



35th Annual Report
2014 -15



shree Rajasthan Syntex Limited

www.srsl.in

BOARD OF DIRECTORS

Mr. Vinod Kumar Ladia (DIN: 00168257)
Chairman and Managing Director

Mr. Vikas Ladia (DIN: 00256289)
Joint Managing Director

Mr. Anubhav Ladia (DIN: 00168312)
Executive Director

Mr. Roshan Lal Kunawat (DIN: 00196938)
Non- Executive Director

Mr. Raj Singh Nirwan (DIN: 00313799)
Independent Director

Mr. Sunil Goyal (DIN: 00110601)
Independent Director

Mr. Narendra Nath Agrawala (DIN: 00168211)
Independent Director

Mr. Susheel Jain (DIN: 00378678)
Independent Director

Mr. Ravinder Narain (DIN: 00059197)
Independent Director

Mr. Radha Krishna Pandey (DIN: 00190017)
Ceased w.e.f. 17.09.2014

Mrs. Amita Narain (DIN: 00017703)
Ceased w.e.f. 12.02.2015

CHIEF FINANCIAL OFFICER

Mr. Naval Kishor Soni

COMPANY SECRETARY & COMPLIANCE OFFICER

Mrs. Bhanupriya Mehta Jain

SPECIAL EXECUTIVE

Mrs. Monika Ladia

STATUTORY AUDITORS

M/s M.C. Bhandhari & Co., Chartered Accountants,
Jaipur

TAX CONSULTANTS

M/s Kunawat & Associates
Udaipur

COST AUDITORS

M/s K.G. Goyal & Co., Cost Accountants,
Jaipur

SECRETARIAL AUDITORS

M/s V.M. & Associates, Company Secretaries,
Jaipur

BANKERS

IDBI Bank Ltd.
State Bank of India
State Bank of Bikaner & Jaipur
Bank of Baroda

REGISTERED AND HEAD OFFICE

'SRSL HOUSE', Pulla Bhuwana Road,
National Highway No. 8,
Udaipur- 313004.

REGISTRAR AND SHARE TRANSFER AGENT

M/s MAS Services Ltd.
T-34, 2nd Floor, Okhla Industrial Area,
Phase - II New Delhi- 110020

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NOTICE

Notice is hereby given that the 35th Annual General Meeting [AGM] of Shree Rajasthan Syntex Limited will be held at the Registered Office of the Company at 'SRSL HOUSE', Pulla Bhuwana Road, National Highway No. 8, Udaipur-313004 on Tuesday, the 29th day of September, 2015 at 2.30 P.M. to transact the following businesses:

ORDINARY BUSINESS

Item no. 1 - Adoption of Financial Statements

To consider and adopt the Audited Financial Statements of the company for the year ended March 31, 2015 together with the reports of the Board of Directors and Auditors thereon.

Item no. 2 - Appointment of Director

To appoint a Director in place of Mr. Anubhav Ladia (DIN: 00168312) who is liable to retire by rotation and, being eligible, offers himself for re-appointment.

Item no. 3 - Ratification of the Appointment of Auditors

To ratify the appointment of M/s. M.C. Bhandari & Co., Chartered Accountants, Jaipur (Firm Registration No. 303002-E) as Statutory Auditors and in this regard, to consider & if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with The Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to the resolution passed by the shareholders in the 34th AGM of the Company held on 17th September 2014, the appointment of M/s. M.C. Bhandari & Co., Chartered Accountants, Jaipur (Firm Registration No. 303002-E) as Statutory Auditors of the Company to hold office till the conclusion of 37th Annual General Meeting to be held in the calendar year 2017-18 be and is ratified (for the financial year 2015-16) & that the Board of Directors be and are hereby authorized to fix such remuneration as may be recommended by the Audit Committee in consultation with the Auditors plus applicable service tax and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit."

SPECIAL BUSINESS

Item No. 4 - Appointment of Mrs. Neelima Khetan (DIN: 05113000) as an Independent Director and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and The Companies (Appointment and

Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to Clause 49 of the Listing Agreement, Mrs. Neelima Khetan (DIN: 05113000), who was appointed as an Additional Director of the company on 22nd May, 2015 pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office upto the date of this AGM, who has submitted a declaration that she meets the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 and who is eligible for appointment & in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office up to 31st March, 2020.

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

Item No. 5 - Ratification of Remuneration of the Cost Auditors for the financial year ending March 31, 2016 and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 & The Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the payment of the remuneration of Rs. 65,000/- (Sixty Five Thousand Rupees only) plus applicable Service Tax and reimbursement of out of pocket expenses at actuals to M/s. K.G. Goyal & Company, Cost Accountants (Firm Registration No.000017) who were appointed by the Board of Directors of the Company, as "Cost Auditors" to conduct the audit of the cost records maintained by the Company for Financial Year ending March 31, 2016, be and is hereby ratified and approved.

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

Item No. 6 - Transactions with Related Party (M/s PBS Marketing Pvt. Ltd.) u/s 188 of the Companies Act, 2013 & in this regard to consider and, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 188 (1) (a)

and 188(1)(d), and other applicable provisions (if any) of the Companies Act, 2013 read with The Companies (Meetings of Board and its Powers), Rules 2014 (including any statutory modification (s) or re-enactment (s) thereof for the time being in force) and pursuant to Articles of Association and subject to compliances of all applicable laws and regulations, consent of members of the company be and is hereby accorded to the Board of Directors (hereinafter called "the Board" which term shall be deemed to include any Committee which the Board may constitute for this purpose) for execution of a contract with M/s. PBS Marketing Pvt. Ltd. in which Mr. V. K. Ladia, Mr. Vikas Ladia & Mr. Anubhav Ladia, Directors of the Company are interested, to sell, purchase or supply of any goods or materials and to avail or render any service of any nature whatsoever, upto an amount not exceeding an aggregate of Rs. 50,00,00,000 (Rupees Fifty Crores Only) per annum as per the terms and conditions set out in the draft agreement placed before the meeting and initialed by the Chairman for the purposes of identification and in such form and manner as the Board in its absolute discretion may deem fit and proper.

FURTHER RESOLVED THAT Board of the Company be and is hereby authorized to execute the agreement with M/s. PBS Marketing Pvt. Ltd. and perform all such acts, deeds and to sign all such documents and writings as may be necessary, expedient and incidental thereto including all the negotiations and settlements, to give effect to this resolution and for matter connected therewith or incidental thereto in the best interest of the Company."

Item No. 7 - Acceptance of Deposits from members under Section 73 of the Companies Act, 2013 and in this regard, to consider and if thought fit, to pass the following Resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 73 and other applicable provisions, if any, of the Companies Act, 2013 read with The Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to such conditions, approvals, permissions, as may be necessary, consent of the members of the Company be and is hereby accorded to invite/ accept/ renew/ receive money by way of unsecured fixed deposits, or in any other form, from members of the Company, in any form or manner, through circular, advertisement or through any other permissible mode, up to permissible limits prescribed under applicable provisions of law and on such terms and conditions as the Board of Directors of the Company in its sole discretion deem fit and necessary.

FURTHER RESOLVED THAT for the purpose of giving effect to this Resolution, the Board of Directors and/ or any Committee thereof

be and is hereby authorized to do all such acts, deeds, things and may in its absolute discretion consent, necessary, proper, expedient, desirable or appropriate for such invitation/ acceptance/ renewal/ receipt as aforesaid."

By order of the Board
For Shree Rajasthan Syntex Limited

(V.K. LADIA)

Place: New Delhi CHAIRMAN & MANAGING DIRECTOR
Date: 8th August, 2015 DIN: 00168257

NOTES

- 01. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY (A COPY OF THE PROXY FORM IS ATTACHED AT THE LAST PAGE OF ANNUAL REPORT). THE INSTRUMENT APPOINTING A PROXY MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE AGM. 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 CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT 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.**
02. Corporate members intending to send their authorized representative to attend the AGM are requested to send to the Company, a certified copy of the Board Resolution authorizing their representative to attend and vote at the AGM on their behalf.
03. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
04. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 23rd September, 2015 to Tuesday, 29th September, 2015 (both days inclusive) for the purpose of Annual General Meeting.
05. The Register of Directors and Key Managerial Personnel (KMP) and their shareholding and Register of Contracts or Arrangements in which Directors are interested maintained under Sections 170 and 189 of the Companies Act, 2013 respectively will be available for inspection by the members at AGM.

06. Members are requested to:
- a) Notify the change in address if any, with Pin Code numbers immediately to the Company (in case of shares held in physical mode).
 - b) Bring their copy of the Annual Report and Attendance Slip with them at the Annual General Meeting.
 - c) Quote their Regd. Folio Number/DP and Client ID Nos. in all their correspondence with the Company or its Registrar and Share Transfer Agent.
07. Members are requested to send their demat/remat applications, request for share transfers, intimation of change of address and other correspondence to the Company's Registrar and Transfer Agent (RTA):-
- MAS Services Limited, (Registrars & Share Transfer Agents),
T-34, 2nd Floor, Okhla Industrial Area,
Phase - II, New Delhi - 110 020
Ph:- 26387281/82/83
Fax:- 26387384
e-mail:- info@masserv.com
website:- www.masserv.com
08. Non-Resident Indian Members are requested to inform Registrar and Share Transfer Agent of the Company in any case change in their residential status on return to India for permanent settlement, particulars of their bank account maintained in India with complete name, branch account type, account number and address of the bank with pin code number, if not furnished earlier.
09. In terms of Articles of Association of the Company read with Section 152 of the Companies Act, 2013 Mr. Anubhav Ladia (DIN: 00168312) Director of the company, retires by rotation at the ensuing meeting & being eligible, offers himself for re-appointment. The Board of Directors of the Company recommend his re-appointment.
- Brief resume of the Directors including those proposed to be re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships & memberships/chairmanships of Board Committees, shareholding & relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange, are provided in the Annexure to the notice.
10. A statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the meeting is annexed hereto.
11. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participants with whom they are maintaining demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar and Transfer Agent.
12. **Members who hold shares in the physical form in the multiple folios in identical names or joint holdings in the same order of names are requested to send the Share Certificate to MAS Services Ltd., RTA, for consolidation into single folio.**
13. In terms of Section 205A and 205C of the Companies Act, 1956, the Company has transferred the unclaimed or unpaid dividend for the financial year 2006-07 to Investor Education Protection Fund (IEPF) during the financial year 2014-15. Further, Members wishing to claim their unpaid or unclaimed dividend for the financial year 2010-11 are requested to contact the Company Secretary for re-validation of the dividend warrant/issue of fresh D.D.
14. The Notice of AGM along with the Annual Report 2014-15 is being sent by electronic mode to those members whose email address is registered with the Company / Depositories, unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copies are being sent by the permitted mode.
15. The Members who have not registered their email address so far, are requested to register their e-mail address for receiving all communications including Annual Report, Notices, Circulars, etc. from the Company electronically.
16. Relevant documents referred to in the proposed resolutions are available for inspection at the Registered Office of the Company during business hours on all working days upto the date of the Annual General Meeting.
17. Annual Report and AGM Notice is available at the website of the Company at www.srsl.in under 'financial result' Section.
18. Members desirous of getting any information about the accounts and/or operation of the Company are requested to write to the Company at least seven days before the date of meeting to enable us to keep the information ready at the meeting.
19. The Company has engaged the services of NSDL as Agency & MAS Services Limited (RTA) to provide e-voting facility.
20. In compliance with Section 108 of the Companies Act, 2013 read with Rule 20 of The Companies (Management and Administration) Rules, 2014 and substituted by The Companies (Management and Administration) Amendment Rules, 2015 & Clause 35B of the Listing Agreement, the Company is offering remote e-voting facility to the members to enable them to cast their votes electronically from a place

other than the venue of the AGM ('remote e-voting') provided by National Securities Depository Limited (NSDL). Please note that remote e-voting is optional and not mandatory.

21. The facility for voting through polling paper shall be made available at the AGM & members who have not already cast their vote by remote e-voting shall be able to exercise their right at the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
22. Remote e-voting facility would remain open from Friday, 25th September, 2015 (9.00 A.M.) to Monday, 28th September, 2015 (5.00 P.M.). During this period, shareholders of the company holding shares either in the physical form or in dematerialised form, as on the cut-off date of 22nd September, 2015, may cast their vote electronically. The E-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is casted by the shareholder, the shareholder shall not be allowed to change it subsequently.
23. The voting right of the members shall be in the proportion to the equity shares held by them in the paid up equity share capital of the Company as on 22nd September, 2015 ('cut-off date').
24. CS Manoj Maheshwari, FCS 3355, Practicing Company Secretary, Jaipur has been appointed as a scrutinizer to scrutinize the remote e-voting & poll process to be carried out at the AGM in a fair and transparent manner.
25. A person who has acquired shares & become a member of the company after the dispatch of notice of AGM & holding shares as of cut-off date, may obtain the login ID & password by sending a request at evoting@nsdl.co.in. However, if the person is already registered with the NSDL for remote e-voting then the existing user ID & password can be used for casting vote. The instructions for members relating to remote e-voting which *inter alia* would contain details about user ID & password are provided separately along with Annual Report.

**THE PROCEDURE AND INSTRUCTIONS FOR E-VOTING
FOR THE 35TH ANNUAL GENERAL MEETING ARE
PRODUCED HERE UNDER FOR REFERENCE:**

- I In case of Members receiving e-mail from NSDL (For those members whose e-mail addresses are registered with Company/Depositories):**
 - a. Open e-mail and open PDF file viz. "SRSL-remote e-Voting. pdf" with your client ID or Folio No. as password containing your user ID and password for remote e-voting. Please note that the password is an initial password.
 - b. Launch internet browser by typing the following URL:

<https://www.evoting.nsdl.com/>.

