone concerned by ensuring that the enterprises adheres to accepted ethical standards and best practices as well as to formal laws. Governance practices may vary but the principles are generic and universal, viz commitment of the Board in managing business ethically and in a transparent manner with the profit objective balanced by long term value equitability for all stakeholders.

### COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's Philosophy on Corporate Governance envisages the attainment of the high level of transparency and accountability in the functioning of the Company and the conduct of its business internally and externally, including its interaction with employees, shareholders, deposit-holders, creditors, consumers, institutions and other lenders due emphasis on regular compliance.

We aim at providing fairness, clarity and transparency in all our dealings and increasing the value of all stakeholders of the Company.

### BOARD OF DIRECTORS

#### Composition of Board

The Board of the Company is in conformity with Clause 49 of the Listing Agreement. The Board has been constituted in such a way that it has understanding and competence to deal with current and emerging business issues and also ensuring Directors' commitment to participate in the affairs of the business of the Company.

The Board of Directors of Cantabil Retail India Limited has an optimum combination of Executive and Non- executive directors. As on March 31, 2014, the number of other directorships/committee memberships held by them and also the attendance of the Directors at the Board meetings of the Company is as under:

Name of the Directors	Director Identification Number (DIN)	Designation	Category	No. of other Directorships*	Committee Positions held**	
					Chairman	Member
Mr. Vijay Bansal	01110877	Chairman cum Managing Director	Promoter & Executive	Nil	0	2
Mr. Deepak Bansal	01111104	Whole Time Director	Promoter & Executive	Nil	Nil	Nil
Mr. Anil Bansal	02443104	Whole Time Director	Executive	Nil	0	1
Mr. Lalit Kumar	00025150	Director	Non-Executive/Independent	1	0	1
Dr. Arun Kumar Roopanwal	00406817	Director	Non-Executive/Independent	Nil	0	0
Mr. Brij Mohan Aggarwal	00157253	Director	Non-Executive/Independent	Nil	2	0

\* Other Directorships of only Indian Public Limited Companies have been considered.

\*\* Committee positions of only 2 Committees namely Audit Committee and Shareholders' Grievance Committee have been considered.

None of the Directors on the Board is a member of more than 10 Committees or Chairman of more than 5 Committees (as specified in clause 49 of the Listing Agreement) across all Public Limited Companies in which he/she is a Director and necessary disclosures regarding committee positions in other Public Companies as on 31st March, 2014 have been made by the directors.

The Independence of a Director is determined by the criteria stipulated under the Clause 49 of the Listing Agreement.

### Number of Board Meetings held and dates thereof

The meetings of the Board of Directors are scheduled well in advance. The Board Members are presented on scheduled time with the detailed agenda in respect of all Board meetings. During the year under review four meetings of the Board of Directors were held. The meetings were held on 27th May 2013, 12th August 2013, 12th November 2013, 12th February 2014.

The Intervening periods between the Board Meetings were within the maximum time gap prescribed under Companies Act, 1956 and Clause 49 of Listing Agreement.

The attendance record of each of the directors at the Board Meetings during the year ended 31st March 2014 and of the last Annual General Meeting are as under:

Name of the Directors	No. of Board Meetings attended	Last Annual General Meeting held on 30.09.2013, Whether Present
Mr. Vijay Bansal	4	Yes
Mr. Deepak Bansal	4	Yes
Mr. Anil Bansal	3	Yes
Mr. Lalit Kumar	3	Yes
Dr. Arun Kumar Roopanwal	4	Yes
Mr. Brij Mohan Aggarwal	4	Yes

### Information supplied to the Board

During the year, all the relevant information required to be placed before the Board of Directors as per Clause 49 of the Listing Agreement were considered and taken on record/approved by the Board. Further, the Board periodically reviews Compliance Reports in respect of laws and regulations applicable to the Company.

### Code of Conduct

The Board of Directors of the Company has approved and adopted a Code of Conduct for the members of the Board and Senior Management of the Company. The Code of Conduct is posted on the website of the Company and members of the Board and senior management have accepted and affirmed the annual compliance of the Code.

### Details of shares held in the Company as on March 31, 2014

Name of the Directors	Designation	Number of Shares held
Mr. Vijay Bansal	Chairman cum Managing Director	55,81,590
Mr. Deepak Bansal	Whole Time Director	12,33,601
Mr. Anil Bansal	Whole Time Director	160
Mr. Lalit Kumar	Non-Executive/ Independent Director	Nil
Mr. Arun Kumar Roopanwal	Non-Executive/ Independent Director	Nil
Mr. Brij Mohan Aggarwal	Non-Executive/ Independent Director	Nil

### COMMITTEES OF BOARD

Your Board has presently constituted three Board Level Committees – Audit Committee, Remuneration Committee and Shareholders'/Investors' Grievance Committee.

All decisions pertaining to the constitution of Board Committees, appointment(s) of members and fixation of terms of service for members of Committees is taken by the Board of Directors.

Details of the role and composition of Board Committees constituted as per requirements of Clause 49 of the Listing Agreement, including number of meetings held during the financial year and attendance thereat are provided hereinafter.

### AUDIT COMMITTEE

#### Constitution of Audit Committee:

The composition of Audit Committee meets the requirements Section 292A of the companies Act, 1956 and Clause 49 of the Listing Agreement. The Audit Committee was constituted on 11th September 2009, thereafter it was re-constituted on 15th January 2011 respectively in accordance with Clause 49 of the Listing agreement, consisting of two non-executive, independent directors and one executive director.

The Audit Committee will ensure the objectivity, credibility and correctness of the Company's financial reporting and disclosures processes, internal controls, tax policies, compliances and legal requirements and associated matters.

The Committee consists as on 31st March, 2014 are as under:

Name of the Members	Designation	Category
Mr. Brij Mohan Aggarwal	Chairman	Independent, Non-Executive Director
Mr. Lalit Kumar	Member	Independent, Non-Executive Director
Mr. Vijay Bansal	Member	Chairman cum Managing Director

Ms. Poonam Chahal, Company Secretary acts as the Secretary to the Committee.

All the members of the Audit Committee are financially literate and possess financial/accounting expertise.

**Meetings and Attendance of Audit Committee:**

During the financial year ended 31st March 2014, four Audit Committee Meetings were held. The meetings were held on 27th May 2013, 12th August 2013, 12th November 2013, 12th February 2014. The attendance of each Audit Committee member is given hereunder:

Name of the Members	Designation	Number of meetings held	Number of meetings attended
Mr. Brij Mohan Aggarwal	Chairman	4	4
Mr. Lalit Kumar	Member	4	3
Mr. Vijay Bansal	Member	4	4

**REMUNERATION COMMITTEE**

The Remuneration Committee, constitution of which is a non-mandatory requirement, was constituted to recommend/review the remuneration package of the Managing/Whole Time Director(s).

**Composition of Remuneration Committee:**

The Remuneration Committee was constituted on September 11, 2009, thereafter it was re-constituted on 13th May 2011, comprising three Directors, all of which are Independent Non-Executive Directors. The Committee consists of the following:

Name of the Members	Designation	Category
Mr. Brij Mohan Aggarwal	Chairman	Independent, Non-Executive Director
Dr. Arun Kumar Roopanwal	Member	Independent, Non-Executive Director
Mr. Lalit Kumar	Member	Independent, Non-Executive Director

Ms. Poonam Chahal, Company Secretary acts as the Secretary to the Committee.

**Meetings and Attendance of Remuneration Committee:**

Remuneration Committee was not held during the financial year ended 31st March 2014.

The Remuneration was paid to Managing/Whole-time Directors in the form of Salary and Perquisites. The Company had paid sitting fee to Non- Executive Directors @ Rs. 20,000/- for each meeting of the Board.

Details of Remuneration paid to all the Directors for the year:

**a) Executive Directors (Managing / Whole-time Directors)**

The aggregate value of salary and perquisites paid for the year ended March 31, 2014 to Managing / Whole-time Directors are as follows:

Name of the Directors	Designation	Aggregate Value of Salary & Perquisites (Rs.)
Mr. Vijay Bansal	Chairman cum Managing Director	24,39,600/-
Mr. Deepak Bansal	Whole-time Director	20,33,571/-
Mr. Anil Bansal	Whole-time Director	3,60,000/-



**b) Non-Executive Directors**

The Company has not paid any remuneration to Non-Executive Independent Directors except sitting fees for attending meetings of the Board of Directors. The details of sitting fees paid to Non-Executive Independent Directors during the financial year 2013-2014 are as under:

Name of the Directors	Designation	Total sitting fee paid (Rs.)
Mr. Brij Mohan Aggarwal	Non Executive Independent Director	80,000/-
Dr. Arun Kumar Roopanwal	Non Executive Independent Director	80,000/-
Mr. Lalit Kumar	Non Executive Independent Director	60,000/-

- The Company does not have any Stock Option Scheme or performance-linked incentives for the Directors.
- The appointment of all the directors are made at the Board Meetings and approved at General Meetings, where required. There are no provisions for notice period and severance fees for the directors.

**SHAREHOLDERS' GRIEVANCE REDRESSAL COMMITTEE**

The terms of reference of Shareholders' Grievance Redressal Committee are to specifically look into the redressal of shareholders and investors complaints like non receipt of refund warrants, non-credit of shares in Demat Account, non-receipt of balance sheet, non-receipt of declared dividends etc.; Review of all matters connected with the transfer of securities of the Company; Review of performance of the registrars and transfer agents of the Company; Review of the measures recommended for overall improvement in the quality of investors services etc. The Committee also monitors implementation and compliance of the Company's Code of Conduct for Prohibition of Insider Trading in pursuance of SEBI (Prohibition of Insider Trading) Regulations, 1992.

As part of its Corporate Governance initiative, the Board has constituted the Shareholders' Grievance Redressal Committee on September 11, 2009 comprising 3 members, Chairman being Non-Executive Independent Director.

**Composition of Committee:**

The Shareholders' Grievance Redressal Committee was constituted on September 11, 2009. The Committee consists of the following:

Name of the Members	Position held	Category
Mr. Brij Mohan Aggarwal	Chairman	Independent, Non-Executive Director
Mr. Vijay Bansal	Member	Chairman & Managing Director
Mr. Anil Bansal	Member	Whole Time Director

**Meetings and Attendance:**

During the financial year ended 31st March, 2014, four Shareholders' Grievance Redressal Committee meetings were held on April 24, 2013, August 5, 2013, November 12, 2013 and February 12, 2014. The attendances of members are given hereunder:

Name of the Members	No. of Meeting held	No. of meetings attended
Mr. Brij Mohan Aggarwal	4	4
Mr. Vijay Bansal	4	4
Mr. Anil Bansal	4	4

**Compliance Officer:**

The Board had designated Ms. Poonam Chahal, Company Secretary cum Head – Legal, as the Compliance Officer.

Address : B- 47, First Floor, Lawrence Road Industrial Area, Delhi - 110 035  
 Phone : +91-11-27156381  
 Fax : +91-11-27156383

**Details of the Queries/Complaints received and resolved by the Company during the year:**

All the Complaints received through the Shareholders were resolved in time. There were no pending complaints at the end of the financial year.

## GENERAL BODY MEETINGS

Location, date and time where the three immediately preceding Annual General Meetings of the Company were held are given below:

Financial Year	Day and Date	Time	Venue	Any Special Resolutions Passed
2010-2011	Friday, September 30, 2011	9:00 A.M	Tivoli Garden Resort Hotel, Chhattarpur Hills, Mehrauli, New Delhi – 110064	Yes
2011-2012	Saturday, September 29, 2012	9:00 A.M	Tivoli Garden Resort Hotel, Chhattarpur Hills, Mehrauli, New Delhi – 110064	Yes
2012-2013	Monday, September 30, 2013	9:00 A.M	Tivoli Garden Resort Hotel, Chhattarpur Hills, Mehrauli, New Delhi – 110064	No

### Postal Ballot

There were no resolutions passed through postal Ballot during the previous year.

## DISCLOSURES

### Related Party Transactions

In Compliance with the clause 41 (IV)(A) of the Listing Agreement, there were no transactions of material nature with the directors or the management or their subsidiaries or relatives that had potential conflict with the interest of the Company. Further, details of related party transactions are presented disclosed in the Notes of Accounts of the Annual Accounts for the financial year 2013-2014.

The Company has complied with the requirements of the Stock Exchanges/SEBI/ and other Statutory Authorities on all matters related to Capital Markets since the date of Listing. No penalties or stricture have been imposed on the Company by the Stock Exchange or SEBI or any Statutory Authorities.