- c. Click on Shareholder-Login.
- d. Put user ID and password as initial password noted in step a above. Click Login.
- e. Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- f. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- g. Select "EVEN" of "**Shree Rajasthan Syntex Ltd.**"
- h. Now you are ready for remote e-voting as Cast Vote page opens.
- i. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- j. Upon confirmation, the message "Vote casted successfully" will be displayed.
- k. Once you have voted on the resolution, you will not be allowed to modify your vote.
- l. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to cs@vmendaonline.com with a copy marked to evoting@nsdl.co.in.

II In case of Members receiving Physical copy of Notice of 35th Annual General Meeting (for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy)

- (i) Initial password is provided in the box overleaf.
- (ii) Please follow all steps from Sl. No. (b) to Sl. No. (l) above, to cast vote.

Note:

- A. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

You can also update your mobile number and e-mail id in the

user profile details of the folio which may be used for sending future communication(s).

The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 22nd September, 2015.

Any person, who acquires shares and becomes member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. 22nd September, 2015, may also obtain the login ID and password by sending a request at evoting@nsdl.co.in or RTA, MAS Services Limited.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

- B. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
 - C. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
 - D. CS Manoj Maheshwari, Practicing Company Secretary (Membership No. FCS- 3355 & CP No. 1971), Partner, M/s. V.M. & Associates, Company Secretaries has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the remote e-voting and polling process in a fair and transparent manner.
 - E. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
 - F. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 2 (two) days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
26. The final results including the Remote E-voting & poll results of the AGM shall be declared within two days from the

conclusion of the AGM. The final results along with the scrutinizer's report shall be placed on the Company's website www.srsl.in immediately after the result is declared by the Chairman & also on the website of NSDL at <https://www.evoting.nsdl.com/> and shall be communicated to the concerned stock exchange.

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013

The following Statements sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

ITEM NO. 4

The Board of Directors of the Company ("the Board") at its Meeting held on 22nd May, 2015 on the basis of the recommendation of the Nomination and Remuneration Committee, approved the appointment of Mrs. Neelima Khetan (DIN-05113000) as Additional Director of the Company in terms of Section 149, 152 & 161 read with Schedule IV & other provisions of the Companies Act, 2013 & The Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force). In terms of the provisions of Section 161(1) of the Companies Act, 2013 Mrs. Neelima Khetan would hold office upto the date of the ensuing Annual General Meeting.

Under the provisions of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a member along with the requisite deposit, proposing the candidature of Mrs. Neelima Khetan for the office of Director of the Company.

Mrs. Neelima Khetan has given her:

- (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of The Companies (Appointment & Qualification of Directors) Rules, 2014,
- (ii) intimation in Form DIR-8 in terms of The Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under sub section (2) of Section 164 of the Companies Act, 2013 and
- (iii) a declaration to the effect that she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

In consonance with the aforesaid, it is proposed to appoint Mrs. Neelima Khetan as Independent Director of the Company to hold office for a term up to 31st March, 2020.

Brief resume of Mrs. Neelima Khetan, nature of her expertise in specific functional areas and names of Companies in which she holds directorships and memberships/ chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Annexure to the Notice.

Save and except Mrs. Neelima Khetan, being appointee, none of the other Directors/ Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

The Board recommends the resolution no. 4 for approval of the members.

ITEM NO. 5

In accordance with the provisions of Section 148 of the Companies Act 2013 read with The Companies (Audit and Auditors) Rules, 2014, the Board in its meeting held on 22.05.2015, on the recommendation of the Audit Committee vide its meeting held on 22.05.2015, has approved the appointment of Cost Auditor, M/s K.G. Goyal & Company, Cost Accountants (Firm Registration No.000017) Jaipur to conduct the audit of the cost records maintained by the Company for Financial Year ending March 31, 2016.

Further, the remuneration payable to the cost Auditors is revised from Rs.50,000/- p.m. to Rs.65,000/- p.m. as recommended by the Audit Committee and approved by the Board of Directors, is subject to the ratification by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Special Business item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2016.

None of the Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item No. 5 of the Notice.

The Board recommends the Ordinary Resolution set out at item No. 5 of the notice for approval by the shareholders.

ITEM NO. 6

In light of the MCA notification dtd. 14th August, 2014 in the rule 15(3) of The Companies (Meetings of Board and its Powers) Second Amendment Rules, 2014, the first proviso to sub-section (1) of section 188 states that except with the prior approval of the company by a special resolution, a company shall not enter into a transaction or transactions of sale, purchase or supply of any goods or materials, directly or through appointment of agent, exceeding ten percent of the turnover of the company or rupees one hundred crore, whichever is lower, as mentioned in clause (a) and clause (e) respectively of sub-section (1) of section 188;

The provisions of Section 188(3) also provide that any contract or arrangement entered into u/s 188(1) may be ratified by the board or as the case may be, by the shareholders at a meeting within three months from the date on which such contact or arrangement was entered into.

In the light of the provisions of 2013 Act, the Board of Directors of your Company has approved the proposed transactions along with the limits that the Company may enter into with its Related Parties for the financial year 2015-16 and beyond.

All the prescribed disclosures as required to be given under the provisions of the Companies Act, 2013 and the The Companies (Meetings of Board and its Powers) Rules, 2014 are given herein below in a tabular format for kind perusal of members:

**PARTICULARS OF PROPOSED TRANSACTIONS FOR THE
PURPOSE OF APPROVALS U/S 188 OF
THE COMPANIES ACT, 2013
MAXIMUM VALUE OF CONTRACT/ TRANSACTION**

Name And Nature of Relationship with Related Parties:	Duration of Contract	Nature of Contract	Monetary value of Contract (Amount in Crores)
M/s PBS Marketing Pvt. Ltd. (Interested Directors)	01.04.2015 to 31.03.2020	Sale, Purchase or Supply of any goods or materials (per Annum)	25.00
M/s PBS Marketing Pvt. Ltd. (Interested Directors)	01.04.2015 to 31.03.2020	Availing or rendering of any services (per Annum)	25.00

- (a) The name of the related party and nature of relationship: As provided in the table above.
- (b) The nature, duration of the contract and particulars of the contract or arrangement: The nature and particular of contract are mentioned in the table above. Duration of the contract is Five years from 01.04.2015 to 31.03.2020.
- (c) The material terms of the contract or arrangement including the value, if any: As provided in the table above.
- (d) Any advance paid or received for the contract or arrangement, if any: Nil
- (e) The manner of determining the pricing and other commercial terms both included as part of contract and not considered as part of the contract: All business transactions would be carried out as part of business requirements of the Company. Further, the Company is also subject to pricing norms prevailing in the country & the price decided shall be on arm's length basis.
- (f) Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors: YES; and
- (g) Any other information relevant or important for the Board to take a decision on the proposed transaction: NIL

Members are hereby informed that pursuant to second proviso of section 188 (1) of the Companies Act, 2013, no member of the company shall vote on such special resolution, to approve any contract or arrangement which may be entered into by the company, if such member is a related party.

The Board of Directors of your Company has approved this Item in the Board meeting held on 8th August, 2015 and recommends the

resolution no.6 as set out in the accompanying notice for the approval of members of the Company as Special Resolutions.

None of the Directors, key managerial personnel and their relatives except Mr. V.K.Ladia, Mr. Vikas Ladia & Mr. Anubhav Ladia are deemed to be concerned or interested, financial or otherwise in the proposed special resolution except to the extent of their shareholding in the company.

ITEM NO. 7

The members are hereby apprised that the Company had been accepting deposits from its shareholders as per Section 58A as permissible under the provisions of Companies Act, 1956 read with the corresponding Companies (Acceptance of Deposit) Rules, 1975 earlier in force.

However, with the commencement of Companies Act, 2013 ('the 2013 Act'), unsecured fixed deposits are now governed by the new provisions of Section 73 and other applicable provisions, if any, read with The Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and approval of shareholders is required by way of Special Resolution for inviting, accepting, renewing of Unsecured Fixed Deposits.

The members may kindly note that under the provisions of the 2013 Act, any company inviting/ accepting/ renewing unsecured fixed deposits is required to obtain Credit Rating from a recognized credit rating agency. Your Company have obtained credit rating for its unsecured fixed deposits programme, from CARE (CREDIT ANALYSIS AND RESEARCH LIMITED).

The Board of Directors of your Company has approved this item in the Board Meeting held on 22nd May, 2015 and recommends the Resolution as set out in the accompanying Notice for the approval of members of the Company as a Special Resolution.

The Circular or Circular in the form of Advertisement inviting unsecured fixed deposits (DPT-1) will be duly circulated to all the members of the company.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested in the Resolution except to the extent of their Deposit holding and/ or their shareholding in the Company, if any.

ANNEXURE

DETAILS/PROFILE OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE 35TH ANNUAL GENERAL MEETING AS PER CLAUSE 49 OF THE LISTING AGREEMENT

I. Mr. Anubhav Ladia, Executive Director (DIN: 00168312) is retiring by rotation at the date of ensuing Annual General Meeting and being eligible offers himself for re-appointment.

Details of Mr. Anubhav Ladia, Executive Director (DIN: 00168312) of the Company are follows :

Name of the Director	Mr. Anubhav Ladia
Date of Birth	11.01.1977
Date of Appointment	01.09.2005
Qualification (s)	B.Com (H), FCA
Name of the Companies in which directorship held as on 31.03.2015	SRL Securities Ltd. Divine Fibres Pvt. Ltd. V.K. Texchem Pvt. Ltd. Shree Shyam Distributors & Marketing Pvt. Ltd.
Member of the Committee of Board of other companies	-
No. of Shares held in the Company	2,70,032

Mr. Anubhav Ladia is an Executive Director of the Company looking after the Financial & Commercial aspects of the Group. He joined the Company in January, 2002 as Special Executive.

He has done his graduation, B.Com(hons.), from Shree Ram College of Commerce, New Delhi in 1998. He completed his CA from Institute of Chartered Accountant of India, New Delhi & has done his Articleship from M/s S.R. Batliboi & Co.

Mr. Anubhav Ladia represents the company in various Textile forums. He is also an active Member of Global Networking group, Entrepreneur Organization (EO).

In terms of Section 152 of the Companies Act, 2013 Mr. Anubhav Ladia (DIN: 00168312) seeks to retire by rotation at the meeting & being eligible, offers himself for re-appointment.

In the opinion of the Board, Mr. Anubhav Ladia fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Executive Director of the Company, retiring by rotation in the ensuing Annual General Meeting.

Accordingly, the Board recommends the resolution in relation to appointment of Mr. Anubhav Ladia as Executive Director, for the approval by the shareholder of the Company.

Except Mr. V.K. Ladia (father of Anubhav Ladia), Mr. Vikas Ladia (brother of Anubhav Ladia) and Mr. Anubhav Ladia (being an appointee), none of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives are concerned or

interested, financial or otherwise, in the resolution set out at item No.2. This explanatory statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

II. Mrs. Neelima Khetan, Additional Director (DIN: 05113000) is proposed to be appointed as an Independent Director to hold office for a term up to 31st March, 2020.

**Details of Mrs. Neelima Khetan, Additional Director
(DIN: 05113000) of the Company are Follows :**

Name of the Director	Mrs. Neelima Khetan
Date of Birth	03.08.1961
Date of Appointment	22.05.2015
Qualification (s)	Post Graduate from IRMA
Name of the Companies in which directorship held as on 31.03.2015	-
Member of the Committee of Board of other companies	-
No. of Shares held in the Company	

Mrs. Neelima Khetan is an Additional Director of the Company. She has joined the Company in May, 2015.

She has done her post graduation degree from the Institute of Rural Management, Anand in 1984. She joined Seva Mandir in 1985 & has remained Chief Executive of Seva mandir. From June 2006 to May 2007, she was the Acting Director of the Institute of Rural Management, Anand (IRMA). She has served on the Board of the IRMA for 6 yrs. Presently, she is a Director of CSR & Sustainability of Coca Cola, India South West Asia.

Also, for her sustained contribution to the field of development, she has nationally being recognized.

She was awarded the Laxmipat Singhania- IIM Lucknow National Leadership Award for Young Leader by India's Prime Minister in December, 2006. In March 2007, she received Maharana Mewar Award from Maharana Mewar Foundation, for work of Permanent value to the society through services & philanthropy.

In the opinion of the Board, Mrs. Neelima Khetan (DIN: 05113000) fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for her appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mrs. Neelima Khetan as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the company during normal business hours on any working day, excluding Sunday.

The Board considers that her continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mrs. Neelima Khetan as an Independent Director.

Accordingly, on the recommendation of Nomination and Remuneration Committee, the Board recommends the resolution in relation to appointment of Mrs. Neelima Khetan as a Non Executive Independent Director till 31st March 2020, for the approval by the shareholder of the Company.

Under the Companies Act, 2013 Independent Directors can only receive fees under the provision of Section 197(5) as may be approved by the members. Accordingly, approval of the members is also being sought for the purpose of payment of fee as may be decided by the Board from time to time, subject to the limits prescribed under the Companies Act, 2013 and as may be prescribed under the rules that are passed or may be passed from time to time.

Except Mrs. Neelima Khetan being an appointee, none of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financial or otherwise, in the resolution set out at item No.4. This explanatory statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

By order of the Board
For Shree Rajasthan Syntex Limited

(V.K. LADIA)
CHAIRMAN & MANAGING DIRECTOR
DIN: 00168257

Place: New Delhi
Date: 8th August, 2015

BOARD'S REPORT

To the Members,

Your Directors have pleasure in presenting their 35th Annual Report on the business and operations of the company along with the audited Financial Statements for the year ended 31st March, 2015 and Auditor's Report thereon.

FINANCIAL HIGHLIGHTS

The Company's financial performance for the year ended on 31st March, 2015 is summarized below:

(Rs. in Lacs)

Particulars	Year ended 31.03.2015	Year ended 31.03.2014
Sales		
Domestic	26295.69	25893.28
Export	3234.04	2685.13
Other Revenue	669.14	432.26
Total	30198.87	29010.67
Profit Before Interest & depreciation	2137.89	2591.79
Less: Financial Cost	1673.91	1588.70
Profit Before depreciation	463.98	1003.09
Less: Depreciation	780.46	927.95
Profit/(loss) Before exceptional item	(316.48)	75.14
Profit Before Tax	(316.48)	75.14
Less: Deferred Tax Liability	(174.71)	13.83
Profit/(Loss) After Tax	(141.77)	61.31

FINANCIAL PERFORMANCE

During the year under review your Company has showed improvement in its performance and were able to handle the various market conditions in both the domestic and export market. The sales turnover of the company was Rs. 30198.87 lacs as compared to Rs. 29010.67 lacs of previous year. The Profit (before interest, depreciation & tax) amounted to Rs. 2137.89 lacs as compared to Rs. 2591.79 lacs as compared to previous year while Profit/(loss) after tax (PAT) amounted to Rs (141.77) lacs as compared to profit of Rs. 61.31 lacs in previous year.

Your Directors & Management along with the entire team is taking all possible action to ensure that we are able to sustain our financial growth and business operational developments inspite of all adverse external conditions & competition.

OPERATIONS

The business operations of the company during the year under review has been satisfactory as compared to previous year. The Company produced 17098 tonnes of yarn valuing Rs.29935 lacs during the period under review as against 15954 tonnes of yarn valuing Rs. 29214 lacs produced during the last year. The performance of the Company is analyzed in detail in the Management Discussions and Analysis Report annexed to this report.

EXPORTS

During the year the Company had export of Rs. 3234.04 lacs against export of Rs. 2685.13 lacs during the previous year. The export

constituted 10.71% of the total turnover of the Company.

The Company has exported its spun yarn mainly in the established markets in Algeria, Indonesia, Singapore Germany, Egypt, Italy, Belgium, Morocco, Turkey, and Hong Kong.

The Company plans to further increase its exports to the existing markets and also tap potential export markets for which emphasis is being made on new and better quality products.

DIVIDEND

For retention of funds / reserves in the company your directors do not recommend any dividend for the year 2014-15.

TRANSFER TO RESERVES

Due to inadequacy of profits, no amount has been transferred to the Reserves account for the year 2014-15.

CAPITAL PROJECTS

Normal Capital Expenditure

In all the divisions of the Company, provisions have been made for capital expenditure of Rs. 50 lacs each unit. These are regular capital expenditure which shall be funded from internal accruals of the Company.

PUBLIC FIXED DEPOSITS

Your Company has not accepted any fixed deposits from the public during the financial year ended 31st March, 2015. Fixed deposits accepted from the public/non members before the commencement of Companies Act, 2013 and outstanding as on 31st March, 2014 have been repaid during the financial year ended 31st March, 2015.

The company has issued the DPT-1, circular or circular in the form of advertisement inviting deposits from the members only by passing special resolution in its last Annual General Meeting held on 17th September 2014 in compliance with the provisions of section 73 of the Companies Act, 2013 read with rules 4(1) & 4(2) of The Companies (Acceptance of Deposits) Rules, 2014.

Further, in order to accept the unsecured Fixed Deposits for the year 2014-15 from the members of the company, your company have taken all the required steps pursuant to compliance of section 73 of the Companies Act, 2013 including credit rating from the "CARE" (CREDIT ANALYSIS AND RESEARCH LIMITED), the details of which are given in the explanatory statement of the Notice of this Annual Report.

The particulars related to Unsecured Public fixed Deposits u/s 73, covered under Chapter V of the Companies Act, 2013 as on 31st March 2015 are as under:

(a) Unsecured Public Fixed Deposits : Rs. 73,33,000/- accepted during the year

- (b) Outstanding Unsecured Public Fixed : Rs. 48,83,000/- Deposits as on 31st March, 2015
- (c) Unclaimed Fixed Deposits as on 31st : Rs. 19,000/- March, 2015
- (d) There has been any default in repayment : NIL of the deposit or payment of interest thereon during the year & if so, number of such cases & the total amount involved.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Companies Act, 2013 Mr. Anubhav Ladia (DIN: 00168312) will retire by rotation at the ensuing Annual General Meeting of the Company & being eligible have offered himself for re-appointment.

During the year under review, Mr. R.K. Pandey ceased to be director w.e.f. 17th September, 2014 due to relinquishment. The Board of Directors have expressed their sincere gratitude towards the valuable guidance & services rendered by Mr. R.K. Pandey during his tenure of Directorship.

Further, due to the resignation of Mrs. Amita Narain (DIN-00017703) w.e.f. 12th February 2015, Mrs. Neelima Khetan (DIN: 05113000) was appointed as an Additional Director whose tenure expires at the ensuing Annual General Meeting & in respect of whom the Company has received necessary notice under Section 161(1) of the Companies Act, 2013 in writing from member(s) along-with the deposit(s) of requisite amount under Section 160 of the Act proposing her candidature as Non-Executive Independent Women Director of the Company, who is not liable to retire by rotation.

Further, during the year, Mr. Naval Kishore Soni was designated as Chief Financial Officer, Key Managerial Personnel w.e.f. 12th February, 2015. As on 31st March 2015, the Key Managerial Personnel of the Company consists of

Mr. V. K. Ladia and Mr. Vikas Ladia, Whole Time Director, not liable to retire by rotation,

Mr. Anubhav Ladia, Whole Time Director, liable to retire by rotation,

Mrs. Bhanupriya Mehta Jain, Company Secretary and

Mr. Naval Kishore Soni, Chief Financial Officer.

INDEPENDENT DIRECTORS

In compliance with the provision of Section 149 & 152 and schedule IV and other applicable provision, if any, of the Companies Act, 2013 read with (Appointment and Qualification of Directors) rules 2014, Mr. Raj Singh Nirwan, Mr. Sunil Goyal, Mr. N.N. Agrawala, Mr. Ravinder Narain, Mr. Susheel Jain, Mrs. Amita Narain were appointed as Independent Directors at the 34th Annual General Meeting for a term of 5 years upto 31st March, 2015.

DECLARATION OF INDEPENDENCE BY INDEPENDENT DIRECTORS

The Company has received declaration from all the Independent Directors of the Company confirming that they meet the criteria of

independence as prescribed both under sub section (6) of Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

FORMAL ANNUAL EVALUATION

The evaluation/assessment of the Directors, KMPs and the senior officials of the Company is to be conducted on an annual basis to satisfy the requirements of the Companies Act, 2013.

The Company has devised a Policy for performance evaluation of Independent Director, Board, Committees & other Individual Directors which includes criteria for performance evaluation of the Board as a whole. The Company's Nomination & Remuneration policy which includes the Director's appointment & remuneration including criteria for determining qualifications, positive attributes, independence of the director & other matters is attached as **Annexure-I.**

AUDITORS & AUDITOR'S REPORT

Statutory Auditors

The Company had appointed M/s. M.C. Bhandari & Co, Chartered Accountants, Jaipur (Firm Registration No. 303002-E), as Statutory Auditors of the Company to conduct audit of the Financial Statements for the year ended March 31, 2015.

Their term of appointment expires at the conclusion of 37th Annual General Meeting (subject to ratification of their appointment by Shareholders at every AGM). Therefore, being eligible, the Board of Directors have offered for the ratification of their appointment to the Shareholders.

As required under the provisions of Section 139 of the Companies Act, 2013, the company has obtained a written certificate from the above mentioned Auditors to the effect that they confirm with the limits specified in the said Section and they had also given their eligibility certificate stating that they are not disqualified for appointment within the meaning of Section 141 of Companies Act, 2013. The observations made by the Auditors are self explanatory and have been dealt with in Independent Auditors Report & its annexures forming part of this Annual Report and hence do not require any further clarification.

Cost Auditors & Cost Audit Report

Pursuant to the orders of the Central Government under Section 148 and all other applicable provisions of the Companies Act, 2013 read with The Companies (Audit and Auditors) Rules, 2014 the Board of Directors had appointed M/s K.G. Goyal & Co, Cost Auditor, Jaipur (Firm Registration No.000017) for conducting the Audit of cost records maintained by the Company for the financial year 2014-15 & passed the ordinary resolution in the 34th AGM of the company for the approval of shareholders for the payment of remuneration to the cost auditors. Your company has received the Cost auditors report for the year 2014-15 within the prescribed time limits.

Further in line with the aforesaid compliance, the Board of

Directors has appointed M/s K.G. Goyal & Co, Cost Auditor, Jaipur (Firm Registration No.000017) in its meeting held on 22.05.2015 for conducting the Audit of cost records maintained by the Company for the financial year 2015-16. The Remuneration proposed to be paid to them requires ratification by the shareholders of the Company. In view of this, your ratification for payment of remuneration for the year 2015-16 to the Cost Auditors is being sought at the ensuing AGM.

Secretarial Auditor and Secretarial Audit report

Pursuant to Provision of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Board had appointed M/s V.M. & Associates, Company Secretaries, Jaipur (FRN : P1984RJ039200) to conduct Secretarial Audit for the financial year 2014-15.

The Secretarial Audit Report for the financial year ended March 31, 2015 is annexed herewith marked as **Annexure-II** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

MEETINGS OF THE BOARD

The Board of Directors met five times during the year on 22.05.2014, 14.08.2014, 12.11.2014, 12.02.2015 & 23.03.2015. Frequency and quorum at these meetings were in conformity with the provisions of the Companies Act, 2013 and the Listing Agreement entered into by the company with the Stock Exchanges. For further details, please refer report on Corporate Governance of this Annual Report. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.

AUDIT COMMITTEE

The Audit Committee's composition meets with the requirement of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. Members of the Audit Committee possesses financial / accounting expertise / exposure. As on March 31, 2015 the Audit Committee comprises of 5 Directors, Mr. R.S. Nirwan, Mr. V.K. Ladia, Mr. Sunil Goyal, Mr. R.L. Kunawat, and Mr. N.N. Agrawala out of which 4 are Non Executive Directors. Mr. R.S. Nirwan is the Chairman of the Committee.

Further, during the year, the Board has accepted all the recommendations made by the audit committee from time to time in compliance of Companies Act, 2013 & Clause 49 of the Listing Agreement

SOCIAL OBLIGATIONS

The Company continued its efforts for the betterment and upliftment of the living standards of Scheduled Castes and Scheduled Tribes dwelling in the adjoining areas of Dungarpur by providing them training and employment. The Company through its Charitable Trust and Educational Society is providing education to the Children of people of Dungarpur at Dungarpur Public School. About 1000 Children are given good quality of education in English

medium through trained teachers. During the year Company has undertaken various social works for the benefit of local population of Dungarpur.

PARTICULARS OF THE EMPLOYEES

Pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a detailed statement is attached as **Annexure-III**.

Further, with respect to Rule 5(2), no employee of the company is drawing salary as specified in the rule Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

In terms of Section 136 of the Act, the Annual Report and Accounts are being sent to the Members & others entitled thereto. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO.

Pursuant to section 134 (3) (m) of the Companies Act 2013 read with rule 8(3) of The Companies (Accounts) Rules, 2014, relevant details of energy conservation, technology absorption and foreign exchange earnings and outgo are attached as **Annexure-IV** which forms a part of this Report.

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

The operations of the company are reviewed in detail in the Management Discussions and Analysis Report (**Annexure-V**) and forms a part of this Report.

CONTRACTS & ARRANGEMENTS WITH THE RELATED PARTY

All Contracts/ arrangements/ transactions that were entered by the Company during the Financial Year are done on Arm's length basis. Disclosure of particulars of contract/arrangements entered into by the company with Related Parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 are attached herewith as **Annexure-VI** which forms a part of this report. The policy on related party transaction are put up on the website of the company at the link <http://www.srsl.in/documents/RPT.POLICY.pdf>.

CORPORATE GOVERNANCE

The Company has complied with the corporate governance requirements as stipulated under the listing agreement with the stock exchanges. A detailed compliance report on Corporate Governance along with certificate from the Statutory Auditors regarding the compliance with the Clause 49 of the Listing Agreement is given in the **Annexure-VII** which forms a part of this report.

EXTRACT OF ANNUAL REPORT

Extract of Annual Return in Form MGT-9 containing details as on the financial year ended 31st March, 2015 as required under Section 92(3) of the Companies Act, 2013 read with The Companies

(Management and Administration) Rules 2014 is annexed herewith as **Annexure-VIII** which forms a part of this report.