### Disclosure made by the senior managerial personnel to the Board

During the year, no material transaction has been entered into by the Company with the senior management personnel where they had or were deemed to have had personal interest that may have potential conflict with the interest of the Company.

### Disclosures of Accounting Treatment in preparation of financial statements

In the preparation of the financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) to the extent applicable.

### Management Discussion and Analysis Report

The Report on Management's Discussion and Analysis is given separately and forms part of this Report.

### Compliances by the Company

The Board of Directors periodically reviews the compliance reports of the laws applicable to the Company and the Company initiates requisite action for strengthening of its statutory compliance procedures, as may be suggested by the Board from time to time.

The Company has complied with various rules and regulations prescribed by the Stock Exchanges, Securities and Exchange Board of India (SEBI) and other statutory authorities on all matters relating to capital markets, and no penalties or strictures have been imposed on the Company in this regards during the last three years.

### Whistle-Blower Policy

The Company has not adopted any Whistle Blower Policy. However, no personnel have been denied access to the Audit Committee.

The Company has complied with mandatory requirements and has constituted a Remuneration Committee for the non-mandatory requirements.

### Means of Communication

The un-audited quarterly financial results are announced within 45 days of the end of the quarter as stipulated under Clause 41 of the Listing Agreement. The aforesaid financial results after being reviewed by the Audit Committee and approved by the Board of Directors are communicated to the concerned Stock Exchanges by way of fax and hard copy and uploaded on the concerned websites of the Exchanges.

The said results are normally published within 48 hours in one English National daily and one Hindi daily circulated in Delhi, being the place where registered office of the Company is situated. The Newspapers in which the results are generally published are "Business Standard", "Financial Express" and "Jansatta".

The Company's website [www.cantabilinternational.com](http://www.cantabilinternational.com) contains a separate dedicated section "investors relations" where shareholders information is available. Full Annual Reports are also available on the website in a user-friendly and downloadable form.

The Annual Report of the Company containing, inter-alia, Directors' Report, Auditors' Report, Audited Annual accounts and other important information is circulated to members and others entitled thereto. The Managements' discussion and Analysis Report forms part of the Annual Report.

The Corporate Filing and Dissemination System (CFDS) portal jointly owned, managed and maintained by BSE and NSE is a single source to view information filed by Listed Companies.

### GENERAL SHAREHOLDER INFORMATION

#### 26th Annual General Meeting

<b>Date</b>	: 30th September 2014
<b>Time</b>	: 9:00 A.M.
<b>Venue</b>	: Tivoli Garden Resort Hotel, Chhattar Pur Hills, Mehrauli, New delhi – 110 064
<b>Financial Year</b>	: April 1, 2013 to March 31, 2014
<b>Date of Book Closure</b>	: September 22 to September 30 (both days inclusive) for the purpose of 26th Annual General Meeting
<b>Website address</b>	: <a href="http://www.cantabilinternational.com">www.cantabilinternational.com</a>
<b>Listing on Stock Exchanges</b>	: Bombay Stock Exchange Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001  National Stock Exchange of India Limited (NSE), Exchange Plaza, Bandra - Kurla Complex Bandra (E), Mumbai – 400 051
<b>Stock Code/Symbol</b>	: NSE – CANTABIL  BSE – 533267

ISIN No : INE068L01016

**Market Price Data**

The monthly high & low quotations of the company's shares traded on Bombay Stock Exchange Limited and the National Stock Exchange of India Limited during the financial year 2013-2014 in comparison to broad based indices are as under:

i) CANTABIL vs. SENSEX

Month	CANTABIL at BSE		SENSEX	
	High	Low	High	Low
April 2013	21.45	17.00	19622.68	18144.22
May 2013	21.50	17.50	20443.62	19451.26
June, 2013	19.40	15.20	19860.19	18467.16
July, 2013	18.95	15.50	20351.06	19126.82
August, 2013	18.45	15.00	19569.20	17448.71
September, 2013	18.75	16.00	20739.69	18166.17
October, 2013	18.40	15.90	21205.44	19264.72
November, 2013	20.95	18.40	21321.53	20137.67
December, 2013	20.40	16.35	21483.74	20568.7
January, 2014	19.65	15.00	21409.66	20343.78
February, 2014	20.60	13.20	21140.51	19963.12
March, 2014	19.85	16.05	22467.21	20920.98

ii) CANTABIL vs. NIFTY

Month	CANTABIL at NSE		NIFTY	
	High	Low	High	Low
April 2013	20.80	16.95	5962.30	5477.20
May 2013	20.90	17.65	6229.45	5910.95
June, 2013	19.00	15.50	6011.00	5566.25
July, 2013	19.00	15.30	5944.50	5747.60
August, 2013	18.30	14.20	5808.50	5118.85
September, 2013	18.35	16.00	6142.50	5318.90
October, 2013	18.00	15.70	6309.05	5700.95
November, 2013	20.50	16.15	6342.95	5972.45
December, 2013	20.40	17.20	6415.25	6129.95
January, 2014	19.80	15.15	6358.30	6027.25
February, 2014	20.50	15.05	6282.70	5933.30
March, 2014	18.70	16.70	6574.95	6212.25

**Registrar and Transfer Agents**

The detail of Registrar & Transfer Agent appointed by the Company is as under:

M/s Beetal Financial & Computer Services (P) Ltd  
 Beetal House, 3rd Floor, 99  
 Madangir Behind Local  
 Shopping Centre,  
 New Delhi - 110 062  
 Tel: 011-29961281  
 Fax: 011-29961284  
 E-mail: beetal@beetalfinancial.com



**Share Transfer System**

The Company's Shares are traded compulsorily in demat mode. Shares in physical mode which are lodged for transfer, if any, are processed and returned to the shareholders within 15 days from the date of receipt, subject to the documents being valid and complete in all respects.

The Company obtains half-yearly Certificate of Compliance in respect of the Share Transfer formalities as required under clause 47(c) of the Listing Agreement executed with the Stock Exchanges and files a copy of the same with the Stock Exchanges.

Distribution Pattern of Shareholding of the Company as on 31st March 2014:

Shareholding Pattern as on 31st March, 2014

**ANNEXURE II**

SCRIP CODE : SCRIP NAME : CANTABIL RETAIL INDIA LTD SCRIP TYPE :- EQUITY

(I)(A) STATEMENT SHOWING SHAREHOLDING PATTERN AS ON 31/03/2014

Category Code	Category of Shareholders	Number of Shareholders	Total Number of Shares	Number of Shares Held in Dematerialized Form	Total Shareholding as a Percentage of Total Number of Shares		Shares Pledged or Otherwise Encumbered	
					As a Percentage of (A+B)	As a Percentage of(A+B+C)	Number of Shares	As a Percentage
(A)	Shareholding of Promoter and Promoter Group							
(1)	Indian							
(A)	Individuals/ Hindu Undivided Family	5	10011410	10011410	61.32	61.32	0	0.00
(B)	Central Government/ State Government(S)	0	0	0	0.00	0.00	0	0.00
(C)	Bodies Corporate	0	0	0	0.00	0.00	0	0.00
(D)	Financial Institutions/ Banks	0	0	0	0.00	0.00	0	0.00
(E)	Any Other							
	Directors & Their Relatives	0	0	0	0.00	0.00	0	0.00
	Societies .	0	0	0	0.00	0.00	0	0.00
	Partnership Firms	0	0	0	0.00	0.00	0	0.00
	RBI	0	0	0	0.00	0.00	0	0.00
	Emp.Welfare Fund	0	0	0	0.00	0.00	0	0.00
	ESOP/ESOS	0	0	0	0.00	0.00	0	0.00
	Trusts	0	0	0	0.00	0.00	0	0.00
	Sub-Total (A)(1)	5	10011410	10011410	61.32	61.32	0	0.00
(2)	Foreign							
(A)	Individuals (Non -Resident Individuals/ Foreign Individuals)	0	0	0	0.00	0.00	0	0.00
(B)	Bodies Corporate	0	0	0	0.00	0.00	0	0.00
(C)	Institutions	0	0	0	0.00	0.00	0	0.00
(D)	Qualified Foreign Investor	0	0	0	0.00	0.00	0	0.00

Category Code	Category of Shareholders	Number of Shareholders	Total Number of Shares	Number of Shares Held in Dematerialized Form	Total Shareholding as a Percentage of Total Number of Shares		Shares Pledged or Otherwise Encumbered	
					As a Percentage of (A+B)	As a Percentage of(A+B+C)	Number of Shares	As a Percentage
(E)	Any Other							
	Directors & Their Relatives	0	0	0	0.00	0.00	0	0.00
	Societies .	0	0	0	0.00	0.00	0	0.00
	Partnership Firms	0	0	0	0.00	0.00	0	0.00
	Emp.Welfare Fund	0	0	0	0.00	0.00	0	0.00
	Trust	0	0	0	0.00	0.00	0	0.00
	ESOP/ESOS	0	0	0	0.00	0.00	0	0.00
	Sub-Total(A)(2)	0	0	0	0.00	0.00	0	0.00
	Total Shareholding Of Promoter And Promoter Group (A)= (A)(1)+(A)(2)	5	10011410	10011410	61.32	61.32	0	0.00
(B)	Public Shareholdings							
(1)	Institutions							
(A)	Mutual Funds/Uti	0	0	0	0.00	0.00	0	0.00
(B)	Financial Institutions/ Banks	5	1498785	1498785	9.18	9.18	0	0.00
(C)	Central Government/ State Government(S)	0	0	0	0.00	0.00	0	0.00
(D)	Venture Capital Funds	0	0	0	0.00	0.00	0	0.00
(E)	Insurance Companies	0	0	0	0.00	0.00	0	0.00
(F)	Foreign Institutional Investors	0	0	0	0.00	0.00	0	0.00
(G)	Foreign Venture Capital Investors	0	0	0	0.00	0.00	0	0.00
(H)	Qualified Foreign Investor	0	0	0	0.00	0.00	0	0.00
(I)	Any Other							
	Foreign Fin Inst	0	0	0	0.00	0.00	0	0.00
	Foreign Mut.Fund	0	0	0	0.00	0.00	0	0.00
	F.F.I/Banks	0	0	0	0.00	0.00	0	0.00
	Stressed Asset Stabilisation Fund	0	0	0	0.00	0.00	0	0.00
	State Fin. Corp.	0	0	0	0.00	0.00	0	0.00
	Sub-Total(B)(1)	5	1498785	1498785	9.18	9.18	0	0.00
(2)	Non-Institutions							
(A)	Bodies Corporate	216	1284577	1284577	7.87	7.87	0	0.00
(B)	Individuals							

Category Code	Category of Shareholders	Number of Shareholders	Total Number of Shares	Number of Shares Held in Dematerialized Form	Total Shareholding as a Percentage of Total Number of Shares		Shares Pledged or Otherwise Encumbered	
					As a Percentage of (A+B)	As a Percentage of(A+B+C)	Number of Shares	As a Percentage
	I. Individual Shareholders Holding Nominal Share Capital Upto Rs. 1 Lakh	10780	2110802	2109921	12.93	12.93	0	0.00
	II.Individual Shareholders Holding Nominal Share Capital In Excess Of Rs. 1 Lakh	21	1020994	1020994	6.25	6.25	0	0.00
(C)	Qualified Foreign Investor	0	0	0	0.00	0.00	0	0.00
(D)	Any Other							
	Trusts	0	0	0	0.00	0.00	0	0.00
	Directors & Their Relatives	0	0	0	0.00	0.00	0	0.00
	Foreign Nationals	0	0	0	0.00	0.00	0	0.00
	Escrow Account	0	0	0	0.00	0.00	0	0.00
	Market Maker	0	0	0	0.00	0.00	0	0.00
	NRI	112	82599	82599	0.51	0.51	0	0.00
	OCB	0	0	0	0.00	0.00	0	0.00
	Societies	0	0	0	0.00	0.00	0	0.00
	Clearing Members	16	3418	3418	0.02	0.02	0	0.00
	Shares Intransit	0	0	0	0.00	0.00	0	0.00
	HUF	436	315023	315023	1.93	1.93	0	0.00
	NRIS/OCBS	0	0	0	0.00	0.00	0	0.00
	Foreign Corporate Bodies	0	0	0	0.00	0.00	0	0.00
	Partnership Firms	0	0	0	0.00	0.00	0	0.00
	Custodian Of	0	0	0	0.00	0.00	0	0.00
	Enemy Property							
	Foreign Collaborators	0	0	0	0.00	0.00	0	0.00
	ESOP/ESOS/ESPS	0	0	0	0.00	0.00	0	0.00
	Sub-Total(B)(2)	11581	4817413	4816532	29.50	29.50	0	0.00
	Total Public Shareholding (B)= (B) (1)+(B)(2)	11586	6316198	6315317	38.68	38.68	0	0.00
	Total (A)+(B)	11591	16327608	16326727	100.00	100.00	0	0.00
(C)	Shares Held By Custodians And Against Which Depository Receipts Have Been Issued							