WHISTLE BLOWER POLICY / VIGIL MECHANISM

The Company promotes ethical behaviors in all its business activities and has put in place a mechanism of reporting illegal or unethical behavior. The Company has a whistle blower policy wherein the directors and employees are free to report violations of law, rules, regulations or unethical conduct, actual or suspected fraud to their immediate supervisor or provide direct access to the Chairman of the Audit Committee in exceptional cases or such other persons as may be notified by the Board. The confidentiality of those reporting violations is maintained and they are not subjected to any discriminatory practice. The details of the whistle blower policy/vigil mechanism is given in the corporate governance annexed to this report.

RISK MANAGEMENT POLICY

The Company operates in conditions where economic, environment and social risk are inherent to its businesses. In managing risk, it is the Company's practice to take advantage of potential opportunities while managing potential adverse effects. The Securities and Exchange Board of India (SEBI) under Clause 49 of the Listing Agreement requires that all listed Companies shall lay down the procedure towards risk assessment. It also requires that the company must frame, implement and monitor the risk management plan of the Company.

To overcome this and as per the requirement of Clause 49 of the listing agreement, Board has framed a very comprehensive Risk Management policy to oversee the mitigation plan for the key risks faced by the Company. The objective of the policy is to make an effective risk management system to ensure the long term viability of the company's business operations. The same is reviewed quarterly by senior management and periodically also by the Board of Directors. For a detailed discussion, please refer to corporate Governance annexed to this report.

COMPLIANCE

Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report: During the year there were no material changes occurred subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of the report like settlement of tax liabilities, operation of patent rights, depression in market value of investments, institution of cases by or against the company, sale or purchase of capital assets or destruction of any assets etc.

Details in respect of adequacy of internal financial controls. For detail discussion with reference to adequacy of internal financial controls, please refer to Management Discussions and Analysis Report annexed with this report.

Details of Subsidiary/Joint Ventures/Associate Companies/ & its Performance.

Your company have no Subsidiary/Joint Ventures/Associate Companies.

DIRECTORS RESPONSIBILITY STATEMENT PURSUANT TO SECTION 134 (5)

Your Directors hereby confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the Directors had prepared the annual accounts on a going concern basis; and
- (e) the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate & were operating effectively.
- (f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGMENTS

Your Directors are happy to place on record their sincere appreciation of the dedicated services rendered by officers, staff and workers and their contribution towards successful performance of the Company during the year. Your Directors would also like to express their sincere thanks to the Company's Bankers, Financial Institutions, Shareholders and Fixed Deposit Holders for the continued cooperation and support and confidence reposed by them in the Company.

By order of the Board
For Shree Rajasthan Syntex Limited

(V.K. LADIA)

Place: New Delhi
Date: 8th August, 2015

CHAIRMAN & MANAGING DIRECTOR
DIN: 00168257

ANNEXURE-I

NOMINATION AND REMUNERATION POLICY

INTRODUCTION

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors and its Key Managerial Personnel to harmonize the aspirations of human resources consistent with the goals of the company and in terms of the provisions of the Companies Act, 2013 and the Listing Agreement with the Bombay Stock Exchanges (as amended from time to time), this policy is being formulated.

CONSTITUTION OF COMMITTEE

The Board of Directors of the Company (the Board) constituted the committee to be known as the Nomination and Remuneration Committee consisting of three non-executive directors out of which two shall be Independent Directors. The Chairman of the Committee shall be an Independent Director.

OBJECTIVE

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 under the Listing Agreement and Guidelines of Reserve Bank of India. The objective of this policy is to lay down a framework in relation to remuneration of Directors, Key Managerial personnel and Senior Management Personnel.

The Key Objectives of the Committee would be:

- To guide the Board in relation to appointment and removal of Directors.
- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors & Key Managerial Personnel.
- Formulation of criteria for evaluation of Board of Directors including the Independent Director.
- To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- To assist the Board in fulfilling all related responsibilities

APPLICABILITY

- a) Directors (Executive and Non Executive)
- b) Key Managerial Personnel

POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT.

1. Appointment Criteria and Qualifications

The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for

appointment as Director or KMP and recommend to the Board his / her appointment.

A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

The Committee shall identify whether the Director is willing to serve on one or more committees of the Board and also devote such time as necessary for proper performance of his duties.

The Committee shall analyze whether the Independent Director being considered is willing to and shall be able to carry out the duties which every Independent Directors are required to follow.

The Committee shall check whether the prospective Director / KMP shall be able to follow the code of conduct of the Company or not.

2. Term / Tenure

a) Managing Director / Whole Time Director/ Independent Director.

The Committee shall ensure that the appointment or reappointment of any Director as above is carried out as per rules and regulations listed under the Companies Act, 2013 along with other relevant laws.

b) Criteria for evaluation.

The Board of Directors shall carry out the evaluation of performance of its Directors for both Whole Time Directors and Independent Directors based on the below criteria.

Participation:

- Attendance
- Availability
- Time spent
- Preparedness
- Active participation
- Analysis
- Objective discussions
- Probing & testing assumptions

Knowledge & Skill

- Industry & Business knowledge
- Functional expertise
- Corporate governance
- Development of Strategy & Long Term Plans
- Inputs in strength area.

Others

- Director's obligation and discharge of responsibilities
- Quality and value of contributions
- Relationship with other Board Members

REMOVAL

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons

recorded in writing, removal of a Director or KMP subject to the provisions and compliance of the said Act, rules and regulations.

3. POLICY FOR REMUNERATION TO DIRECTORS / KMP.

1. Remuneration to Managing Director / Whole-time Director / Key Managerial Personnel

The Remuneration/ Compensation/ Commission etc. to be paid to Managing Director/ Whole-time Director / Key Managerial Personnel shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force or as per the policy of the company & on going industrial norms.

2. Remuneration to Non- Executive / Independent Director

The Non-Executive Independent Director may receive sitting fees only as per the provisions of Companies Act, 2013. The amount of sitting fees shall be subject to ceiling / limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

Further, traveling expenses & out of Pocket Expenses shall be reimbursed.

ANNEXURE - II

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2015

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

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2015

To,
The Members,
Shree Rajasthan Syntex Ltd
CIN: L24302RJ1979PLC001948
SRSL House Pulla Bhuwana Road N.H. 8
Udaipur (Rajasthan)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Shree Rajasthan Syntex Ltd** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2015 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company

has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (**Not applicable to the Company during the Audit Period**);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (**Not applicable to the Company during the Audit Period**);
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28th October, 2014 (**Not applicable to the Company during the Audit Period**);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not applicable to the Company during the Audit Period**);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not applicable to the Company during the Audit Period**); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not applicable to the Company during the Audit Period**).

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (**Not notified hence not applicable to the Company during the audit period**); and
- (ii) The Listing Agreement entered into by the Company with the Stock Exchange.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. as mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

We further report that during the audit period the company has duly passed the resolutions under section 180(1)(a) and 180(1)(c) of the Companies Act, 2013, read with its applicable rules, as amended.

Udaipur, 22.05.2015

**For V. M. & Associates
Company Secretaries**

**CS Manoj Maheshwari
FCS No.:3355
CP No.: 1971**

ANNEXURE - III

DISCLOSURE ON THE REMUNERATION OF THE MANAGERIAL PERSONNEL

- (i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year - Mean 1:11, Median 1:11
- (ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year; -
Mr. V.K. Ladia (Director) and Chief Executive Officer - 8.57%,
Mr. Vikas Ladia (Director) - 7.41%,
Mr. Anubhav Ladia (Director) - 8.42%,

Mrs. Bhanupriya Mehta Jain, Company Secretary - 10.53 %
Mr. N. K. Soni, Chief Financial Officer - NIL

- (iii) The percentage increase in the median remuneration of employees in the financial year; - Mean 13.96%, Median 13.33%
- (iv) The number of permanent employees on the rolls of Company; - 1,407 (including retainers).
- (v) The explanation on the relationship between average increase in remuneration & Company performance;- The Company's profit / (Loss) after tax is (141.77) Lakhs.
- (vi) Comparison of the remuneration of the Key Managerial Personnel against the performance of the company; The Company's profit/(Loss) after tax is (141.77) Lakhs. The total remuneration of Key Managerial Personnel during the year 2014-15 is Rs.5,06,000/-.
- (vii) Variation in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies and in case of unlisted companies the variations in the net worth of the Company as at the close of the current financial year and previous financial year:-

DATE	MARKET PRICE (Rs.)	EPS (Rs.)	P/E RATIO	NO OF SHARES	MARKET CAPITALISATION	% CHANGE
31.03.2014	6.10	0.50	12.20	12402301	7,56,54,036.1	
31.03.2015	7.11	-1.14	-6.24	12402301	8,81,80,360.11	16.55%

Percentage increase over the last public offer price is not relevant as there has never been any public offer by the Company.

- (viii) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;
 - Average increase in the remuneration of all employees excluding KMPs: 4.66%
 - Average increase in the remuneration of KMPs: 7.05%
 - Justification: KMP salary increases are decided based on the Company's performance, individual performance, inflation, prevailing industry trends and benchmarks.
- (ix) Comparison of remuneration of each of the Key Managerial Personnel against the performance of the Company; Each KMP is granted salary based on his qualification, experience, nature of job, industry benchmark, earlier salary and many other factors, comparison of one against the other is not feasible. Performance of the Company has been quite satisfactory this year.

- (x) The key parameters for any variable component of remuneration availed by the Directors:- Only CEO & Whole-time Director is given variable component, please refer (vii) above.
- (xi) the ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year; - Nil
- (xii) affirmation that the remuneration is as per the remuneration policy of the Company. - Yes

Note: For Director, only CEO & WTD has been considered since the Company does not have any other WTD. All remuneration figures are for Executives only.

ANNEXURE - IV

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

A. CONSERVATION OF ENERGY

In order to save cost of energy, the company has taken various steps to reduce consumption of energy like use of synthetic tapes, light weight bobbins, soft starters, energy efficient motors, energy saving spindles etc.

Figures given here under are self explanatory that steps taken by the Company to conserve energy are giving positive response: Particulars with respect to conservation of energy are given in Form-A as below:

FORM-'A'

Form of disclosure of particulars with respect to conservation of energy.

A. Power & Fuel Consumption

	Current Year	Previous Year
1 Electricity		
a) Units Purchased	69801592	66232059
Total Amount (Rs. in Lacs)	3626.54	3070.00
Rate per Unit	5.20	4.64
2 Steam Generation		
(I) Through Furnace Oil Boiler	-	-
FO (in Kgs.)		
Total Cost (Rs.in Lacs)		
Average Rate		
(II) Through Coal		
Coal (in MT.)	2236	2850
Total Cost (Rs.in Lacs)	93	90
Average Rate (Per MT)	4151	3174
B Consumption per Unit of Production		
Electricity per kg of yarn (Units)	4.04	4.06
Coal per kg of yarn (kg)	-	-

B. TECHNOLOGY ABSORPTION

Particulars with respect to technology absorption are given in Form-B as below:

FORM-'B'

Form of disclosure of particulars with respect to technology absorption

Efforts made in technology absorption are as follows:

1. Research & Development (R & D)

- a) The Company developed yarns which gave new look in the fabric and reduced the cost as well. Other regular R&D activities for improvement in quality of existing products and productions process for better productivity are also being carried out.
- b) Market of newly developed qualities is better and the Company is receiving continuously repeat orders.
- c) Development of new qualities is being continued. New process parameters to reduce cost of production are being developed.
- d) Expenditure on R & D:

	(Rs. in Lacs)
1. Capital	-
2. Recurring	32.30
3. Total	32.30
4. Total R & D Expenditure as a % of total turnover :	0.11%

2. Technology Absorption, Adaptation and Innovation:

- a) Efforts, in brief, made towards technology absorption, adaptation and innovation:
Company has successfully absorbed the technique of cleaning the yarn electronically and that of Splicing instead of knotting in finishing department. It has adopted sturdy drafting in speed frame and also replaced open type Flyers with closed type for achievement of higher speed in existing speed frames.
The Company has installed latest autoconers and compressors this year.
- b) Benefit derived as result of the above:
Company could achieve higher productivity and improved yarn quality.
- c) In case of imported technology (imported during last 5 years reckoned from the beginning of the financial Years) N/A
- d) Technology Absorption, Adaptation and Innovation
We installed new cots, buffing machine with UV treatment to improve the working in Ring frames.

C. FOREIGN EXCHANGE EARNINGS & OUTGO.

The Company has exported its spun yarn mainly in the established markets in Algeria, Indonesia, Singapore, Germany, Egypt, Italy, Belgium, Morocco, Turkey, and Hong Kong.

Particulars	2014-2015 (Rs. In Lacs)	2013-2014 (Rs. In Lacs)
1. Total Foreign Exchange Used	293.02	479.63
2. Total Foreign Exchange Earned	3001.01	2295.69

By order of the Board
For Shree Rajasthan Syntex Limited

(V.K. LADIA)

Place: New Delhi CHAIRMAN & MANAGING DIRECTOR
Date: 8th August, 2015 DIN: 00168257

ANNEXURE - V

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

The management of Shree Rajasthan Syntex Ltd. is pleased to present the management Discussion and Analysis Report covering the operations and financial performance of the Company for the year 2014-15. The core business of the Company is manufacturing and marketing of synthetic blended yarn, cotton yarn and polypropylene multifilament yarn.

BUSINESS OVERVIEW

The Company is one of the important players in man made fibre spinning with following capacity.

Units	Location	Products	Capacity (Spindles)
Syntex - Division	Simalwara Road, Dungarpur	Synthetic yarn	27,744
Texchem -Division	Simalwara Road, Dungarpur	i) Synthetic yarn ii) Polypropylene Multifilament Yarn	31,488
Polycot -Division	Simalwara Road, Dungarpur	Cotton yarn	20,568

The Company's sales network comprises of branches, depot as well as sales offices in different location.

INDUSTRY OVERVIEW:

The textiles industry broadly refers to the production (design and manufacture), distribution and consumption of textiles. It includes fibre and yarns, threads, broad woven, narrow, non-woven and knit fabrics, textiles machinery, linen and uniform supplies, carpet and rugs, canvas mills, textiles finishing etc. Some of the main sources from which textile can be manufactured include, polyester, viscose, wool, silk, cotton, jute and polymers.

The textile industry can be segmented into Natural fibres and man made fibres (MMFs) based on the use of basic raw material, cotton or crude derivate respectively. Among the various MMF product in the synthetic and cellulosic segments, polyester and viscose forms about 80% of total domestic consumption. Globally man-made fibre is the most dominantly consumed textile fibre.

The textiles industry is labour intensive and employees 19 per cent of the total factory sector industrial work force. In fact, it is the 2nd largest employment provider, next only to agriculture. As per

planning commission currently it has employed around 102 million people directly and indirectly.

INDUSTRY OPPORTUNITIES:

1. India's Textile & Clothing sector is considered as the backbone of the country due to its significant contribution to Indian economy, fulfilling the second most important need of the masses i.e. Clothes. Currently it contributes around 5% share in GDP, 13% share in India's commodity exports and 14% share in India's industrial production. It is the 3rd largest foreign exchange earning commodity after petroleum products and gems and jewelry amongst 21 major principle commodity group exported by India to world. And, unlike gem and jewelry, the import content in textiles export is negligible.
2. The world's largest producer and second largest consumer of cotton India had tremendous strength in the MMF based textile based segment which Indian Industry would need to exploit completely. However, man made fibre had a share of close to 68% in fibre consumption globally and the demand for MMF based goods was growing much faster than that for cotton goods.
3. India had abundance of all raw materials, cotton VSF, PSF and other fibres. In fact we have so much of raw materials that almost 30% of the US \$ 40 billion worth of exports of textiles from India, that is around \$ 12 billion US \$ worth are in the form of fibres and yarns.
4. Textile industry has been one of the oldest industries not only in the world but also in India, as it has spread through the length and breadth of the country. It has developed on the basis of the skills of artisans, their designs and quality which could create generic brands for the country.
5. The setting up of a integrated textile parks is one of the flagship schemes of the Ministry of Textiles. It aims to assist small and medium entrepreneurs in the textile industry to clusterize investments in textile parks by providing financial support for world class infrastructure in the parks.
6. As per the latest CSO estimates of Index of Industrial Production (IIP), the textile and clothing sector has have a positive growth in fiscal year 2014-15, though at slower pace compared to fiscal year 2013-14. On a Year on Year basis, the T&C sector had shown a positive growth of 3.6 percent during April-March, period of 2014-15 compared with the 9.1% of last fiscal year. There have been sharp turnarounds in productions of apparel as well textile products like yarn, fabrics and made-ups during 2014-15 and positive growth trends continued in 2015-16 also. Production growth for T&C sector as an aggregate was registered at 6.45 per cent in April 2015 as against -6.3 per cent in April 2014.
7. With a vision to create an export friendly economy the Government introduced the following initiatives:

- * Duty free entitlement to garment exporters for import of trimmings, embellishments and other specified items increased from three per cent to five percent. This initiative is expected to generate an additional RMG exports of Rs. 10,000 crores.
- * The Government has proposed to extend 24/7 customs clearance facility at 13 airports and 14 sea ports, resulting in faster clearance of import and export cargo.

INDUSTRIAL CHALLENGES:

1. Cyclical ups and downs & Demand adversities.

There has never been a continuous positive growth rate in textiles products for a longer time periods. Sometimes it was treated as a cyclical ups and downs, sometimes the demand adversities have really dented the growth. Fortunately, for a consecutive previous three fiscal years textile sector have shown robust production growth rates in Index of Industrial Production (IIP) data as against the overall manufacturing sector and when most of industrial sectors have shown stagnation or deceleration. The textile sector has got some respite from rise in domestic demand for textiles products and augmented supply of yarns, apparel and other value added products to countries like China and Bangladesh, USA and EU those have persistently high global market share in yarn and clothing imports.

2. Foreign Trade Policy (FTP) disappointing for Textile.

The new Foreign Trade Policy has not provided any additional benefits to the textiles sector, though measures announced for improving ease of doing business and simplified procedures would be beneficial to the textile sector, among others. The policy will have continuity during the 5 years period and only a midterm review will be made and some benefits for the textile sector have been removed or scaled down.

While amalgamating Focus Schemes and the other Chapter 3 schemes into Merchandise Exports from India Scheme (MEIS), cotton yarn has been completely ignored. Chapter 3 benefits on cotton yarn had earlier been withdrawn when cotton yarn was brought under restricted list. After withdrawing the requirement of registration of export contracts, this product had been brought under Free List, but Chapter 3 benefits were not restored under the earlier FTP. This anomaly has not been corrected under the new policy either.

3. Lack of global competitiveness

It is well known that India has an extremely low ranking in the area of ease of doing business. This has been preventing potential investors of these countries from investing in India's Textile Industry. The most important reform required for attracting FDI in the textiles industry is in the area of labour laws where State and Central Governments will have to develop a coordinated approach.

4. High debt servicing cost:

The industry requires to give high debt servicing cost and with the

lending rates in India in the range of 12 to 14%, they are significantly higher in comparison to the competing countries like China. The complete textile chain is not covered in the TUF Scheme and thus a large capital investment needs to be made at a very high rate of interest.

5. High transaction cost

The Indian industries including textile industry are faced with huge transaction cost burden in comparison with exporters in competing countries. The un-neutralized taxes such as CST, VAT, Octroi etc. contribute to higher transaction cost. A long term solution is required with respect to strengthening of physical infrastructure and introduction of tax reforms.

6. Others

- A. Fragmented Industry restricts the scope of enlarging base and emergence as global leaders.
- B. Lack of desirable levels of Technological Development affects the productivity and other activities in whole value chain.
- C. Continuous Quality improvement is need of the hour as there are different demand patterns all over the world.

RISK AND CONCERNS

1. Stressed Global Economy

The global economy is still under stress for gaining momentum as many high-income countries continue to grapple with the past impacts of the global financial crisis. Emerging economies continue to remain as less vibrant than in the past. After rising slightly in 2014, to 2.6 percent, world GDP will grow by an estimated 3.0 percent in 2015 and 3.3 percent in 2016, supported by gradual recovery in high-income countries, low oil prices, and receding domestic headwinds in developing countries. Developing economies are projected to see a raise in growth from 4.4 percent in 2014 to 4.8 percent and 5.3 percent in 2015 and 2016 respectively.

2. Fragile Indian Exports

Due to fragile global economic situations the India exports were also impacted. India's exports dipped deeper in the negative zone recording a decline of 21% in March 2015, the biggest fall in the last six years, pulling down the total shipment for 2014-15 to US \$310.5 billion, missing the annual target.

3. Falling International Demand

Falling international demand and prices of cotton will have an impact on domestic yarn prices too. In the short to medium term, on the back of the expected record production of cotton and subdued export demand the cotton prices are expected to remain soft. China is the biggest consumer of the Indian cotton and with China cutting its cotton import, India may have to look for other markets for its production. Countries like Bangladesh, Vietnam and Pakistan can be potential importers for the Indian cotton. The role of the Indian government also becomes significant in this scenario

with its intervention in terms of buying cotton at MSP(Minimum Support Price) for sustaining the prices. The record crop has already forced the Indian Government to start buying cotton at MSP from the market and it may have to procure about 8 million to 10 million bales of cotton at MSP during the current season to support the prices as compared to 40,000 bales which it purchased last season.

4. Raw material availability

Though India is having sufficient availability of raw materials, namely, cotton, man made fibres and silk but factors such as low rain fall in the cotton growing areas, increase in crude oil prices in the international markets for basic raw materials of man made fibres and increase in logistic cost may effect the availability of raw material and competitiveness of the industry.

5. Power availability

Most of the textile mills in India, particularly in north and western parts are dependent on power supply by self generation using coal as fuel. Because of increase in cost of coal the cost of generation of power is increasing which may effect the competitiveness of the industry.

6. Currency risk

Since the textile industry has a major portion of its revenue from exports, Indian rupee relationship with foreign currencies such as US Dollar is important. The industry hedges currency risks by forward currency cover against sale contracts. Hence movement is foreign currency vis-a-vis rupee has direct impact on exports realization and import cost. The volatile movement of Rupee against the US Dollar is a serious concern for the industry.

7. Government Policies

The Textile Industry is highly dependent on the Government Policies on various matters. Frequent changes in the taxation policies bring instability in the industry. The high tax rate of Central Excise duty and Customs Duty is another hindrance.

PRODUCT WISE PERFORMANCE OF THE COMPANY

Chart given below gives the breakup of sales between the domestic and export markets for the last 3 years:

	(Rs. in Lacs)		
Revenue from operations	2012 - 13	2013 - 14	2014-15
Export	2070.11	2685.13	3234.04
Domestic	26866.51	26325.54	26295.69

The current yarn portfolio of SRS� can be classified into 4 main categories -Grey yarn, Dyed yarn, cotton yarn and PPMF yarn.

- **Grey Yarn:** Grey yarn is produced using blends of different synthetic fibre such as polyester/viscose, 100% viscose yarn, 100% polyester fibre yarn and pure cotton. These qualities are

produced in Shree Rajasthan Texchem division and Shree Rajasthan Polycot division of the Company. The Company has niche markets for 100% viscose fibre yarn. Specialty fibre yarns were developed for industrial and home textile applications.

- **Dyed yarns:** Dyed yarn is produced at Syntex division of the Company. These yarns are relatively higher value added products and made according to customers specifications of blend, counts and shades. The Company has specialty in producing home textile dyed yarns for end use such as carpets, tapestry and upholstery. Further efforts are being made to develop mélange yarn for weaving and knitting applications.
- **Cotton Yarn:** It is produced at Polycot division. These yarns are mainly consumed for woven fabrics terry towel application. The Company produces high quality cotton yarn and has recently started exports of the same.
- **PPMF Yarn:** Polypropylene multifilament yarn is produced at Shree Rajasthan Texchem division of the company at Dungarpur, POY and texturised yarn is produced for knitting, socks and furnishing applications. BCF yarn is produced for carpet applications.

OPERATIONS

During the year under review the Company was able to handle the various market conditions in both the domestic and export market. The sales turnover of the company was Rs 30198.87 lacs as compared to Rs. 29010.67 lacs of previous year. The Profit (before interest, depreciation & tax) amounted to Rs. 2137.89 lacs and the Profit/(loss)after tax (PAT) amounted to Rs. (141.77) lacs as compared to profit of Rs. 61.31 lacs in previous year.

FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31.03.2015

	(Rs. in Lacs)	
Particulars	Year ended 31.03.2015	Year ended 31.03.2014
Sales		
Domestic	26295.69	25893.28
Export	3234.04	2685.13
Other Revenue	669.14	432.26
Total	30198.87	29010.67
Profit Before Interest & depreciation	2137.89	2591.79
Less: Financial Cost	1673.91	1588.70
Profit Before depreciation	463.98	1003.09
Less: Depreciation	780.46	927.95
Profit/(loss) Before exceptional item	(316.48)	75.14
Profit Before Tax	(316.48)	75.14
Less: Deferred Tax Liability	(174.71)	13.83
Profit/(Loss) After Tax	(141.77)	61.31

DIVERSIFICATION AND MODERNISATION

The Company lays emphasis on modernizing its plant & machinery on continuous basis to ensure that it produces the best quality yarn to face the competition in the international market. The Company

has made substantial efforts towards modernising its engineering equipments and power generation.

The Company has implemented the expansion cum modernization project wherein the State of art machinery including auto doffing system on ring frames has been added to ensure its global competitiveness.

The Company has also incurred regular capital expenditure for maintenance of its plant & machinery which has led to saving in both labour and power costs besides further improvement in the quality of yarn.

OUTLOOK

Out look for the textile industry is positive and the Directors of the Company are hopeful that with the dismantling of quotas, penetration in the new global scenario, change in product mix, cost effectiveness and development of new qualities, it would be possible to meet the challenges being faced by the Indian Textile Industry. It is also expected that the Company would be able to increase its price in the export market to offset the change in foreign currency rates. It is also expected that Ministry of Commerce, Government of India would give additional export incentives to the industry to offset the change in foreign currency rates. There is a significant scope for converting the raw cotton in to yarn, both for overseas and domestic markets. The investments in the downstream segments of weaving and processing will ensure that the maximum quantity of yarn produced in the country are converted into the finished products domestically in order to meet the increasing requirements of the garment industry. The sufficient supply of yarn and fabrics internally would reduce the dependence of garment industry on imported yarn and fabrics and promote significant value addition.

DEVELOPMENTS IN HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company recognizes the importance of Human Resource as a key asset instrumental in its growth. The Company believes in acquisition, retention and betterment of talented team players. With the philosophy of inclusive growth, the Company has redefined its performance management system. The new system focuses on progression of individual employees together with organizational goals. Under the new system increased thrust will be on job rotation and multi-skilling. HRD activities are taken in the Company involving positive approach to develop employees to take care of productivity, quality and customer needs. The Company has to make constant efforts to manage labour shortages. To develop skilled labour, training facilities are provided to the employees in house or by deputing them to the machinery suppliers and to training institutes for specific training.