Category Code	Category of Shareholders	Number of Shareholders	Total Number of Shares	Number of Shares Held in Dematerialized Form	Total Shareholding as a Percentage of Total Number of Shares		Shares Pledged or Otherwise Encumbered	
					As a Percentage of (A+B)	As a Percentage of(A+B+C)	Number of Shares	As a Percentage
1	Promoter And Promoter Group	0	0	0	0.00	0.00	0	0.00
2	Public	0	0	0	N. A.	0.00	0	0.00
	Grand Total	11591	16327608	16326727	N. A.	100.00	0	0.00
	(A)+(B)+(C)							

INTRODUCTORY SUB-TABLE (I)(A)

SCRIP CODE : SCRIP NAME : CANTABIL RETAIL INDIA LTD SCRIP TYPE :- EQUITY  
QUARTER ENDED 31/03/2014

Partly Paid-Up Shares:-	Number of Partly Paid-Up Shares	As A % Of Total No. Of Partly Paid-Up Shares	As A % Of Total No. Of Shares Of The Company
Held By Promoter/Promoter Group	0	0.0000	0.0000
Held By Public	0	0.0000	0.0000
Total- D	0	0.0000	0.0000

Outstanding Convertible Securities:-	No. Of Outstanding Securities	As A % Of Total Number Of Outstanding Convertible Securities	As A % Of Total No. Of Shares Of The Company,Assuming Full Conversion Of The Convertible Securiteis
Held By Promoter/Promoter Group	0	0.0000	0.0000
Held By Public	0	0.0000	0.0000
Total- E	0	0.0000	0.0000

Warrants:-	Number Of Warrants	As A % Of Total Number Of Warrants	As A % Of Total No. Of Shares Of The Company,Assuming Full Conversion Of Warrants
Held By Promoter/Promoter Group	0	0.0000	0.0000
Held By Public	0	0.0000	0.0000
Total- F	0	0.0000	0.0000
Total Paid-Up Capital Of The Company,Assuming Full Conversion Of Warrants And Convertible Securities (Grand Total (A+B+C)+D+E+F)	16327608	N.A.	100.000



**(I)(B) Statement Showing Holding of Securities (Including Shares, Warrants, Convertible Securities) of Persons Belonging to the Category "Promoter And Promoter Group"**

Srl. No.	Name Of The Shareholder	Details Of Shares Held		Shares Pledged Or Otherwise Encumbered			Details Of Warrants		Details Of Convertible Securities		Total Shares (Including Underlying Shares Assuming Full Conversion Of Warrants And Convertible Securities) As A % Of Diluted Share Capital
		Number Of Shares Held	As A % of Grand Total	Number	As a Percentage	As A % Of Grand Total (A+B+C) Of Sub-Clause (I)(A)	Number of Warrants Held	As a % Total No of Warrants of the Same Class	Number of Convertible Securities Held	As a % of Total Number Of Convertible Securities Of The Same Class	
1	Swati Gupta	1160	0.01	0	0.00	0.00					
2	Vijay Bansal Huf	393385	2.41	0	0.00	0.00					
3	Deepak Bansal	1233601	7.56	0	0.00	0.00					
4	Sushila Bansal	2801674	17.16	0	0.00	0.00					
5	Vijay Bansal	5581590	34.18	0	0.00	0.00					
	Total	10011410	61.32	0	0.00	0.00					

**(I)(C)(I) Statement Showing Holding of Securities (Including Shares, Warrants, Convertible Securities) of Persons Belonging to the Category "Public" and Holding More Than 1% of the Total Number of Shares**

Srl. No.	Name Of The Shareholder	Number Of Shares Held	Shares As A Percentage Of Total Number Of Shares {I.E. Grand Total (A)+(B)+(C) Indicated In Statement At Para(I)(A)Above}	Details Of Warrants		Number Of Convertible Securities	Total Shares (Including Underlying Shares Assuming Full Conversion Of Warrants And Convertible Securities) As % Of Diluted Share Capital
				Number Of Warrants Held	As A % Of Total No Of Warrants Of The Same Class		
1	Punjab National Bank	1083748	6.64				
2	Felex Enterprises Private Limited	311500	1.91				
3	Vaishali Arya (2)	287220	1.76				
4	Bank Of Baroda	260074	1.59				
5	Arch Finance Limited	239939	1.47				
	Total	2182481	13.37				

(I)(C)(II) Statement Showing Holding of Securities (Including Shares, Warrants, Convertible Securities) of Persons) (Together With PAC) Belonging to the Category “Public” and Holding More Than 5% of the Total Number of Shares of The Company

Srl. No.	Name of the Shareholder	Number of Shares Held	Shares as a Percentage of Total Number of Shares {I.E, Grand Total (A)+(B)+(C) Indicated in Statement at Para(I)(A)Above}	Details of Warrants		Details of Convertible Securities		Total Shares (Including Underlying Shares Assuming Full Conversion Of Warrants And Convertible Securities) as % of Diluted Share Capital
				Number of Warrants Held	As a % of Total No of Warrants of The Same Class	Number of Convertible Securities Held	% W.R.T. Total Number of Convertible Securities of the Same Class	
1	Punjab National Bank	1083748	6.64					
	Total	1083748	6.64					

(I)(D) Statement Showing Details of Locked-in Shares

Srl. No.	Name of the Shareholder	Number of Locked-in Shares	Locked-in Shares as a % of Total Number of Shares {I.E, Grand Total (A)+(B) +(C) Indicated in Statement at Para(I)(A)Above}	Promoter/Promoter Group/Public
	NOT APPLICABLE	N.A.	.N.A.	

(ii)(A) Statement Showing Details of Depository Receipts (DRS)

Srl. No.	Type of Outstanding DR (Adrs, Gdrs, Sdrs, Etc.)	Number of Outstanding DRS	Number of Shares Underlying Outstanding DRS	Shares Underlying Outstanding DRS as a Percentage of Total Number of Shares{I.E., Grand Total(A)+(B)+(C) Indicated in Statement at Para(I)(A) above}
	NOT APPLICABLE	N.A.	N.A.	N.A.
	TOTAL			

(II)(B) Statement Showing Details of Depository Receipts (DRS), Where Underlying Shares Held by ‘Promoter/Promoter Group’ are in Excess of 1% of the Total Number of Shares

Srl. No.	Name Of The Dr Holder	Type Of Outstanding Dr (Adrs, Dr (Adrs, Gdrs, Sdrs, Etc.)	Number Of Shares Underlying Outstanding DRS	Shares Underlying Outstanding Drs As A Percentage Of Total Number Of Shares (I.E, Grand Total (A)+(B)+(C) Indicated In Statement At Para (I)(A) Above}
	Not Applicable	N.A.	N.A.	N.A.
	Total			

**Dematerialisation of Shares and Liquidity**

The shares of the company are compulsorily traded in dematerialized form and are available for trading under both the Depository Systems – NSDL (National Securities Depository Limited) and CDSL (Central Depository Services (India) Limited). Equity Shares of the Company representing 99.995% were in dematerialized form as on March 31, 2014.

**Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on Equity:**

The Company has not issued any GDRs/ADRs/Warrants or any other instrument which is convertible into Equity Shares of the company.

**Plant Locations**

As on March 31, 2014 the Company has 3 in-house manufacturing / finishing unit and 3 warehouses located in Delhi. The details of manufacturing and warehousing facilities are as under:

Location	Activity	Sub-Activity/ Brand
B - 16, Lawrence Road, Industrial Area, New Delhi - 110 035	Manufacturing	Finishing, Packaging & Warehousing
B - 47, Lawrence Road, Industrial Area, New Delhi - 110 035	Corporate/Registered Office	Warehousing
Plot No. 220, HSIIDC, Industrial Estate, Barhi, Sonipat	Manufacturing	-
WZ – 50, Shakurpur, New Delhi – 110 034	Warehousing	Dispatch Cantabil
Plot No. 359, 360 & 361, Sector - 4B, HSIIDC, Industrial Estate, Bahadurgarh, District Jhajjar, Haryana	Manufacturing (Yet to begin)	-

Address for Investor Correspondence

- Shareholders related queries

M/s. Beetal Financial & Computer Services (P) Ltd  
Beetal House, 3rd Floor, 99  
Madangir Behind Local, Shopping Centre,  
New Delhi - 110 062  
Tel : 011-29961281  
Fax: 011-29961284  
E-mail: beetal@beetalfinancial.com

Shareholder holding shares in demat form, should address all correspondence to their respective depository participants.

- Investors grievance redressal and any query on query on Annual Report:

Registered Office: B-47, First Floor,  
Lawrence Road Industrial Area  
Delhi – 110 035

**Insider Trading:**

Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended, the Company has adopted a code of conduct for prohibition of Insider Trading. The Code is applicable to all Directors and such designated employees who are expected to have access to un-published price sensitive information relating to the Company.

**Nomination Facility:**

Members are allowed to nominate any person to whom they desire to have the shares transmitted in the event of death. Members desirous of availing this facility may submit the prescribed Form SH-13 in the manner and as per the procedure laid down under the Section 72 of the Companies Act, 2013 and Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014 to the Registrar & Share Transfer Agent of the Company. For shares held in Demat Form, this form of Nomination must be sent to the concerned Depository Participant and not to the Company or its Registrar & Share Transfer Agent..

**ANNEXURE TO CORPORATE GOVERNANCE REPORT**

**DETAIL OF OTHER DIRECTORSHIPS/COMMITTEE MEMBERSHIPS OF ALL DIRECTORS**

1. BODIES CORPORATE OF WHICH MR. VIJAY BANSAL IS A DIRECTOR

Name of the Company	Board Position held
KPS Products Pvt. Ltd.	Director

COMMITTEE MEMBERSHIP

Name of the Company	Name of the Committee	Position held
Cantabil Retail India Ltd.	Audit Committee	Member
Cantabil Retail India Ltd.	Shareholders' Grievance Redressal Committee	Member

2. BODIES CORPORATE OF WHICH MR. DEEPAK BANSAL IS A DIRECTOR

Name of the Company	Board Position held
KPS Products Pvt. Ltd.	Director

3. BODIES CORPORATE OF WHICH MR. ANIL BANSAL IS A DIRECTOR

Name of the Company	Board Position held
Dolphin Packaging Pvt. Ltd.	Director

COMMITTEE MEMBERSHIP

Name of the Company	Name of the Committee	Position held
Cantabil Retail India Ltd.	Shareholders' Grievance Redressal Committee	Member

4. BODIES CORPORATE OF WHICH MR. LALIT KUMAR IS A DIRECTOR

Name of the Company	Board Position held
Gaap Education Limited	Managing Director
Then India Energy Private Limited	Director
Oaktree InfraVenture Private Limited	Director
W2H Ventures Private Limited	Director
Truehealth Worldwide Services Private Limited	Director
Alley & Brown Ventures Private Limited	Director

COMMITTEE MEMBERSHIP

Name of the Company	Name of the Committee	Position held
Cantabil Retail India Ltd.	Audit Committee	Member
Cantabil Retail India Ltd.	Remuneration Committee	Member

5. BODIES CORPORATE OF WHICH MR. BRIJ MOHAN AGGARWAL IS A DIRECTOR

Name of the Company	Board Position held
ABM Corporate Consulting Pvt. Ltd.	Director



## COMMITTEE MEMBERSHIP

<b>Name of the Company</b>	<b>Name of the Committee</b>	<b>Position held</b>
Cantabil Retail India Ltd.	Audit Committee	Chairman
Cantabil Retail India Ltd.	Shareholders' Grievance Redressal Committee	Chairman
Cantabil Retail India Ltd.	Remuneration Committee	Chairman

## 6. COMMITTEE MEMBERSHIP OF DR. ARUN KUMAR ROOPANWAL

<b>Name of the Company</b>	<b>Name of the Committee</b>	<b>Position held</b>
Cantabil Retail India Ltd.	Remuneration Committee	Member

**CERTIFICATION BY MANAGING DIRECTOR AND CFO  
FOR FINANCIAL YEAR 2013-14**

To the Board of Directors,  
Cantabil Retail India Limited

We, the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Cantabil Retail India Limited ("the Company") to the best of our knowledge and belief certify that:

- a) We have reviewed the financial statements and the cash flow statement for the financial year 2013-2014 and that to the best of our knowledge and belief:
  - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year, which are fraudulent, illegal, or violative of the company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee, wherever applicable, the following:
  - i) significant changes in internal control over financial reporting during the year;
  - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Date : 30.07.2014

Place : New Delhi

Sd/-

**(VIJAY BANSAL)**

Chairman cum Managing Director

Sd/-

**(RAJESH ROHILLA)**

Chief Financial Officer

**CERTIFICATE ON CORPORATE GOVERNANCE**

To the Member of

**Cantabil Retail India Limited**

We have examined the compliance of the conditions of Corporate Governance by Cantabil Retail India Limited, for the year ended on March 31, 2014, as stipulated in Clause 49 of the Listing Agreements of the said Company with the Stock Exchanges.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to review of the procedures and implementations thereof adopted by the company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

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

We 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 **Jitendra Kumar**  
Company Secretaries

Sd/-

**Jitendra Kumar**

C.P. No. 9230

Membership No. A25850

Date : 30.07.2014

Place : New Delhi

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**COMPLIANCE WITH CODE OF CONDUCT**

I, Vijay Bansal, Chairman cum Managing Director of the Company hereby certify that the Company has adopted a Code of Conduct for all Board Members and senior Management Personnel of the Company and a copy of Conduct as adopted is available on the Company's website. I, further confirm that all the Directors and the senior Management Personnel have affirmed their compliance with the Code of Conduct of the Company for the year ended 31st March 2014.

Sd/-

Date : 30.07.2014

**VIJAY BANSAL**

Place : New Delhi

Chairman cum Managing Director

## INDEPENDENT AUDITOR'S REPORT

To

The Members of

**CANTABIL RETAIL INDIA LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Cantabil Retail India Limited ('the Company') which comprise the balance sheet as at 31st March 2014, the statement of profit and loss and the cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

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

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

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

- (i) in the case of the balance sheet, of the state of affairs of the Company as at 31st March 2014;
- (ii) in the case of the statement of profit and loss, of the loss for the year ended on that date; and
- (iii) in the case of the cash flow statement, of the cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;



- d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956; and
- e. on the basis of written representations received from the directors as on 31st March 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For **SURESH & ASSOCIATES**

FRN: 003316N

CHARTERED ACCOUNTANTS

(CA. SURESH K GUPTA)

PARTNER

M. No. 080050

Date : 26th May, 2014

Place : DELHI

**ANNEXURE TO AUDITOR'S REPORT**

Referred to Paragraph 1 of our report of even date attached

- (i) a) The company is maintaining proper records showing full particulars including quantitative details and situation of the assets on basis of the information available.
- b) According to information and explanation given to us, the fixed assets of the company have been physically verified by the management at reasonable intervals during the year. No material discrepancies have been noticed on such verification.
- c) In our opinion and according to the information and explanations given to us, there was no substantial disposal of fixed assets by the company, which may affect the going concern concept.
- (ii) a & b) As explained to us, the inventory has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable considering size and nature of the business.
- c) In our opinion and according to information and explanation given to us, the procedures of physical verification of inventory, followed by the management, are reasonable and adequate. No serious discrepancies have been noticed in physical verification.
- (iii) Company has not granted any loans to companies, firms or other parties covered in the register maintained u/s 301 of the Act.
- (iv) In our opinion and according to information and explanation given to us, there are adequate internal control procedures commensurate with the size and nature of the company for purchase of inventory and fixed assets and sale of goods.
- (v) a) According to the information and explanation given to us, the company has entered into transaction pursuant of contract or arrangement entered in register maintained under section 301 of the Companies Act, 1956.
- b) In respect of the transactions made in pursuance of such contracts or arrangements and exceeding value Rupees Five Lacs in respect of any party during the year, because of the absence of the comparable prices and variation in the quality of the goods involved, we are unable to comment whether the transactions were made at prevailing market prices at the relevant time.
- (vi) In our opinion and explanation given to us, the company has not accepted any public deposit and there is no contravention of the directives issued by the RBI and the provisions of 58A and 58AA of the Act and rules framed there under.
- (vii) In our opinion, the company has an internal audit system commensurate with it size and nature of business.
- (viii) The maintenance of the cost record has been prescribed by the Central Government under section 209(1)(d) of Companies Act, 1956 to the company. As explained to us such accounts and records have been made & maintained.
- (ix) (a) According to the books of accounts examined by us company is generally regular in depositing undisputed statutory dues in respect of PF, ESI, Income Tax, VAT, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other statutory dues with the appropriate authorities.
- (b) Except for cases detailed hereunder, there are no disputed liability in respect of PF, ESI, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other statutory dues which are outstanding as at 31st March, 2014:-

S No.	Period of Demand	Amount involved (In lacs)	Particulars of Demand	Authority where appeal is pending
1.	Financial Year 2008-09 , 2009-10, 2010-11, 2011-12	11.97	Under Labour Act	Labour Court, Karkardooma Court, Delhi
2.	Financial Year 2012-13	86.35	Under Central Excise Act, 1944	CESTAT, Bench Delhi
3.	Financial Year 2009-10	256.29	Demand under section 201(1) and 201(1A) of Income Tax Act, 1961.	CIT(A), Delhi

S No.	Period of Demand	Amount involved (In lacs)	Particulars of Demand	Authority where appeal is pending
4.	Financial Year 2010-11	164.59	Demand under section 201(1) and 201(1A) of Income Tax Act, 1961.	CIT(A), Delhi

- (x) There are accumulated losses at the end of the financial year in the case of the company. Further, the company has incurred cash losses during the financial year under report.
- (xi) As per explanation and information provided to us, the company has not defaulted in repayment of dues to financial institutions or banks.
- (xii) The company has not granted loans and advances on basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is not a chit fund/ nidhi/ mutual benefit fund/ society.
- (xiv) As per information given to us, the company is not dealing or trading in shares, securities, debentures and other investments. However, the Company has investments in shares, mutual funds of equity and debts amounting of Rs. 1.64 Lacs as on 31.03.2014. These investment are held by the company in its own name.
- (xv) In our opinion and according to the information and explanations given to us, the company has not given guarantee for loans taken by others from banks or financial institutions.
- (xvi) To the best of our knowledge and belief and according to information given to us, the company has not availed any term loan during the current financial year.
- (xvii) As per information and explanation given to us and overall examination of balance sheet of the company, we report that funds raised on short term basis have prima facie not being used for long term investment .
- (xviii) As per information and explanation given to us, the company has not made any preferential allotment of shares to promoters of the company covered in the category of persons mentioned under section 301 of the Companies Act.
- (xix) As per information and explanation given to us, the company has not issued any debentures and no security or charge has been created against the debentures.
- (xx) In our opinion the management has disclosed the end use of money raised through public issue in the year 2010-11 and the same has been verified.
- (xxi) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

For **SURESH & ASSOCIATES**

FRN: 003316N

CHARTERED ACCOUNTANTS

(CA. SURESH K GUPTA)

PARTNER

M. No. 080050

Date : 26th May, 2014

Place : DELHI

**BALANCE SHEET AS AT 31ST MARCH, 2014**

Particulars	NOTE No.	As at 31st March, 2014 Rs.	As at 31st March, 2013 Rs.
<b>A EQUITY AND LIABILITIES</b>			
<b>Shareholders Funds</b>			
(a) Share Capital	3	163,276,080	163,276,080
(b) Reserves & Surplus	4	534,177,943	625,227,876
		697,454,023	788,503,956
<b>Non-Current Liabilities</b>			
(a) Other long-term liabilities	5	55,984,693	62,334,314
(b) Long-term provisions	6	13,797,615	11,758,699
		69,782,308	74,093,013
<b>Current Liabilities</b>			
(a) Short-term borrowings	7	308,868,122	309,177,685
(b) Trade payables	8	128,798,213	44,149,132
(c) Other current liabilities	9	21,219,544	36,084,423
(d) Short-term provisions	10	4,901,598	4,955,851
		463,787,478	394,367,091
<b>TOTAL</b>		<b>1,231,023,808</b>	<b>1,256,964,059</b>
<b>B ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Fixed assets	11		
(i) Tangible assets		445,665,396	141,859,814
(ii) Intangible assets		1,946,989	3,151,360
(iii) Capital work-in-progress		984,394	208,985,774
		448,596,779	353,996,948
(b) Deferred tax assets (Net)	29	21,408,586	21,642,821
(c) Long-term loans and advances	12	101,222,560	100,162,944
		122,631,146	121,805,765
<b>Current Assets</b>			
(a) Current Investments	13	164,000	72,291,765
(b) Inventories	14	465,903,943	428,373,834
(c) Trade Receivables	15	127,750,691	159,344,348
(d) Cash and Cash Equivalents	16	8,513,772	37,188,445
(e) Short-Term Loans and Advances	17	57,463,477	83,962,955
		659,795,883	781,161,346
<b>TOTAL</b>		<b>1,231,023,808</b>	<b>1,256,964,059</b>

Accompanying Notes 1 to 30 form integral part of these Financial Statements .

As per our attached report of even date

 For **SURESH & ASSOCIATES**  
 FRN: 003316N  
 CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

**(CA. SURESH K. GUPTA)**  
 PARTNER  
 M.NO. 080050

**(Vijay Bansal)**  
 Managing Director  
 DIN: 01110877

**(Deepak Bansal)**  
 Director  
 DIN:01111104

 DATE : 26th May,2014  
 PLACE : DELHI

**(CA Rajesh Rohilla)**  
 Chief Financial Officer

**(CS Poonam Chahal)**  
 Company Secretary

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

Particulars	NOTE No.	For the year ended 31st March, 2014 Rs.	For the year ended 31st March, 2013 Rs.
<b>A CONTINUING OPERATIONS</b>			
Revenue From Operations (Gross)	18	1,112,603,370	1,192,058,406
Less: Excise Duty		-	48,355,523
Revenue From Operations (Net)		1,112,603,370	1,143,702,883
Other income	19	1,680,365	5,098,795
Total revenue		1,114,283,735	1,148,801,679
Expenses			
(a) Cost of materials consumed	20.a	362,336,585	185,673,258
(b) Purchases of stock-in-trade	20.b	142,384,970	109,643,582
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade-(Increase)/Decrease	20.c	(6,361,362)	451,548,932
(d) Employee benefit expense	21	135,087,098	133,943,291
(e) Finance costs	22	47,521,575	55,835,444
(f) Depreciation and amortisation expense	11	15,566,778	16,854,593
(g) Other expenses	23	507,969,052	517,734,449
Total expenses		1,204,504,694	1,471,233,549
<b>Profit / (Loss) before exceptional and extraordinary items and tax</b>		<b>(90,220,959)</b>	<b>(322,431,870)</b>
Exceptional items	24.a	(1,740,550)	(22,597,142)
<b>Profit / (Loss) before extraordinary items and tax</b>		<b>(91,961,509)</b>	<b>(345,029,012)</b>
Extraordinary items	24.b	1,145,811	12,319,675
<b>Profit / (Loss) before tax</b>		<b>(90,815,698)</b>	<b>(332,709,337)</b>
Tax expense:			
Deferred tax (assets)/liability	29	234,235	(3,948,842)
		234,235	(3,948,842)
Profit / (Loss) for the year		(91,049,933)	(328,760,495)
<b>Earnings per Equity share</b>			
Equity Share of Face Value Rs. 10 each			
(a) Basic	28 (a)	(5.58)	(20.14)
(b) Diluted	28 (a)	(5.58)	(20.14)

Accompanying Notes 1 to 30 form integral part of these Financial Statements.