The company employed 2175 persons as on 31.03.2015. The Company has well developed management information system giving daily, monthly and periodical information to the different

levels of management. Such reports are being analyzed and effective steps are taken to control the efficiency, utilization, productivity and quality in the Company.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal control system commensurate with its size and nature of business. The internal control systems are complemented by various Management Information System (MIS) reports covering all areas. The management reviews and strengthens the controls periodically.

Apart from self monitoring of the internal controls, there is a Chartered Accountant firm appointed to conduct internal audit of the Company's operations as approved by the Audit Committee. This firm present their important observations to the Audit Committee which is chaired by an Independent Director. The internal auditors provide a reassurance to the affirmation given by the Management that the control systems are effective, operational and adequate.

The Audit Committee takes due cognizance of the observations made by the auditors and gives their suggestions for improvement. The suggestions of the Audit Committee further ensures the quality and adequacy of the control systems.

The Company has appointed internal auditors for all the 4 units. The internal control ensured that all assets were safeguarded and protected against loss through unauthorized use or disposition and transactions were authorized, recorded noticed and reported correctly. While operating managers ensured compliance with their areas, internal auditors carried out audit test on randomly selected samples and reported on non-compliance or weakness if any through internal audit reports of the respective unit/areas. These reports were reviewed by the management and then by Audit Committee of the Board for follow up action.

CAUTIONARY STATEMENT

Statements in the Management Discussions and Analysis report describing the Company's objectives, projections, estimates, expectations or predictions may be 'forward looking statements' within the meaning of applicable security laws and regulation. 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 and supply and price conditions in domestic and overseas market in which the company operates. Changes in Government regulations, tax regimes, economic developments within India and the countries in which the Company conducts business and other incidental factor.

ANNEXURE -VI

CONTRACTS & ARRANGEMENTS WITH THE RELATED PARTY

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts /arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. (A) Details of contracts or arrangements or transactions at arm's length basis

- (a) Name(s) of the related party and nature of relationship :
Shree Shyam Distributors & Marketing Pvt. Ltd. (Interested Directors)

- (b) Nature of contracts /arrangements /transactions : (Rs. in Cr.)

Name And Nature Of Relationship with Related Parties:	Duration of Contract	Sale, Purchase or Supply of any goods or materials (per Annum)	Availing or rendering of any services (per Annum)
Shree Shyam Distributors & Marketing Pvt. Ltd. (Interested Directors)	17.09.2014 to 31.03.2015	100.00	25.00

- (c) Duration of the contracts /arrangements /transactions :
17.09.2014 to 31.03.2015
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any : *As stated above in the table given in point no. (b).*
- (e) Justification for entering into such contracts or arrangements or transactions : *All business transactions were carried out as a part of business requirements of the company. Further, the company is also subject to pricing norms prevailing in the country.*
- (f) Date(s) of approval by the Board : *22nd May, 2014*
- (g) Amount paid as advances, if any : *NIL*
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188 : *17th September, 2014*

(B) Details of contracts or arrangements or transactions at arm's length basis

- (a) Name(s) of the related party and nature of relationship :
Rajasthan Yarn Syndicate (Interested Directors)

- (b) Nature of contracts /arrangements /transactions : (Rs. in Cr.)

Name And Nature Of Relationship with Related Parties:	Duration of Contract	Sale, Purchase or Supply of any goods or materials (per Annum)	Availing or rendering of any services (per Annum)
Rajasthan Yarn syndicate (Interested Directors)	17.09.2014 to 31.03.2015	25.00	25.00

- (c) Duration of the contracts /arrangements /transactions :
17.09.2014 to 31.03.2015
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any : *As stated above in the*

table given in point no. (b).

- (e) Justification for entering into such contracts or arrangements or transactions : *All business transactions were carried out as a part of business requirements of the company. Further, the company is also subject to pricing norms prevailing in the country.*
- (f) Date(s) of approval by the Board : *22nd May, 2014*
- (g) Amount paid as advances, if any : *NIL*
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188 : *17th September, 2014*

(C) Details of contracts or arrangements or transactions at arm's length basis

- (a) Name(s) of the related party and nature of relationship : *V. K. Texchem Private Limited (Interested Directors)*

- (b) Nature of contracts /arrangements /transactions : (Rs. in Cr.)

Name And Nature Of Relationship with Related Parties:	Duration of Contract	Sale, Purchase or Supply of any goods or materials (per Annum)	Availing or rendering of any services (per Annum)
V. K. Texchem Private Limited (Interested Directors)	17.09.2014 to 31.03.2015	25.00	25.00

- (c) Duration of the contracts /arrangements /transactions :
17.09.2014 to 31.03.2015
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any : *As stated above in the table given in point no. (b).*
- (e) Justification for entering into such contracts or arrangements or transactions : *All business transactions were carried out as a part of business requirements of the company. Further, the company is also subject to pricing norms prevailing in the country.*
- (f) Date(s) of approval by the Board : *22nd May, 2014*
- (g) Amount paid as advances, if any : *NIL*
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188 : *17th September, 2014*

(D) Details of contracts or arrangements or transactions at arm's length basis

- (a) Name(s) of the related party and nature of relationship :
Divine Fibres Pvt. Ltd. (Interested Directors)

- (b) Nature of contracts /arrangements /transactions : (Rs. in Cr.)

Name And Nature Of Relationship with Related Parties:	Duration of Contract	Sale, Purchase or Supply of any goods or materials (per Annum)	Availing or rendering of any services (per Annum)
M/s Divine Fibres Pvt. Ltd. (Interested Directors)	01.04.2014 to 31.03.2019	25.00	25.00

- (c) Duration of the contracts /arrangements /transactions : *For five years from 01st April, 2015 to 31st March, 2016 as stated above in the table given in point no. (b).*
- (d) Salient terms of the contracts or arrangements or

transactions including the value, if any : *As stated above in the table given in point no. (b).*

- (e) Justification for entering into such contracts or arrangements or transactions : *All business transactions were carried out as a part of business requirements of the company. Further, the company is also subject to pricing norms prevailing in the country.*
- (f) Date(s) of approval by the Board : *22nd May, 2014*
- (g) Amount paid as advances, if any : *NIL*
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188 : *17th September, 2014*

2. Details of material contracts or arrangement or transactions not at arm's length basis : *NIL*

- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts / arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any
- (e) Date(s) of approval by the Board, if any
- (f) Amount paid as advances, if any
- (g) Amount paid as advances, if any
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188.

By order of the Board
For Shree Rajasthan Syntex Limited

(V.K. LADIA)

Place: New Delhi CHAIRMAN & MANAGING DIRECTOR
Date: 8th August, 2015 DIN: 00168257

ANNEXURE -VII

REPORT ON CORPORATE GOVERNANCE

I. Company's Philosophy on Code of Corporate Governance

Overview

The Company strongly believes that sound & unambiguous system of the Corporate Governance practices go a long way in retaining investors trust & preserving the interest of all Stakeholders. We believe that it is imperative for us to manage our business affairs in the most fair & transparent manner with a firm commitment to our values.

The Company has sought to consistently focus on good corporate governance by increasing transparency and accountability to its Shareholders and other Stakeholders.

The Company's complete internal control structure seeks to integrate management control over Company operations ensuring compliance with legal requirements and ensuring reliability of financial reporting. It makes the management responsible for implementing and maintaining effective business controls,

including internal financial controls whose effectiveness is monitored by self assessment and by audits performed by Independent Internal and Statutory Auditors.

The Company wishes to be a responsible partner in society, acting with integrity towards its shareholders, customers, employees and the Government.

In India, Corporate Governance standards for listed companies are regulated by the Securities & Exchange Board of India (SEBI) through Clause 49 of the Listing Agreement of the Stock Exchange. The Company has adopted the best practices mandated in Clause 49.

We believe, Corporate Governance is just not a destination, but a journey to constantly improve sustainable value creation. It is an upward moving target that we collectively strive towards achieving. Our multiple initiatives towards maintaining the highest standards of governance are detailed in the following pages.

Best Corporate Governance Practices

SRLS maintains the standards of the Corporate Governance. It is the Company's constant endeavour to adopt the best Corporate Governance practices keeping in view the international code of Corporate Governance and practices of well-known global companies. Some of the governance norms implemented by the company includes:

1. All the Securities related filings with Stock Exchanges and SEBI are duly complied with.
2. The Company has Independent Board Committees for the matters related to Stakeholder's interface and Nomination and Remuneration of the Board members and Key Managerial Personnel.
3. The Company's internal audit is also conducted by Independent auditors.
4. The Company also undergoes half-yearly Secretarial Audit conducted by Company Secretary who is in whole-time practice. The Secretarial Audit Report placed before the Board is included in the Annual Report under the heading Director's Report as **Annexure II**.

II. Board of Directors

A. Board Composition and Category of Directors

The Company's policy is to maintain optimum combination of Executive and Non- Executive Directors. As on March 31, 2015 the Company's Board consist of nine Directors comprising of

- a) Three Executive Directors - Mr. V.K. Ladia, Chairman & Managing Director, Mr. Vikas Ladia, Jt. Managing Director & Mr. Anubhav Ladia, Executive Director and
- b) Six Non- Executive Directors - Mr. R.L. Kunawat, Mr. Raj Singh Nirwan, Mr. N.N. Agrawala, Mr. Susheel Jain, Mr. Sunil Goyal & Mr. Ravinder Narain

A majority of the Board i.e. 5 (five) out of 9 are Independent Directors. Mr. V.K. Ladia, Mr. Vikas Ladia and Mr. Anubhav Ladia are related to each other. Mr. V.K. Ladia being father of Mr. Vikas Ladia and Mr. Anubhav Ladia.

During the period under review, Mr. R.K. Pandey & Mrs. Amita Narain Ceased to be Directors of the Company w.e.f. 17.09.2014 & 12.02.2015 respectively.

The Executive and Non-Executive Director are appointed or re-appointed based on the recommendation of the Nomination & Remuneration Committee which considers their overall experience, expertise & industry knowledge.

The Directors do not have any pecuniary relationship with the Company except to the extent of the following:

- (a) Managing/Whole Time Directors - Remuneration as per their terms of appointment and reimbursement of expenses actually incurred for the business of the Company, within the approved terms and conditions.
- (b) Non-Executive Directors - Reimbursement of expenses and payment of sitting fees for the Board / Committee meetings attended by them.

B. Number of Board Meetings

The Board of Directors met five times during the financial year on 22nd May 2014, 14th August 2014, 12th November 2014, 12th February 2015 & 23rd March 2015. Notices of the meetings & Agenda along with explanatory notes, wherever required, for each meeting were sent to the Directors on time. The maximum time gap between any two consecutive meetings was less than one hundred and twenty days as prescribed in the Listing Agreement and the Companies Act, 2013. The details are also placed in Table 1 below.

C. Attendance & Directorship held

As mandated by Clause 49 of the Listing Agreement, none of the Directors are members of more than ten board-level committees nor they are Chairman of more than five Committees in which they are members. Further, all the Directors have confirmed that they do not serve as an Independent Director in more than seven listed companies or where they are whole-time director in any listed company, then they do not serve as Independent Director in more than three listed companies. The details are also placed in Table 1.

Table 1 - The names & categories of the Director on the Board, their attendance at Board meetings during the year & at last Annual General Meeting, as also the number of Directorship, Committee memberships and Committee Chairmanship held by them in various other Companies as on 01.04.2014:-

Name of the Director	Category	No. of Board Meetings held	No. of Board Meetings Attended	Attendance in Last AGM	No. of outside Directorships	No. of Committee Membership(s) ⇧	No. of Committee Chairmanship(s) ⇧
Mr. V.K. Ladia (DIN: 00168257)	CMD	5	4	Yes	3	-	-
Mr. Vikas Ladia (DIN: 00256289)	JMD	5	4	Yes	-	-	-
Mr. Anubhav Ladia (DIN: 00168312)	ED	5	5	Yes	1	-	-
Mr. R. L. Kunawat (DIN: 00196938)	NED	5	3	No	-	-	-
Mr. Raj Singh Nirwan (DIN: 00313799)	NEID	5	4	Yes	-	-	-
Mr. N.N. Agrawala (DIN: 00168211)	NEID	5	3	Yes	-	-	-
Mr. Sunil Goyal (DIN: 00110601)	NEID	5	2	No	1	-	-
Mr. Susheel Jain (DIN: 00378678)	NEID	5	1	No	1	-	-
Mr. Ravinder Narain (DIN: 00059197)	NEID	5	1	No	3	2	1
Mr. R.K. Pandey* (DIN: 00190017)	NEID	2	2	No	13	7	2
Mrs. Amita Narain# (DIN: 00017703)	NEID	4	1	No	2	1	-

Notes:

- CMD - Chairman & Managing Director
JMD - Joint Managing Director
ED - Executive Director
NED - Non- Executive Director
NEID - Non- Executive Independent Director

*Ceased to be Director w.e.f. 17.09.2014

#Ceased to be Director w.e.f. 12.02.2015

⇧ Only Audit Committee & Stakeholder Relationship Committee

D. Independent Director

I. Selection of Independent Directors

Considering the requirement of skills set on the Board, eminent people having an independent standing in their respective field/ profession, and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee, for appointment, as Independent Directors on the Board. The Committee, inter alia, considers qualification, positive attributes, area of expertise and number of Directorships and memberships held in various committees of other companies by such persons. The Board considers the Committee's recommendation, and takes appropriate decision.

Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he meets the criteria of independence as provided under law.

II. Meetings of Independent Directors

As per provision of Clause 49 of Listing Agreement and Section 149 of the Companies Act, 2013, the Company's Independent Directors meet at least once in every financial year without the presence of Executive Directors or management personnel. Such meetings are conducted informally to enable the Independent Directors to discuss matters pertaining to the Company's affairs and put for the views to the Board of Directors. A meeting of Independent Director

was held on 30th March, 2015 during the year in which the following matters were duly taken on record as per the Listing Agreement and Schedule IV of the Companies Act, 2013:

- a. Performance Evaluation of Non- Independent Directors
- b. Performance Evaluation of Board as a whole
- c. Performance Evaluation of Chairman
- d. Assessment of quality, quantity, timeliness and efficiency of flow of Information between the Company, Management and the Board.

III. Familiarization Programme for Directors

Pursuant to Clause 49(II)(B)(7) of the Listing Agreement, the Company shall familiarize the newly appointed Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes. The company vide its meeting held on 12th February, 2015 duly adopted the Familiarization Programme for directors. The details of such programmes for familiarization of Independent Directors & related matters are put up on the website of the company at the link <http://www.srsl.in/documents/Familiarization-Programme-ID.pdf>. Further during the year 2014-15 there was no new appointment of Independent Director in the company.

E. Information supplied to the Board

Minimum four pre-scheduled Board meetings are held annually. Additional Board Meetings are convened by giving appropriate notice & agenda to address the Company's specific needs. The items / matters required to be placed before the Board *inter alia* includes:

- Annual operating plans of business and budgets including capital budgets and any updates.
- Quarterly results of the Company and its operating divisions or business segments
- Company's Annual Financial Results, Financial Statements, Auditors Report and Board's Report & Minutes of meetings of the Audit Committee and other Committees of the Board.
- Fatal or serious accidents, dangerous occurrences and any material effluent or pollution problems.
- Non compliance of any regulatory, statutory or listing requirements and shareholder's service, such as dividend non payment, share transfer delay (if any) among others.
- Appointment, remuneration and resignation of Directors
- Formation/reconstitution of Board Committees
- Terms of reference of Board Committees
- Declaration by independent directors at the time of appointment/ annually.
- Disclosures of Director's interest and their shareholding
- Appointment or removal of the Key Managerial Personnel (KMP) and officer's one level below KMP.

- Quarterly / Annual Secretarial Audit Reports submitted by Secretarial Auditors.
- Dividend declaration
- Quarterly summary of all long-term borrowings made, bank guarantees issued and loans and investments made.
- Significant changes in accounting policies and internal controls
- Takeover of a company or acquisition of a controlling or substantial stake in another company.
- Statement of significant transactions, related party transactions and arrangements entered by unutilized subsidiary companies.
- Issue of securities
- Appointment of and fixing of remuneration of the auditors as recommended by the Audit Committee.
- Internal Audit findings and External Audit Reports (through the Audit Committees)
- Status of business risk exposures, its management and related action plans.
- Making of loans and investment of surplus funds
- Borrowing of monies, giving guarantees or providing security in respect of loans
- Brief on statutory developments, changes in government policies, among others with impact thereof, Director's Responsibilities arising out of any such developments.
- Compliance Certificate certifying compliances with all laws as applicable to the Company.
- Reconciliation of share capital audit report under SEBI (Depositories and Participants) Regulations, 1996.

F. Code of Conduct

The Company has laid down a Code of Conduct for all the members of the Board of Directors and Senior Management Personnel for avoidance of conflict of interest. The Directors and Senior Management Personnel have confirmed of compliance with Code of Conduct for the year 2014-15. A copy of the Code has also been put on the Company's website www.srsl.in.

There were no material, financial and commercial transactions in which the Senior Management Personnel had personal interest which could lead to potential conflict of interest with the Company during the year.

III. Committees of Board of Directors

A. Audit Committee

The Audit Committee's composition meets with the requirement of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. Members of the Audit Committee possesses financial / accounting expertise / exposure.

As on March 31, 2015 the Audit Committee comprises of 5 Directors, Mr. R.S. Nirwan, Mr. V.K. Ladia, Mr. Sunil Goyal, Mr. R.L. Kunawat and Mr. N.N. Agrawala out of which 4 are Non Executive

Directors. Mr. R.S. Nirwan is the Chairman of the Committee.

Meeting details: Four meetings of the Audit Committee were held during Year. The accounts and financial positions were perused by the Audit Committee and thereafter placed before the Board for their consideration. The details of meeting and attendance were duly minutised. The Composition and attendance record of the members of the Audit Committee meetings are as follows:

Sl. No	Name of the Directors	Position held in the committee and category	Status	No. of meetings held	No. of meetings attended
01	Mr. R.S. Nirwan	Chairman	NEID	4	4
02	Mr. V.K. Ladia	Member	WTD	4	3
03	Mr. Sunil Goyal	Member	NEID	4	2
04	Mr. N.N. Agrawala	Member	NEID	4	3
05	Mr. R.L. Kunawat	Member	NED	4	3

The Chief Financial Officer and Internal Auditors are invitees to the Audit Committee Meetings. The Company Secretary is the Secretary to the Committee. The Chairman of the Audit Committee attended the 34th Annual General Meeting (AGM) held on September 17, 2014.

Powers of the Audit Committee *inter alia* include the following:

- To investigate any activity within its terms of reference.
- To seek information from any employee
- To obtain outside legal or other professional advise
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

Terms of Reference of Audit Committee:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient & credible;
- Recommendation of the appointment, remuneration and terms of appointment of statutory auditors including cost auditors of the Company;
- Approving of payment to statutory auditors, including cost auditors, for any other services rendered by them;
- Reviewing with the management, annual financial statements and auditors report thereon before submission to the Board for approval, with particular reference to:
 - o Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
 - o Changes, if any, in accounting policies and practices and reasons for the same;
 - o Major accounting entries involving estimates based on the exercise of judgement by the management;
 - o Significant adjustments made in financial statements arising out of audit findings;
 - o Compliance with listing and other legal requirements relating to financial statement;
 - o Disclosure of any related party transactions; and

- o Qualifications in draft audit report.
- Reviewing with the management, the quarterly financial statements before submission to the Board for approval;
- Reviewing and monitoring the auditors independence and performance and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management system;
- Reviewing with the management, performance of statutory auditors, cost auditors & internal auditors, adequacy of internal control systems;
- Discussion with internal auditors on any significant findings and follow up thereof;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Approval of appointment of Chief Financial Officer of the Company;
- To review the functioning of the Whistle Blower Mechanism;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
- Reviewing the following information:
 1. The management discussions and analysis of financial condition and results of operations.
 2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 3. Management letters/letters of internal control weaknesses issued by the statutory auditors.
 4. Internal auditor reports relating to internal control weaknesses; and
 5. The appointment, removal and terms of remuneration of internal auditors/chief internal auditor.

B. Nomination and Remuneration Committee.

The Nomination and Remuneration Committee's composition meets with requirement of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. Members of this Committee possess sound expertise/knowledge/exposure. As on March 31, 2015 the Nomination and Remuneration Committee comprises of 3 Directors, Mr. R.S. Nirwan, Mr. R.L. Kunawat, and Mr. N.N. Agrawala. All the members of committee are Non-Executive Directors. Mr. N.N. Agrawala is the Chairman of the Committee. The Company Secretary is the Secretary to the Committee.

Meeting details: Three meetings of the Nomination & Remuneration Committee were held during Year. The details of meeting and attendance are duly minutised. The Composition and attendance record of the members of the Nomination and Remuneration Committee meetings are as follows:

Sl. No.	Name of the Directors	Status	Position held in the committee & category	No. of meetings held	No. of meetings attended
01	Mr. N.N. Agrawala	NEID	Chairman	3	3
02	Mr. R.S. Nirwan	NEID	Member	3	3
03	Mr. R.L. Kunawat	NED	Member	3	3

Terms of Reference of the Committee, *inter alia*, includes the following:

- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal;
- To carry out evaluation of every Director's performance;
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommended to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees;
- To formulate the criteria for evaluation of Independent Director and the Board;
- To devise a policy on Board Diversity;
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

The Committee have duly formulated the **Nomination & Remuneration Policy** as annexed to Board's Report as **Annexure-I** which includes:

- Appointment Criteria and Qualifications of Director, KMP and Senior Management & there Removal.
- Term / Tenure of Managing Director / Whole Time Director/ Independent Director.
- Criteria for evaluation.
- Policy for Remuneration to Managing Director / Whole-time Director / Key Managerial Personnel & Non- Executive / Independent Director

- Details of Remuneration / Sitting fees paid to Directors for the year 2014-15 on the basis of Nomination & Remuneration Policy is given below:

Name of Director	Period of Service Contract	Salary (Rs.)	Allowances (Rs.)	Commission (Rs.)	Perquisites (Rs.)	Sitting Fees (Rs.)	Total (Rs.)
Mr. V.K. Ladia (CMD)	3	22,50,000	6,19,932	-	3,13,771	-	31,83,703
Mr. Vikas Ladia (JMD)	3	16,90,000	3,29,833	-	2,33,159	-	22,52,992
Mr. Anubhav Ladia (ED)	3	11,96,000	2,35,567	-	50,652	-	14,82,219
Mr. R.S. Nirwan (NEID)	-	-	-	-	-	56,000	56,000
Mr. N.N. Agrawala (NEID)	-	-	-	-	-	42,000	42,000
Mr. R.L. Kunawat (NED)	-	-	-	-	-	42,000	42,000
Mr. Susheel Jain (NEID)	-	-	-	-	-	-	-

Mr. Ravinder Narain (NEID)	-	-	-	-	-	-	-
Mr. Sunil Goyal (NEID)	-	-	-	-	-	28,000	28,000
Mr. R.K. Pandey* (NEID)	-	-	-	-	-	14,000	14,000
Mrs. Amita Narain# (NEID)	-	-	-	-	-	7,000	7,000

CMD - Chairman & Managing Director

JMD - Joint Managing Director

ED - Executive Director

NED - Non- Executive Director

NEID - Non- Executive Independent Director

* Ceased to be Director w.e.f. 17.09.2014

Ceased to be Director w.e.f. 12.02.2015

- Details of Appointment and Notice period of Managing Directors & Executive Director for the year 2014-15:

- Appointment, and the terms thereof, of Mr. V.K. Ladia, Chairman & Managing Director, has been approved for 3 (three) years from 1st June, 2013 to 31st May, 2016 with 6 months notice period.
- Appointment, and the terms thereof, of Mr. Vikas Ladia, Joint Managing Director, has been approved for 3 (three) years from 1st September, 2013 to 31st August, 2016 with 6 months notice period.
- Appointment, and the terms thereof, of Mr. Anubhav Ladia, Executive Director, has been approved for 3 (three) years from 1st September, 2013 to 31st August, 2016 with 6 months notice period.

- The remuneration to Executive/Whole Time Directors is paid as determined/recommended by the Nomination and Remuneration Committee and Board of Directors. Non-Executive Independent Directors are being paid Sitting fee of Rs. 7,000/- for each meeting of the Board of Directors.

- Details of fixed component and performance linked incentive along with the performance criteria : Salary has fixed component only and no performance linked incentive.

- Disclosure of shareholding of above mentioned directors as on 31st March, 2015 are as follows:

Sr.No.	Name of Director	Total No. of Shares	% of Shareholding
1	Shri V. K. Ladia	4,66,018	3.76%
2	Shri Vikas Ladia	3,02,515	2.44%
3	Shri Anubhav Ladia	2,70,032	2.18%
	Total	10,38,565	8.38%

C. Stakeholders Relationship Committee.

The Stakeholders Relationship (SR) Committee composition meets with requirement of Section 178 of the Companies Act, 2013. The SR Committee is primarily responsible to review all grievances connected with the Company's transfer of securities and redressal of shareholders' / investors' / security holders' complaints. As on March 31, 2015 the Stakeholders Relationship Committee comprises of 3 Directors, Mr. R.L. Kunawat, Mr. V.K. Ladia and Mr. N.N. Agrawala out of which majority are Non-Executive Directors.

Mr. R.L. Kunawat is the Chairman of the Committee. The Company Secretary is the Secretary and Compliance Officer of the Committee.

Meeting details: Four meetings of the Stakeholders Relationship Committee were held during Year. The details of meeting and attendance are duly minutised. The Composition and attendance record of the members of the Stakeholders Relationship Committee meetings are as follows:

Sl. No.	Name of the Directors	Status	Position held in the committee and category	No. of meetings held	No. of meetings attended
01	Mr. R.L. Kunawat	NED	Chairman	4	4
02	Mr. V.K. Ladia	WTD	Member	4	3
03	Mr. N.N. Agrawala	NEID	Member	4	4

Number of Shareholder's complaints received and resolved during the year

Details of queries and grievances received and addressed by the Company during FY 2015 is given in the below Table.

Nature of Complaints	Number
Number of complaints received from the investors comprising non-receipt of dividend warrants, non-receipt of securities sent for transfer and transmission, complaints received from SEBI / Registrar of Companies / Bombay Stock Exchange/SEBI (SCORES) and so on	13
Number of complaints resolved	13
Number of complaints not resolved to the satisfaction of the investors as on March 31, 2015	NIL
Complaints pending as on March 31, 2015	NIL
Number of Share transfers pending for approval, as on March 31, 2015	NIL

D. Sub-Committee of the Board

The Sub-Committee of the Board consisting of Mr. V.K. Ladia, Mr. Vikas Ladia, Mr. Anubhav Ladia Mr. N.N. Agrawala & Mr. R.L. Kunawat deals with various matters including transfer of shares, transmission of shares, issue of duplicate share certificates, approving the split, consolidation requests, demat requests and other matters relating to Securities, etc.