As per our attached report of even date

For **SURESH & ASSOCIATES**  
FRN: 003316N  
CHARTERED ACCOUNTANTS

**(CA. SURESH K. GUPTA)**  
PARTNER  
M.NO. 080050

DATE : 26th May,2014  
PLACE : DELHI

For and on behalf of the Board of Directors

**(Vijay Bansal)**  
Managing Director  
DIN: 01110877

**(CA Rajesh Rohilla)**  
Chief Financial Officer

**(Deepak Bansal)**  
Director  
DIN:01111104

**(CS Poonam Chahal)**  
Company Secretary



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

Particulars	For the year ended 31 March, 2014		For the year ended 31 March, 2013	
	Rs.	Rs.	Rs.	Rs.
<b>A. Cash flow from operating activities</b>				
Net Profit / (Loss) before extraordinary items and tax		(91,961,509)		(345,029,012)
<u>Adjustments for:</u>				
Depreciation and amortisation	15,566,778		16,854,593	
(Profit) / loss on sale / write off of assets	1,740,550		22,597,143	
Finance costs	47,521,575		55,280,349	
Interest income	(1,680,365)		(1,680,000)	
Other income	-	<b>63,148,538</b>	(3,418,795)	<b>89,633,289</b>
Operating profit / (loss) before working capital changes		<b>(28,812,971)</b>		<b>(255,395,723)</b>
<u>Changes in working capital:</u>				
Adjustments for (increase) / decrease in operating assets:				
Inventories	(37,530,110)		449,009,081	
Trade receivables	31,593,657		68,511,807	
Short-term loans and advances	26,499,478		(50,981,833)	
Long-term loans and advances	(1,059,616)		30,999,309	
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	84,649,081		(47,512,130)	
Other current liabilities	(14,864,879)		(25,234,651)	
Other long-term liabilities	(6,349,621)		(53,533,510)	
Short-term provisions	(54,253)		(4,265,891)	
Long-term provisions	2,038,916	<b>84,922,654</b>	1,988,027	<b>368,980,209</b>
		<b>56,109,682</b>		<b>113,584,486</b>
Cash flow from extraordinary items		-		-
Cash generated from operations		56,109,682		113,584,486
Net income tax (paid) / refunds/ Adjustment		-		-
		<b>56,109,682</b>		<b>113,584,486</b>
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>56,109,682</b>		<b>113,584,486</b>
<b>B. Cash flow from investing activities</b>				
Capital expenditure on fixed assets, including capital advances	(113,722,222)		(131,900,066)	
Proceeds from sale of fixed assets	1,815,063		4,730,713	
Current investments not considered as Cash and cash equivalents				
- Purchased	(11,144,278)		(318,318,920)	
- Proceeds from sale	83,361,926		352,091,167	
Long-term investments				
- Purchased	-		-	
- Proceeds from sale			55,050,700	
Interest received				
- Others	1,680,365		1,680,000	
Dividend received				
- Others	1,055,928		6,828,439	
Other Income				
- Other Income	-	<b>(36,953,218)</b>	3,418,795	<b>(26,419,172)</b>
		<b>(36,953,218)</b>		<b>(26,419,172)</b>
Cash flow from extraordinary items		-		-
		<b>(36,953,218)</b>		<b>(26,419,172)</b>
Net income tax (paid) / refunds		-		-
		<b>(36,953,218)</b>		<b>(26,419,172)</b>
<b>Net cash flow from / (used in) investing activities (B)</b>		<b>(36,953,218)</b>		<b>(26,419,172)</b>

Particulars	For the year ended 31 March, 2014		For the year ended 31 March, 2013	
	Rs.	Rs.	Rs.	Rs.
<b>C. Cash flow from financing activities</b>				
Repayment of long-term borrowings	-		(7,975,252)	
Net increase / (decrease) in working capital borrowings	(309,563)		(12,858,217)	
Proceeds from other short-term borrowings	-		4,900,000	
Repayment of other short-term borrowings	-		(5,950,197)	
Finance cost	(47,521,575)	<b>(47,831,137)</b>	(55,280,349)	<b>(77,164,015)</b>
<b>Net cash flow from / (used in) financing activities (C)</b>		<b>(47,831,137)</b>		<b>(77,164,015)</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		<b>(28,674,673)</b>		<b>10,001,300</b>
Cash and cash equivalents at the beginning of the year		37,188,445		27,187,145
<b>Cash and cash equivalents at the end of the year</b>		<b>8,513,772</b>		<b>37,188,445</b>
<b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>				
Cash and cash equivalents as per Balance Sheet		8,513,772		37,188,445
Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) included in Note 16		8,513,772		37,188,445
<b>Cash and cash equivalents at the end of the year *</b>		<b>8,513,772</b>		<b>37,188,445</b>
* Comprises:				
(a) Cash on hand		3,304,948		3,565,589
(b) Balances with banks		-		
(i) In current accounts		5,208,824		33,622,857
		<b>8,513,772</b>		<b>37,188,445</b>

Notes:

- (i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discounting operations.
- (ii) These earmarked account balances with banks can be utilised only for the specific identified purposes.

Accompanying Notes 1 to 30 form integral part of these Financial Statements .

As per our attached report of even date

For **SURESH & ASSOCIATES**  
FRN: 003316N  
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

**(CA. SURESH K. GUPTA)**  
PARTNER  
M.NO. 080050

**(Vijay Bansal)**  
Managing Director  
DIN: 01110877

**(Deepak Bansal)**  
Director  
DIN:01111104

DATE : 26th May,2014  
PLACE : DELHI

**(CA Rajesh Rohilla)**  
Chief Financial Officer

**(CS Poonam Chahal)**  
Company Secretary

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note 2 Significant accounting policies

#### Note Particulars

#### 1. Corporate information : CIN :- L74899DL1989PLC034995

The Company was incorporated on 09th Feb,1989 and is mainly engaged in the business of designing, manufacturing, branding and retailing of apparel and apparel accessories through chain of retail store under the brand name "CANTABIL". The Company has also undertaken the business of real estate trade.

#### 2. Significant accounting policies

##### 2.1 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

##### 2.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

##### 2.3 Inventories

Inventories

- (i) Raw Material  
At cost or net realizable value (on FIFO basis) whichever is lower.
- ii) Finished Goods  
At cost or net realizable value whichever is lower. For arriving at the cost for this purpose the cost includes material cost , manufacturing expenses and Overheads.
- iii) Work in Process  
At apportioned manufacturing expenses and depreciation.
- iv) Stores and Spares  
At cost or net realizable value (on FIFO basis) whichever is lower.
- v) Scrap  
At estimated realizable value.

##### 2.4 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash and cash equivalent comprises cash in hand and Bank Balance.

##### 2.5 Cash flow statement

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

##### 2.6. Depreciation and Amortisation

The depreciation on all assets has been provided on 'written down method' at the rates prescribed in Schedule XIV of the Companies Act, 1956.

## 2.7 Revenue recognition

Revenue in respect of sale of products is recognised on delivery, which coincides with the transfer of risk and rewards of ownership. Discounts given / accrued to customers at the time of despatch are considered as trade discounts and netted from sales.

Sales made to Nepal has been treated as domestic sale since there is no inflow of Foreign Exchange on sales to Nepal.

Interest income is recognized on an accrual basis on time proportionate basis, based on interest rates implicit in the transaction.

## 2.8 Other income

Dividend Income on investments is recognized as and when declared by the respective Asset Management Entity. Dividend under the reinvestment scheme is accumulated in the fund value and upon maturity of the fund short term/ long term capital gain is recognized accordingly.

## 2.9 Tangible fixed assets

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

### Capital work-in-progress:

Fixed Assets acquired for the new company owned showrooms or any new project are shown as Capital Work In Progress till the commencement of the commercial operation of the showroom/ project as on the reporting date.

## 2.10 Intangible assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

## 2.11 Extraordinary item

Extraordinary items are income or expense that arises from transaction that are clearly distinct from ordinary activities. They are not expected to recur frequently or regularly

## 2.12 Investments

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

## 2.13 Employee benefits

Employee benefits include provident fund, gratuity, compensated absences.

### Defined contribution plans

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

### Defined benefit plans

For defined benefit plans in the form of gratuity fund and post-employment medical benefits, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which

they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

#### Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under :

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur."

#### Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled. Long Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date.

### **2.14 Borrowing costs**

Borrowing costs include interest, amortisation of ancillary costs incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

### **2.15 Operating Lease**

Operating lease payments are recognised as an expense in the statement of Profit and Loss on a straight-line basis or other systematic bases more representative of the time pattern of the user's benefit.

### **2.16 Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

### **2.17 Taxes on income**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961



Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

### **2.18 Impairment of assets**

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

### **2.19 Provisions and contingencies**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

**Notes forming part of the Financial Statements**
**Note 3: Share capital**

Particulars	As at 31st March, 2014		As at 31st March, 2013	
	Numbers of shares	Rs.	Numbers of shares	Rs.
<b>(a) Authorised</b>				
Equity shares of Rs.10/- each with voting right	<b>1,70,00,000</b>	<b>170,000,000</b>	1,70,00,000	170,000,000
	<b>17,000,000</b>	<b>170,000,000</b>	1,70,00,000	170,000,000
<b>(b) Issued</b>				
Equity shares of Rs.10/- each with voting rights	<b>1,63,27,608</b>	<b>163,276,080</b>	1,63,27,608	163,276,080
	<b>1,63,27,608</b>	<b>163,276,080</b>	1,63,27,608	163,276,080
<b>(c) Subscribed and fully paid up</b>				
Equity shares of Rs.10/- each with voting rights	<b>1,63,27,608</b>	<b>163,276,080</b>	1,63,27,608	163,276,080
	<b>1,63,27,608</b>	<b>163,276,080</b>	1,63,27,608	163,276,080
	<b>1,63,27,608</b>	<b>163,276,080</b>	1,63,27,608	163,276,080

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

Particulars	Opening Balance	Closing Balance
<b>Equity shares with voting rights</b>		
Year ended 31st March, 2014		
- Number of shares	16,327,608	16,327,608
- Amount (Rs.)	163,276,080	163,276,080
Year ended 31st March, 2013		
- Number of shares	16,327,608	16,327,608
- Amount (Rs.)	163,276,080	163,276,080

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

Class of shares / Name of shareholder	As at 31st March, 2014		As at 31st March, 2013	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Mr. Vijay Bansal	<b>5,581,590</b>	<b>34.18%</b>	5,355,947	32.80%
Mrs. Sushila Bansal	<b>2,801,674</b>	<b>17.16%</b>	2,662,603	16.31%
Mr. Deepak Bansal	<b>1,233,601</b>	<b>7.56%</b>	1,116,960	6.84%
Punjab National Bank	<b>1,083,748</b>	<b>6.64%</b>	1,083,748	6.64%

**Note 4: Reserves and Surplus**

Particulars	As at 31st March, 2014	As at 31st March, 2013
	Rs.	Rs.
(a) Securities premium account		
Opening balance	875,610,222	875,610,222
Closing balance	<b>875,610,222</b>	<b>875,610,222</b>
(b) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	(250,382,346)	78,378,148
Add: Profit /(Loss) for the year	(91,049,933)	(328,760,494)
Closing balance	<b>(341,432,279)</b>	<b>(250,382,346)</b>
<b>Total</b>	<b>534,177,943</b>	<b>625,227,876</b>

**Note 5 Other long-term liabilities**

Particulars	As at 31st March, 2014	As at 31st March, 2013
	Rs.	Rs.
Others:		
Trade / security deposits received	55,395,347	61,815,440
Trade Payable	589,346	518,874
<b>Total</b>	<b>55,984,693</b>	<b>62,334,314</b>

**Note 6 Long-term provisions**

Particulars	As at 31st March, 2014	As at 31st March, 2013
	Rs.	Rs.
(a) Provision for employee benefits:		
Provision for gratuity	11,462,208	9,910,500
Provision for Leave Encashment	2,335,407	1,848,199
	<b>13,797,615</b>	<b>11,758,699</b>
<b>Total</b>	<b>13,797,615</b>	<b>11,758,699</b>

**Note 7 Short-term borrowings**

Particulars	As at 31st March, 2014	As at 31st March, 2013
	Rs.	Rs.
Loans repayable on demand		
From banks		
Secured	308,868,122	309,177,685
	308,868,122	309,177,685
<b>Total</b>	<b>308,868,122</b>	<b>309,177,685</b>

## (i) Details of security for the secured short-term borrowings:

Particulars	As at 31st March, 2014	As at 31st March, 2013
	Rs.	Rs.
Loans repayable on demand from banks:		
<b>AXIS Bank Ltd.</b>		
Interest payable @ Base Rate+3.50% p.a. payable monthly, Secured Against First Pari Passu charge by way of hypothecation of entire Current assets of the company both present and future and First parri passu charge by way of hypothecation of entire movable fixed assets of the company both present and future excluding vehicles except immovable properties of the company specifically mortgage to other lenders. The same is also secured by way of mortgage of personal property of the Director and the Personal Guarantee of the Directors.	106,006,451	112,797,828
<b>Standard Chartered Bank</b>		
Interest payable @ Base Rate+3.50% p.a. (variable), Secured Against First Pari Passu charge by way of hypothecation of entire Current assets of the company both present and future and First parri passu charge jointly with Axis Bank only by way of equitable mortgage over the personal property of the directors and also the personal guarantee of directors.	97,921,579	96,195,396
<b>Oriental Bank of Commerce</b>		
Interest payable @ Base Rate+3.50% p.a. payable monthly, Secured Against Hyp. of stocks of raw material, stock-in-process, Finished goods, stores & Spares of garment manufacturing unit and receivables on first pari-passu basis with Axis Bank and Standard Chartered bank. Part First parri passu charge by way of equitable mortgage of immovable properties of the company at HSIIDC Bahadurgarh, and HSIIDC Sonapat (Haryana). The same is also secured by First Pari-Passu charge over entire current assets of the company both present & future and First Pari-Passu charge by way of hypothecation of entire movable fixed assets both present & future and the Personal Guarantee of the Directors.	104,940,093	100,184,461
<b>Total - from banks</b>	<b>308,868,122</b>	<b>309,177,685</b>
<b>TOTAL</b>	<b>308,868,122</b>	<b>309,177,685</b>

**Note 8 Trade Payables**

Particulars	As at 31st March, 2014	As at 31st March, 2013
	Rs.	Rs.
Trade payables:		
Other than Acceptances	128,798,213	44,149,132
<b>Total</b>	<b>128,798,213</b>	<b>44,149,132</b>

**Note 9: Other current liabilities**

Particulars	As at 31st March, 2014	As at 31st March, 2013
	Rs.	Rs.
(a) Current maturities of long-term debt	-	7,391,282
(b) Other payables		
Statutory remittances (Contributions to PF and ESIC, Excise Duty, VAT, Service Tax, etc.)	3,729,811	3,976,018
Provision for Wealth Tax	24,250	24,927
Capital Expenditure Payable	-	897,857
Advances from customers	2,584,599	9,920,325
Expenses payable (Related Party )	474,540	1,557,378
Expenses payable (Salary & Wages Payable)	9,723,648	8,435,656
Expense payable Others	4,682,696	3,880,980
<b>Total</b>	<b>21,219,544</b>	<b>36,084,423</b>

**Note 10: Short-term provisions**

Particulars	As at 31st March, 2014	As at 31st March, 2013
	Rs.	Rs.
Provision for employee benefits:		
Provision for bonus	2,915,630	3,480,382
Provision for gratuity (net)	1,415,981	1,034,333
Provision for other employee benefits (Leave Encashment)	569,987	441,136
<b>Total</b>	<b>4,901,598</b>	<b>4,955,851</b>



**Note 11 : Fixed Assets**

Particulars	GROSS BLOCK					ACCUMULATED DEPRECIATION					NET BLOCK		
	Balance as at 1 April, 2013	Additions	Disposals	Adjustments	Balance as at 31st March, 2014	Balance as at 1 April, 2013	Depreciation Charge for the year	On Disposals	Adjustments	Balance as at 31st March, 2014	Balance as at 31st March, 2013	Rs.	Rs.
(i) <u>Tangible Assets</u>	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Land - Freehold	65,123,029	1,120,948	-	-	66,243,977	-	-	-	-	-	66,243,977	65,123,029	
Buildings	18,795,963	308,109,185	-	-	326,905,148	4,523,010	1,292,972	-	-	5,815,982	321,089,166	14,272,953	
Plant and Equipments	45,422,473	2,975,778	488,100	-	47,910,151	21,131,306	3,577,845	228,805	-	24,480,346	23,429,805	24,291,167	
Furniture and Fixtures	66,829,650	5,253,631	2,982,480	-	69,100,801	38,563,829	5,508,842	1,273,294	-	42,799,377	26,301,424	28,265,821	
Vehicles	19,719,625	-	705,868	-	19,013,757	12,339,585	1,906,792	660,175	-	13,586,203	5,427,554	7,380,039	
Office equipment	17,523,210	2,125,523	320,300	-	19,328,433	14,996,406	1,437,418	278,861	-	16,154,963	3,173,470	2,526,804	
<b>Total</b>	<b>233,413,950</b>	<b>319,585,065</b>	<b>4,496,748</b>	<b>-</b>	<b>548,502,267</b>	<b>91,554,136</b>	<b>13,723,870</b>	<b>2,441,135</b>	<b>-</b>	<b>102,836,870</b>	<b>445,665,396</b>	<b>141,859,814</b>	
Previous Year	280,233,968	6,855,371	47,216,571	(6,458,818)	233,413,950	98,389,810	17,084,718	19,888,715	(4,031,678)	91,554,136	141,859,814	181,844,158	
(ii) <u>Intangible Assets</u>													
Computer software	7,673,590	638,537	-	-	8,312,127	4,585,573	1,834,665	-	-	6,420,238	1,891,889	3,088,017	
Brands / trademarks	164,553	-	-	-	164,553	101,211	8,243	-	-	109,454	55,099	63,342	
<b>Total</b>	<b>7,838,143</b>	<b>638,537</b>	<b>-</b>	<b>-</b>	<b>8,476,680</b>	<b>4,686,783</b>	<b>1,842,908</b>	<b>-</b>	<b>-</b>	<b>6,529,691</b>	<b>1,946,989</b>	<b>3,151,360</b>	
Previous Year	1,312,536	66,789	-	6,458,818	7,838,143	885,230	1,443,426	-	2,358,127	4,686,783	3,151,360	427,306	
(iii) <u>Capital Work in Progress</u>	208,985,774	99,362,198	1,913,899	(305,449,679)	984,394	-	-	-	-	-	984,394	208,985,774	
<b>Total</b>	<b>208,985,774</b>	<b>99,362,198</b>	<b>1,913,899</b>	<b>(305,449,679)</b>	<b>984,394</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>984,394</b>	<b>208,985,774</b>	
Previous Year	84,007,868	124,977,906	-	-	208,985,774	-	-	-	-	-	208,985,774	84,007,868	
<b>Grand Total</b>	<b>450,237,867</b>	<b>419,585,800</b>	<b>6,410,647</b>	<b>(305,449,679)</b>	<b>557,963,341</b>	<b>96,240,919</b>	<b>15,566,778</b>	<b>2,441,135</b>	<b>-</b>	<b>109,366,562</b>	<b>448,596,779</b>	<b>353,996,948</b>	
Previous Year	365,554,372	131,900,066	47,216,571	-	450,237,867	99,275,041	18,528,143	19,888,715	(1,673,550)	96,240,919	353,996,948	266,279,331	

**Note 12 Long-term loans and advances**

Particulars	As at 31st March, 2014	As at 31st March, 2013
	Rs.	Rs.
(a) Capital advances Unsecured, considered good	18,856,500	16,494,801
(b) Security deposits Unsecured, considered good Doubtful	80,570,153 1,795,907	81,534,052 1,914,713
(c) Other Loans and advances ESI Deposited Under Protest	-	219,378
<b>Total</b>	<b>101,222,560</b>	<b>100,162,944</b>

**Note 13: Current investments**

Particulars	As at 31st March, 2014			As at 31st March, 2013		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
a) <u>Investment in equity instruments</u> 1600 Equity shares of Nova Iron & Steel Co. Ltd	24,000	-	24,000	24,000	-	24,000.00
b) <u>Investment in mutual funds</u> 833.903 Units of HDFC Equity Fund (G) 910.61 Units of IDFC Imperial Equity Fund- Plan A (G)	1,30,000 10,000	- -	1,30,000 10,000	1,30,000 10,000	- -	1,30,000.00 10,000.00
c) <u>Investment in Debts Mutual Fund</u> 15,91,963.124 Units Of Templeton India Low Duration Fund - MD 10,128.485 Units Of UTI Treasury Advantage Fund-Institutional Plan -DDR 10,026.955 Units Of Religare Ultra Short Term Fund 20372.805 Units Of Reliance Money Manager Fund-DDR 50,1962.266 Units Of Templeton India Ultra Short Bond Fund Super Institutional Plan - DDR 10,029.630 Units Of Axis Treasury Advantage Fund -DDR	- - - - - - -	- - - - - - -	- - - - - - -	- - - - - - -	1,64,84,553 1,01,30,653 1,00,44,151 2,04,00,746 50,28,257 1,00,39,403	1,64,84,553 1,01,30,653 1,00,44,151 2,04,00,746 50,28,257 1,00,39,403
<b>TOTAL</b>	-	-	-	-	<b>7,21,27,765</b>	<b>7,21,27,765</b>
<b>GRAND TOTAL</b>	<b>1,64,000</b>	-	<b>1,64,000</b>	<b>1,64,000</b>	<b>7,21,27,765</b>	<b>7,22,91,765</b>

**Note 14: Inventories**

Particulars	As at 31st March, 2014	As at 31st March, 2013
	Rs.	Rs.
(a) Raw materials	2,79,31,829	1,50,89,999
	2,79,31,829	1,50,89,999
(b) Work-in-progress	10,46,52,795	5,12,35,288
	10,46,52,795	5,12,35,288
(c) Finished Goods		
Finished goods - Apparels ( At store and warehouses)	28,48,96,669	34,07,11,164
Other goods - Real Estate	3,79,02,748	1,30,32,750
Finished Goods-in-transit	14,564	1,68,464
	32,28,13,981	35,39,12,378
(d) Stores and spares	1,05,05,339	81,36,169
	1,05,05,339	81,36,169
<b>Total</b>	<b>46,59,03,943</b>	<b>42,83,73,834</b>

**Note 15: Trade receivables**

Particulars	As at 31st March, 2014	As at 31st March, 2013
	Rs.	Rs.
(a) Trade receivables outstanding for a period exceeding six months :		
Unsecured, considered good	4,72,46,215	79,93,493
Unsecured, considered good - Related Party	43,200	43,200
Doubtful	46,30,621	54,38,510
	5,19,20,036	1,34,75,203
Less Provision for doubtful trade receivable	34,74,157	11,32,910
	4,84,45,879	1,23,42,293
(b) Other Trade receivables		
Unsecured, considered good	7,93,04,812	14,70,02,055
	7,93,04,812	14,70,02,055
<b>Total</b>	<b>12,77,50,691</b>	<b>15,93,44,348</b>

**Note 16: Cash and cash equivalents**

Particulars	As at 31st March, 2014	As at 31st March, 2013
	Rs.	Rs.
(a) Cash on hand	33,04,948	35,65,589
(b) Balances with Banks		
In current accounts	52,08,824	3,36,22,857
<b>Total</b>	<b>85,13,772</b>	<b>3,71,88,445</b>

**Note 17 Short-term loans and advances**

Particulars	As at 31st March, 2014	As at 31st March, 2013
	Rs.	Rs.
(a) Loans and advances to employees Unsecured, considered good	16,47,831	21,11,281
(b) Prepaid expenses - Unsecured, considered good	9,07,117	12,94,850
(c) Balances with government authorities Unsecured, considered good VAT credit receivable Service Tax credit receivable Income Tax Refund/TDS Receivable FBT Refund due Refund due Commissioner Appeals (Central Excise)	18,55,524 - 40,56,282 5,76,363 6,00,000	65,30,700 5,73,402 38,88,282 5,76,363 -
(d) Inter-corporate deposits Unsecured, considered good	1,20,00,000	1,20,00,000
(e) Other Loans & advances Unsecured, considered good (Advance against Purchases and others) Doubtful	3,46,95,860 11,24,500	5,58,63,577 11,24,500
<b>Total</b>	<b>5,74,63,477</b>	<b>8,39,62,955</b>

**Note 18: Revenue from operations**

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
	Rs.	Rs.
(a) Sale of products Garments Accessories Others ( scrap etc.)	1,08,47,63,244 2,08,07,227 9,30,452	1,16,43,90,234 2,14,84,050 13,35,876
(b) Other operating revenues	61,02,447	48,48,247
Less: Excise duty	-	4,83,55,523
<b>Total</b>	<b>1,11,26,03,370</b>	<b>1,14,37,02,883</b>

**Note 19: Other income**

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
	Rs.	Rs.
(a) Interest income	16,80,365	16,80,000
(b) Other income	-	34,18,795
<b>Total</b>	<b>16,80,365</b>	<b>50,98,795</b>

**Note 20.a Cost of materials consumed**

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
	Rs.	Rs.
Opening stock	2,32,26,168	2,27,31,748
Add: Purchases	37,60,02,711	18,53,41,399
Cartage Inward	15,44,874	8,26,279
	40,07,73,753	20,88,99,426
Less: Closing stock	3,84,37,168	2,32,26,168
Cost of material consumed	36,23,36,585	18,56,73,258
<b>Total</b>	<b>36,23,36,585</b>	<b>18,56,73,258</b>

**Note 20.b Purchase of traded goods**

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
	Rs.	Rs.
Traded good - Apparel and Accessories	11,75,14,972	9,66,10,832
Other items -Real Estate	2,48,69,998	1,30,32,750
<b>Total</b>	<b>14,23,84,970</b>	<b>10,96,43,582</b>

**Note 20.c Changes in inventories of finished goods, work-in-progress and stock-in-trade**

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
	Rs.	Rs.
<u>Inventories at the end of the year:</u>		
Finished goods	32,28,13,981	35,39,12,378
Work-in-progress	10,46,52,795	5,12,35,288
Excise duty on inventory	-	1,59,57,747
	42,74,66,775	42,11,05,413
<u>Inventories at the beginning of the year:</u>		
Finished goods	35,39,12,378	76,69,50,913
Work-in-progress	5,12,35,288	8,77,00,254
Excise duty on inventory	1,59,57,747	1,80,03,178
	42,11,05,413	87,26,54,345
<b>Net (increase) / decrease</b>	<b>(63,61,362)</b>	<b>45,15,48,932</b>

**Note 21: Employee benefits expense**

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
	Rs.	Rs.
Salaries and Wages	12,57,71,546	12,52,58,161
Contributions to provident and other funds	55,45,521	46,24,481
Staff welfare expenses	37,70,031	40,60,649
<b>Total</b>	<b>13,50,87,098</b>	<b>13,39,43,291</b>

**Note 22: Finance costs**

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
	Rs.	Rs.
(a) Interest expense on:		
Borrowings	3,67,55,109	4,22,88,435
Trade payables	37,18,286	56,84,131
Others		
Interest on delayed / deferred payment of income tax	21,642	4,39,971
Others-Interest on Service Tax & VAT	35,436	4,38,261
(b) Others:		
Bank Charges	69,91,102	69,38,507
Other Interest	-	46,138
<b>Total</b>	<b>4,75,21,575</b>	<b>5,58,35,444</b>

**Note 23: Other expenses**

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
	Rs.	Rs.
Consumption of stores and spare parts	21,39,887	12,19,294
Increase / (decrease) of excise duty on inventory	(1,59,57,747)	(20,45,431)
Job Work Charges	13,81,75,938	8,64,27,591
Power and fuel	2,55,21,988	2,57,83,162
Water	2,55,421	1,79,160
Rent including lease rentals	12,48,28,428	13,62,92,199
Repairs and maintenance -Plant & Machinery	7,00,690	7,00,645
Repairs and maintenance - Others	58,71,085	54,34,405
Insurance	13,78,591	20,11,081
Rates and taxes	7,38,777	3,71,256
Communication	40,09,988	40,28,612
Travelling and conveyance	46,19,403	46,83,054
Printing and stationery	32,22,306	24,09,029
Freight and forwarding	63,58,863	72,03,663
Sales commission	4,81,02,141	7,26,77,083



Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
	Rs.	Rs.
Sales discount	10,77,34,829	12,33,67,522
Showroom Expenses	2,45,50,664	2,30,65,358
Security Expenses	21,38,306	21,56,881
Festival & Celebration Expenses.	11,12,556	8,88,491
Business promotion	40,95,492	46,50,312
Difference in Foreign Exchange Rate	-	12,59,502
Advertisement & Publicity Expenses	48,26,558	64,98,499
Legal and professional	46,92,853	37,58,836
Payments to auditors	10,25,510	10,66,686
Balance written off (Bad Debts, Securities etc.)	57,28,404	14,20,663
Miscellaneous expenses	20,98,121	22,26,898
<b>Total</b>	<b>50,79,69,052</b>	<b>51,77,34,449</b>

**Note 23: Other expenses Contd.**

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
	Rs.	Rs.
(i) Payments to the auditors comprises		
As auditors - statutory audit	9,55,060	9,55,060
For taxation matters	70,450	1,11,626
<b>Total</b>	<b>10,25,510</b>	<b>10,66,686</b>

**Note 24.a Exceptional items**

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
	Rs.	Rs.
Profit(Loss) on sale of fixed assets	(17,40,550)	(2,25,97,142)
<b>Total</b>	<b>(17,40,550)</b>	<b>(2,25,97,142)</b>

**Note 24.b Extraordinary items**

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
	Rs.	Rs.
Dividend Income	10,55,928	68,28,439
Short Term Capital Gain	89,884	4,40,536
Long Term Capital Gain	-	50,50,700
<b>Total</b>	<b>11,45,811</b>	<b>1,23,19,675</b>

**Note 25: Disclosures under Accounting Standards**
**25.1 Employee benefit plans**

## 25.1 (a) Defined benefit plans

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

Gratuity

Other defined benefit plans (Leave Encashment)

The following table shows amount recognised in the financial statements:

Particulars	For the year ended 31st March, 2014		For the year ended 31st March, 2013	
	Gratuity	Other defined benefit plans (Leave Encashment)	Gratuity	Other defined benefit plans (Leave Encashment)
<b>Components of employer expense</b>				
Current service cost	32,04,631	11,01,685	31,38,980	14,84,498
Interest cost	8,75,587	1,83,147	7,47,924	1,82,185
Expected return on plan assets	-	-	-	-
Curtailment cost / (credit)	-	-	-	-
Settlement cost / (credit)	-	-	-	-
Past service cost	-	-	-	-
Actuarial losses/(gains)	(21,01,457)	(3,69,487)	(11,89,687)	(10,84,565)
<b>Total expense recognised in the Statement of Profit and Loss</b>	<b>19,78,761</b>	<b>9,15,345</b>	<b>26,97,217</b>	<b>5,82,118</b>
<b>Actual contribution and benefit payments for year</b>				
Actual benefit payments	(45,405)	(2,99,286)	(4,49,170)	(4,11,210)
Actual contributions	-	-	-	-
<b>Net asset / (liability) recognised in the Balance Sheet</b>				
Present value of defined benefit obligation	1,28,78,189	29,05,393	1,09,44,833	22,89,334
Fair value of plan assets	-	-	-	-
Funded status [Surplus / (Deficit)]	(1,28,78,189)	(29,05,393)	(1,09,44,833)	(22,89,334)
Unrecognised past service costs				
<b>Net asset / (liability) recognised in the Balance Sheet</b>	<b>(1,28,78,189)</b>	<b>(29,05,393)</b>	<b>(1,09,44,833)</b>	<b>(22,89,334)</b>

## 25.1 (b) Change in defined benefit obligations (DBO) during the year

Particulars	For the year ended 31st March, 2014		For the year ended 31st March, 2013	
	Gratuity	Other defined benefit plans (Leave Encashment)	Gratuity	Other defined benefit plans (Leave Encashment)
Present value of DBO at beginning of the year	1,09,44,833	22,89,334	86,96,786	21,18,426
Current service cost	32,04,631	11,01,685	31,38,980	14,84,498
Interest cost	8,75,587	1,83,147	7,47,924	1,82,185
Curtailment cost / (credit)	-	-	-	-
Settlement cost / (credit)	-	-	-	-
Plan amendments	-	-	-	-
Acquisitions	-	-	-	-
Actuarial (gains) / losses	(21,01,457)	(3,69,487)	(11,89,687)	(10,84,565)
Past service cost	-	-	-	-
Benefits paid	(45,405)	(2,99,286)	(4,49,170)	(4,11,210)
Present value of DBO at the end of the year	1,28,78,189	29,05,393	1,09,44,833	22,89,334
<b>Change in fair value of assets during the year</b>				
Plan assets at beginning of the year	-	-	-	-
Acquisition adjustment	-	-	-	-
Expected return on plan assets	-	-	-	-
Actual company contributions	-	-	-	-
Actuarial gain / (loss)	-	-	-	-
Benefits paid	-	-	-	-
Plan assets at the end of the year	-	-	-	-
Actual return on plan assets	-	-	-	-
<b>Composition of the plan assets is as follows:</b>				
Government bonds	-	-	-	-
PSU bonds	-	-	-	-
Equity mutual funds	-	-	-	-
Others	-	-	-	-
<b>Actuarial assumptions</b>				
Discount rate	9.10%	9.10%	8.00%	8.00%
Expected return on plan assets	-	-	-	-
Salary escalation	10.00%	10.00%	10.00%	10.00%
Attrition	-	-	-	-
Medical cost inflation	-	-	-	-
Mortality tables	-	-	-	-
Performance percentage considered	-	-	-	-
Estimate of amount of contribution in the immediate next year	-	-	-	-

**Note 26: Disclosures under Accounting Standards**

(a) Related Parties with whom transactions have taken place during the year :

<b>Names of related parties</b>	<b>Description of relationship</b>
Mr. Vijay Bansal	Key Management Personnel
Mr. Deepak Bansal	Key Management Personnel
Mr. Anil Bansal	Key Management Personnel
Mrs. Megha Bansal	Key Management Personnel's relative
Poonam Bansal	Key Management Personnel's relative
Rekha Bansal	Key Management Personnel's relative
Sunil Bansal	Key Management Personnel's relative
Anil Bansal (HUF)	Enterprise in which Key Management Personnel has significant influence
Balaji International Clothing	Enterprise in which Key Management Personnel has significant influence
Vardhman Enterprises	Enterprise in which Key Management Personnel's relative has significant influence
Akshi Marketing Private Limited	Company in which Key Management Personnel's relative has significant influence

(b) Following are the details of the transaction with the related party :

<b>Nature of Transaction</b>	<b>Related Parties</b>	<b>Rs.</b>
Salary, allowances & perquisite	Key Management Personnel	48,33,171
		(52,00,253)
Salary, allowances & perquisite	Key Management Personnel's relative	17,74,080
		(22,74,080)
Rent	Key Management Personnel	8,88,000
		(8,88,000)
Rent	Key Management Personnel's relative	-
		(6,90,000)
Rent	Company in which Key Management Personnel has significant influence	-
		(2,10,000)
Rent	Company in which Key Management Personnel's relative has significant influence	3,68,760
		(19,10,048)
Commission	Enterprise in which Key Management Personnel has significant influence	9,70,002
		(11,86,672)
Interest	Enterprise in which Key Management Personnel has significant influence	6,00,000
		(4,13,336)
Loan Taken	Key Management Personnel	-
		(49,00,000)
Loan Repaid	Key Management Personnel	-
		(59,50,197)
Receiving of services	Enterprise in which Key Management Personnel's relative has significant influence	99,29,207
		(19,84,742)

**Note : Figures in bracket relate to previous year**

## (C) Disclosure of Material transactions :

Particulars	Current Year	Previous Year
<b><u>Salary, allowance &amp; perquisite</u></b>		
Mr. Vijay Bansal	24,39,600	24,39,600
Mr. Deepak Bansal	20,33,571	24,00,653
Mrs. Megha Bansal	9,00,000	8,00,000
<b><u>Rent</u></b>		
Mr. Deepak Bansal	8,88,000	8,88,000
Mr. Suresh Chand Bansal	-	6,90,000
Y.G. Estate Pvt. Ltd.	-	15,41,288
Akshi Marketing Pvt. Ltd.	3,68,760	3,68,760
<b><u>Interest</u></b>		
Balaji International Clothing	6,00,000	4,13,336
<b><u>Commission</u></b>		
Anil Bansal HUF	3,60,000	3,60,000
Balaji International Clothing	6,10,002	8,26,672
<b><u>Receiving of services</u></b>		
Vardhman Enterprises	99,29,207	19,84,742
<b><u>Loan Taken</u></b>		
Vijay Bansal HUF	-	49,00,000
<b><u>Loan Repaid</u></b>		
Mr. Vijay Bansal	-	5,17,905
Vijay Bansal HUF	-	54,32,292

## Note 27: Disclosures under Accounting Standards

Note	Particulars	As at 31st March, 2014	As at 31st March, 2013
		Rs.	Rs.
<b>27</b>	<b>Details of leasing arrangements</b>		
(a)	The Company has entered into operating lease arrangements for retail operations on 20th March 2013 . The lease is non-cancellable and is for a period of nine years starting from 4th May, 2013 to 3rd May, 2022 . The lease agreements provide for an increase in the lease payments by 10% of the original amount for first two years and 15% thereafter, after every three years from the commencement date, on the last date lease amount.		
	<b><u>Future minimum lease payments</u></b>		
	not later than one year	43,432	4,31,768
	later than one year and not later than five years	-	43,432

Note	Particulars	As at 31st March, 2014	As at 31st March, 2013
		Rs.	Rs.
(b)	The Company has entered into operating lease arrangements for retail operations on 04th March 2014 . The lease is non-cancellable and is for a period of one years lock-in and total lease period is nine years starting from 1st Feb,2014 to 31st Jan, 2023 . The lease agreements provide for an increase in the lease payments by 15% of the last lease Rent paid after every three years period. <b><u>Future minimum lease payments</u></b> not later than one year later than one year and not later than five years	14,32,590 -	- -
(c)	The Company has entered into operating lease arrangements for retail operations on 04th March 2014 . The lease is non-cancellable and is for a period of one years lock-in and total lease period is nine years starting from 1st Feb,2014 to 31st Jan, 2023 . The lease agreements provide for an increase in the lease payments by 15% of the last lease Rent paid after every three years period. <b><u>Future minimum lease payments</u></b> not later than one year later than one year and not later than five years	15,73,040 -	- -

**Note 28 Disclosures under Accounting Standards**

Note	Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
		Rs.	Rs.
<b>28</b>	<b>Earnings Per Equity Share</b>		
	<b>Calculated as follows :</b>		
(a)	Profit attributable to equity share holders	(9,10,49,933)	(32,87,60,495)
	Weighted number of equity shares outstanding during the year (Nos)	1,63,27,608	1,63,27,608
	Par value per share	10	10
	EPS :		
	Basic	(5.58)	(20.14)
	Diluted	(5.58)	(20.14)

**Note 29 Disclosures under Accounting Standards**

Note	Particulars	As at 31st March, 2014	As at 31st March, 2013
		Rs.	Rs.
<b>29</b>	<b>Deferred tax (liability) / asset</b>		
(a)	<b>Tax effect of items constituting deferred tax assets</b>		
	Provision for compensated absences, gratuity and other employee benefits	1,57,83,583	1,32,34,168
	Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961	29,15,630	34,80,382
	On difference between book balance and tax balance of fixed assets	3,75,98,355	3,68,85,060
	Others(IPO Expenses allowable in next year)	1,29,85,884	1,64,41,883
	Tax effect of items constituting deferred tax assets	6,92,83,451	7,00,41,493
	Provision for Deferred Tax Assets	2,14,08,586	2,16,42,821
	Less Provision already exists	2,16,42,821	1,76,93,979
	<b>Net deferred tax liability / (asset)</b>	<b>2,34,235</b>	<b>(39,48,842)</b>



**Note 30: Additional information to the financial statements**

Note	Particulars	As at 31st March, 2014	As at 31st March, 2013
		Rs. In Lacs	Rs. In Lacs
<b>30.1</b>	<b>Contingent liabilities and commitments (to the extent not provided for)</b>		
	Contingent liabilities		
	(a) Claims against the Company not acknowledged as debt	Nil	Nil
	(b) Guarantees - Corporate Guarantee for Subsidiary Company	Nil	Nil
	(c) Other money for which the Company is contingently liable for :-		
	Labour Disputes	11.97	21.87
	VAT demands in Dispute	Nil	23.65
	TDS demands in Dispute	420.88	420.88
	CENVAT on Service Tax Credit Show Cause	Nil	110.38
	CENTRAL Excise Act 1944	86.35	Nil
	For Others	14.00	8.46

**30.2 Disclosure as per Clause 32 of the Listing Agreements with the Stock Exchanges**

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

Name of the party	Relationship	Amount outstanding as at 31 March, 2014	Maximum balance outstanding during the year
		Rs. In Lacs	Rs. In Lacs
Ambica Steel Ltd.	Others	120.00	120.00
		(120.00)	(120.00)
Automobile Components (India) Ltd	Others	NIL	NIL
		(NIL)	(60.00)

**Note: Figures in bracket relate to the previous year**

Note	Particulars	As at 31st March, 2014	As at 31st March, 2013
		Rs. In Lacs	%
<b>30.3</b>	<b>Details of consumption of imported and indigenous items</b>		
	<u>Imported</u>		
	Raw materials	-	-
	Total	-	-
	<u>Indigenous</u>		
	Raw materials	3,623.37	100
	Total	(1,856.73)	100
	Total	3,623.37	100
		(1,856.73)	100

**Note: Figures in bracket relate to the previous year**

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**NOTES**

**NOTES**

**CANTABIL RETAIL INDIA LIMITED**

(CIN: L74899DL1989PLC034995)

Regd. Office: B-16, Ground Floor, Lawrence Road, Industrial Area, New Delhi – 110035

email: investors@cantabilinternational.com

Web: www.cantabilinternational.com Tel: 91-11-27156381 /82 Fax: 91-11-27156383

**ATTENDANCE SLIP**

**26th Annual General Meeting**

Reg. Folio/DP & Client No. .... No. of Shares held .....

I certify that I am a Registered Shareholder/Proxy of the Registered Shareholder of the Company. I hereby record my presence at the 26 the Annual General Meeting of the Company to be held on Tuesday, September 30, 2014 at 9:00 A.M. at Tivoli Garden Resort Hotel, Chhattarpur Hills, Mehrauli, New Delhi 110074 and at every adjournment thereof.

Member's name : .....

Member's /Proxy's Signature

Proxy's name : .....

Note :

- 1. Please fill this attendance slip and hand it over at the entrance of the Hall.
- 2. Members/Proxy Holders/Authorized Representatives are requested to show their Photo ID Proof for attending the Meeting.
- 3. Authorized Representatives of Corporate Member(s) shall produce proper authorization issued in their favour.

— — — — — >⌘ — — — — — >⌘ — — — — —

Form No. MGT-11

**CANTABIL RETAIL INDIA LIMITED**

Regd. Office: B-16, Ground Floor, Lawrence Road Industrial Area, Delhi – 110035

**PROXY FORM**

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

Name of the member(s) : .....

Registered Address : .....

E.mail ID : ..... Folio No./Client ID : ..... DP ID : .....

I/We, being the member(s) holding ..... shares if the above named Company, hereby appoint

1. Name:.....Address:.....

E.mail ID:.....Signature:.....or failing him

2. Name:.....Address:.....

E.mail ID:.....Signature:.....or failing him

3. Name:.....Address:.....

E.mail ID:.....Signature:.....

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 26th Annual General Meeting of the Company to be held on Tuesday, September 30, 2014 at 9:00 A.M. at Tivoli Garden Resort Hotel, Chhattarpur Hills, Mehrauli, New Delhi 110074 and at every adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	Description/Resolutions	Optional	
		For	Against
<b>Ordinary Business</b>			
1.	To Adopt Audited Annual Accounts for the year ended 31st March, 2014.		
2.	To appoint a Director in place of Mr. Anil Bansal who retires by rotation and being eligible offers himself for re-appointment.		
3.	To appoint M/s Suresh & Associates, Chartered Accounts as Statutory Auditors of the Company for the terms of three years from the date of the ensuing Annual General Meeting and affixing their remuneration.		
<b>Special Business</b>			
4.	Appointment of Mr. Lalit Kumar as an Independent Director of the Company for five consecutive years for a term up to 29th September, 2019		
5.	Appointment of Dr. Arun Kumar Roopanwal as an Independent Director of the Company for five consecutive years for a term up to 29th September, 2019		
6.	Appointment of Mrs. Renu Jagdish as an Independent Director of the Company for a period of five consecutive years for a term up to 29th September, 2019		
7 & 8	To pass a Special Resolution for exercising the Borrowing Power limit pursuant to Section 180(1)(c) & 180(1)(a) of the Companies Act, 2013.		
9.	Change in terms of appointment of Mr. Deepak Bansal as a Whole Time Director.		

Signed this.....day of .....2014

Signature of Proxy Holder(s)

AFFIX  
REVENUE  
STAMP

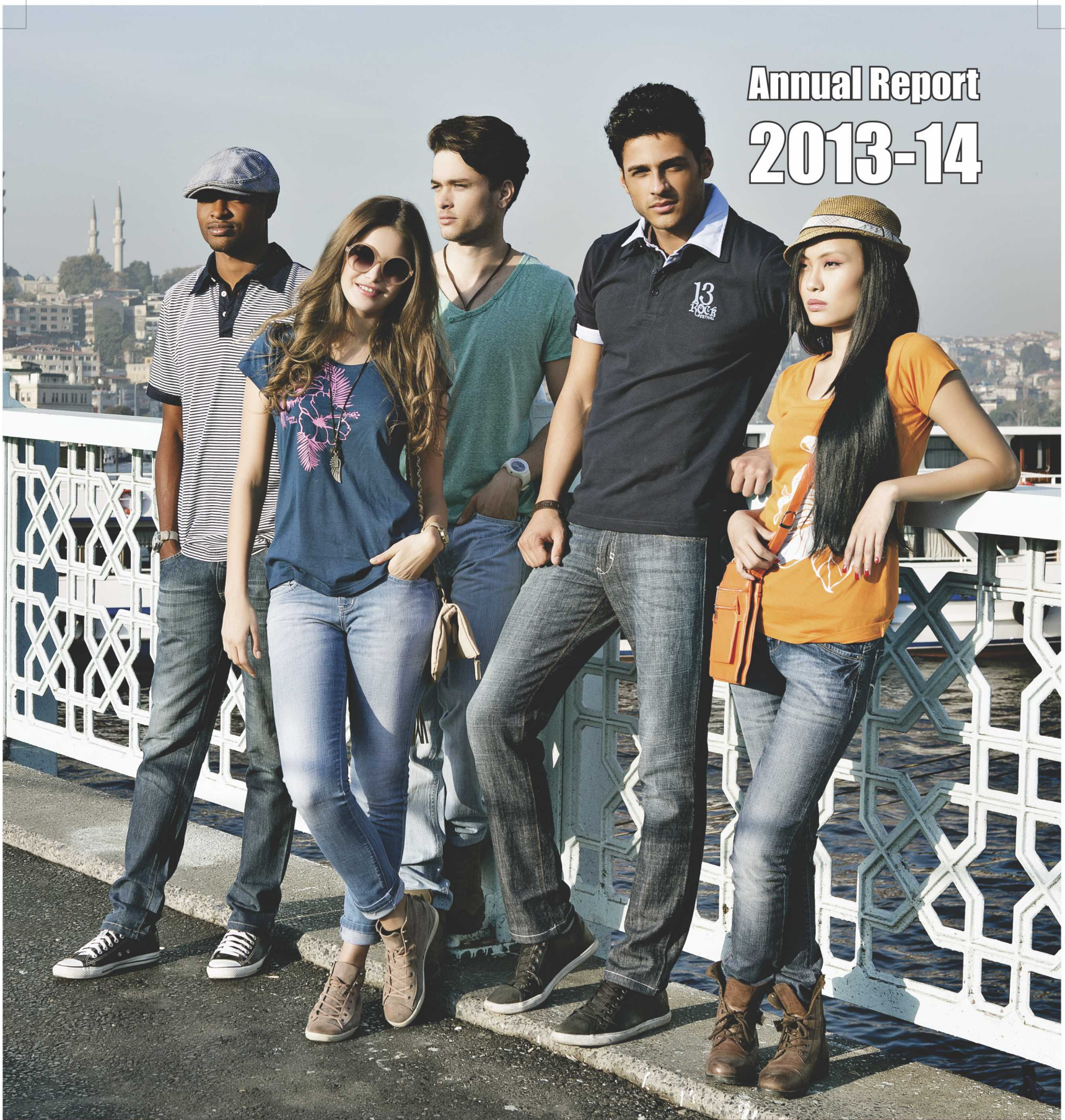
Signature of the Shareholder

Note:

1. This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For Resolutions, Explanatory Statements and Notes, please refer to the Notice of 26th Annual General Meeting of the company.
3. It is optional to put 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the, 'For" or 'Against' column blank against ANY OR ALL Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. please complete all details including details of Members(s) in above box before submission.



# Annual Report 2013-14



**CANTABIL** ITALY  
International Clothing





**CANTABIL** ITALY  
International Clothing

**CANTABIL RETAIL INDIA LIMITED**

CIN: L74899DL1989PLC034995

B- 16, Ground Floor, Lawrence Road,  
Industrial Area, New Delhi – 110035


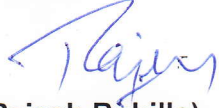

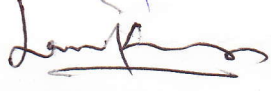
Telephone: 91-11-27156381/82 Fax: 91-11-27156383

E-mail: [investors@cantabilinternational.com](mailto:investors@cantabilinternational.com)

Web: [www.cantabilinternational.com](http://www.cantabilinternational.com)



### Form A

1.	Name of the Company	CANTABIL RETAIL INDIA LIMITED
2.	Annual Financial Statements for the year ended	1 <sup>st</sup> April, 2013 to 31 <sup>st</sup> March, 2014
3.	Type of Audit Observation	Un-qualified
4.	Frequency of Observation	Nil
5.	Signed by :- <ul style="list-style-type: none"><li>• Managing Director</li></ul>	 (Vijay Bansal)
	<ul style="list-style-type: none"><li>• CFO</li></ul>	 (Rajesh Rohilla)
	<ul style="list-style-type: none"><li>• Auditor of the Company</li></ul>	 (M/s Suresh & Associates)
	<ul style="list-style-type: none"><li>• Audit Committee Chairman</li></ul>	 (Lalit Kumar)

## CANTABIL RETAIL INDIA LTD.