Meeting details: During the year 2014-15, Twenty Eight (28) meetings of Sub-Committee of the Board were held. Three members constitute the quorum for each meeting. The meetings were held on 7th April 2014, 30th April 2014, 5th May 2014, 31st May 2014, 30th June 2014, 7th July 2014, 22nd July 2014, 31st July 2014, 4th August 2014, 26th August 2014, 30th August 2014, 8th September 2014, 15th September 2014, 22nd September 2014, 30th September 2014, 13th October 2014, 31st October 2014, 3rd November 2014, 17th November 2014, 29th November 2014, 8th December 2014, 31st December 2014, 5th January 2015, 12th January 2015, 19th January 2015, 30th January 2015, 28th February 2015 and 31st March 2015.

E. Risk Management Committee.

The Risk Management Committee (RM Committee) was constituted by the Board on November 11, 2014 adhering to the requirements of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The Committee's prime responsibility is to review the major risks identified by the Management, implement and monitor the risk management plan and policy of the Company & to apprise the Board on risk assessment and minimization procedures. The Committee's constitution meets with the requirements of Clause 49 of the Listing Agreement. The Committee as on March 31, 2015 consists of following four members.

Composition / Meeting Details of the Committee

Sl. No.	Name of the Directors	Status	Position held in the committee and category	No. of meetings held	No. of meetings attended
01	Mr.V.K.Ladia	WTD	Chairman	1	1
02	Mr.Anubhav Ladia	WTD	Member	1	1
03	Mr.Sunil Goyal	NEID	Member	1	-
04.	Mr.N.K.Soni	Chief Financial Officer	Member	1	1

Role and Responsibilities of the Committee includes the following:

- To identify the Corporate Risks and method for mitigation of the same.
- To facilitate the determination of risk appetite, including maximum limits.
- To monitor the Corporate Governance frame work and ensure its compliance
- To highlight any of the serious risk issues to the Board of Directors
- To monitor strategies and action plans which have been enacted by the business units.
- To provide guidance for the risk assessment to the management of the Company.
- To monitor whether the Company has any Risk Management Policy and if the same is being followed effectively.

Risk Management Plan

The risk management plan followed by the Committee comprised of the following 5 steps :

- Identification of risk
- Defining the risk in detail
- Analyzing the risk
- Evaluating various aspects linked to the risk
- Treatment of risk

Meeting details: During the year 2014-15, One meeting was held on 12.2.2015.

IV General Body Meetings

ANNUAL GENERAL MEETINGS

Last 3 Annual General Meetings of the Company were held as under:

Financial Year	Date	Time	Venue
2011-12	22 nd September, 2012	2.30 PM	Regd. Office : "SRSL House" Pulla Bhuwana Road, N.H. no. 8, Udaipur -(Raj)- 313004
2012-13	28 th September, 2013	2.30 PM	Regd. Office : "SRSL House" Pulla Bhuwana Road, N.H. no. 8, Udaipur -(Raj)- 313004
2013-14	17 th September, 2014	2.30 PM	Regd. Office : "SRSL House" Pulla Bhuwana Road, N.H. no. 8, Udaipur -(Raj)- 313004

The details of Special Resolutions passed at AGMs during last 3 years i.e. 2014, 2013 & 2012 are as under:-

Sr. No.	AGM / EOGM held on	Special Resolution Passed
1.	17 th September, 2014	01. Approval of borrowing powers in terms of Section 180 (1) (c) of the Companies Act, 2013 02. Approval for Related Party Transactions with M/s Shree Shyam Distributors & Marketing Pvt. Ltd. u/s 188 of the Companies Act, 2013. 03. Approval for Related Party Transactions with M/s Rajasthan Yarn Syndicate u/s 188 of the Companies Act, 2013. 04. Approval for Related Party Transactions with M/s V. K. Texchem u/s 188 of the Companies Act, 2013. 05. Approval for Related Party Transactions with M/s Divine Fibres Pvt. Ltd. u/s 188 of the Companies Act, 2013. 06. Acceptance of deposits from members u/s 73 of the Companies Act, 2013.
2.	28 th September, 2013	01. Reappointment of Shri V.K. Ladia u/s 198, 269, 309, 349, and 350 with Schedule XIII of Companies Act, 1956. 02. Reappointment of Shri Vikas Ladia u/s 198, 269, 309, 349, and 350 with Schedule XIII of Companies Act, 1956. 03. Reappointment of Shri Anubhav Ladia u/s 198, 269, 309, 349, and 350 with Schedule XIII of Companies Act, 1956.
3.	22 nd September, 2012 15 th April, 2012 (EOGM)	01. Approval from Shareholders under Section 293 (1)(A) to specify the overall limit up to which money may be borrowed from the Lenders by Board of Directors. 02. Approval from Shareholders for allotment of 650,000 Convertible Share warrants to the promoters and its associates on preferential basis in Extra ordinary General Meeting (EOGM) held on 15th April, 2012

POSTAL BALLOT

Special Resolution passed through Postal Ballot

Pursuant to Section 180(1)(a) of the Companies Act, 2013 & the rules framed there under, effective from 12th September, 2013 the consent of the members of the Company is required by passing special resolution by means of postal ballot to authorize the board of directors and/ or any Committee thereof to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company to secure the borrowings of company, create such mortgages/charges/ hypothecation and/or other encumbrances, in addition to the existing mortgages, charges, hypothecation and other encumbrances, upto the extent of Rs.500 crores (Rupees Five Hundred Crores Only).

In light of the above compliance your company had conducted the Postal Ballot on 17th September 2014 for approval for creation of mortgage or charge, sale, lease or otherwise dispose off the whole or substantially the whole of the undertaking(s) of the company to secure the borrowings of the company & accordingly made arrangements with the system provider CDSL, Depository for providing a system of recording votes of the shareholders electronically through e-voting. The company had also accordingly made arrangements through its Registrar and Transfer Agent, M/s MAS Services Limited to set up e-voting facility on the CDSL e-voting website. All necessary formalities in compliance with the requirements specified by CDSL, the system provider had been done by the company through its RTA. Necessary instructions in

this regard to be followed by the shareholders have also been duly mentioned in the Postal Ballot Notice dated 14th August 2014 sent to the shareholders by email and courier. The Register of Members was made up, for the purpose of dispatch of postal ballot to the shareholders as of 1st August, 2014 (Cut-off date).

Further, The board had appointed CS Manoj Maheshwari, Practicing Company Secretary, Jaipur as a Scrutinizer to conduct the postal ballot voting process in a fair & transparent manner.

The resolution pursuant to Section 180(1)(a) of the Companies Act, 2013 was duly passed by the postal Ballot & the following pattern of voting made by the shareholders of the company was taken on record

Total No. of Shareholders	12,122	
Total No. of Shares	1,24,02,301	
Receipt of postal Ballot Forms	From 18th August, 2014 to 16th September, 2014	
	Number of Folios	Number of shares
Total votes cast through E- Voting	A	23
Total Votes cast through Postal Ballot forms received	B	--
Grand Total of E - Voting/Postal Ballot Form (A+B)	C	23
Less: Invalid e - Voting/ Postal Ballot Forms*(On account of signature mismatch, for/against option not indicated)	D	--
Net E - Voting/Postal Ballot Forms(C -D)*(iii)	E	23
Votes in favour of the resolution	F	23
Votes in against of the resolution	G	-
No. of invalid postal ballot form received	H	-

V. Disclosures

a) Related party transactions- Disclosure on materially significant related party transactions that may have potential conflict with the interests of Company at large.

The details of Related Party Transactions are provided in AOC-2 attached under the head of Board's Report as **Annexure VI**.

b) Details of non-compliance by the Company, penalties and strictures imposed on the company by Stock Exchanges or SEBI, or any other statutory authority, on any matter related to capital markets during last three years.

i) There has been no instance of non-compliance by the Company on any matter related to capital markets during last three years, and hence, no penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any other statutory authority.

ii) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable - No stock option issued.

c) Whistle Blower Policy / Vigil Mechanism

Pursuant to Section 177 (9) & (10) of the Companies Act, 2013 and as per Clause 49 of the Listing Agreement the Vigil Mechanism / Whistle Blower Policy was formulated to provide an opportunity to employees and an avenue to raise concerns about the unethical behavior actual or suspected fraud or violation of the Company's code of ethics policy and to access in good faith the Audit Committee, to the highest possible standards of ethical, moral and legal business conduct and its commitment to open communication, in case they observe unethical and improper

practices or any other wrongful conduct in the Company, to provide necessary safeguards for protection of employees from reprisals or victimization and to prohibit managerial personnel from taking any adverse personnel action against those employees.

The Vigil Mechanism/ Whistle Blower Policy and any matters arising towards such policy shall be overseen by the Audit Committee on the basis of the following details;

- a) Internal Policy & Protection under Policy.
- b) Safeguards against Harassment or Victimization:
- c) False Allegation & Legitimate Employment Action.
- d) Disclosure to the Head of Department/Audit Committee
- e) Accountabilities - Head of Department/ Managing Director/ Audit Committee.
- f) Procedure of vigil mechanism.

VI. Insider Trading/ Formulation And Adoption Of Code Of Fair Disclosures And Code Of Conduct Related To Insider Trading Of Shares As Per SEBI (Prohibition Of Insider Trading) Regulations, 2015 w.e.f. 15.05.2015.

Your company was governed under SEBI (Prohibition of Insider Trading) Regulations, 1992 along with its main amendments in 2008 and 2011 till 14th May 2015.

Further, pursuant to SEBI vide its notification No. LAD-NRO/GN/2014-15/21/85 dated 15th January 2015 has notified SEBI (Prohibition of Insider Trading) Regulations 2015. This regulation has come into the effect from 14th May 2015 and it overrides the previous regulations of code of internal procedures and conduct framed under the SEBI (Prohibition of Insider Trading) Regulations, 1992 inter alia to prevent insider trading in the shares of the Company.

Accordingly, the company has duly formulated and adopted the following codes w.e.f. 15.05.2015:

01. Code of Practices And Procedures For Fair Disclosure Of Unpublished Price Sensitive Information.
02. Code Of Conduct To Regulate, Monitor And Report Trading By Its Employees & Other Connected Persons towards achieving compliance with regulations.

VII. Compliance Officer & Role of Company Secretary in overall Governance process

The Company Secretary plays a key role in ensuring that the Board (including the committees thereof) procedures are followed & regularly reviewed. Mrs. Bhanupriya Mehta Jain, Company Secretary and Compliance Officer, has been designated by the Board as the Compliance Officer for complying with requirements of Companies Act, 2013 & Rules made thereunder, Securities Laws and Listing Agreements with Stock Exchanges as per Listing Agreement. As per the requirement of the Companies Act, 2013 she is also a part of Key Managerial Personnel.

VIII. Risk Management

The Company has a well defined risk management framework in place. Under this framework, the management identifies and monitors business risks on continuous basis and initiated appropriate risk mitigation steps as and when deemed necessary. The Company has established procedures to periodically place before the Board, risk assessment and minimization procedures being followed by the Company and the steps taken to mitigate those risks through this framework.

IX. Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification

As per requirement of Clause 49 of the Listing Agreement, a certificate duly signed by CEO and CFO of the Company was placed at the Board meeting of the Company held on 22nd May, 2015 and forms a part of this Report on Corporate Governance.

X. Means of Communication

Quarterly Results: The Company's quarterly, half yearly & yearly results in the form prescribed under Clause 41 of the Listing Agreement were sent to the Stock Exchange, where the shares are listed, & the same were published in Financial Express and Nafanuksan within the prescribed time. The financial results are also displayed on the website of the Company (www.srsl.in).

News releases, presentations, among others: Official news releases and official media releases, if any, are sent to Stock Exchanges.

Website: The Company's website www.srsl.in contains a separate dedicated section 'financial results' where shareholders information is available. The Company's Annual Report is also available in a user friendly and downloadable form.

Annual Report: The Annual Report containing, *inter alia*, Audited Financial Statements, Consolidated Financial Statements, Director's Report, Auditor's Report and other important information is circulated to members and others entitled thereto. The Management's Discussions and Analysis (MD&A) Report forms part of the Annual Report and is displayed on the Company's website (www.srsl.in).

Chairman's Communique: The printed copy of the Chairman's speech is distributed to shareholders at Annual General Meetings. The document is also placed on the Company's website : www.srsl.in

BSE Corporate Compliance & Listing Centre (The Listing Centre): BSE's Listing Centre is a web based application designed for corporate. All periodical compliances filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

SEBI Complaints Redress System (SCORES): The investor complaints are processed in a centralized web based complaints redress system. The salient features of this system are: Centralized database of all complaints, online upload of Action Taken Reports

(ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

Designated Exclusive email-ID: The Company has designated the following email ids exclusively for investor servicing:

For queries on Annual Report: cs@srsi.in

For queries in respect of shares in physical mode:

mas_serve@yahoo.com

XI. General Shareholder Information:

a) Annual General Meeting

Date : 29th September, 2015
Time : 2.30 P.M.
Venue : at the Registered Office of the Company at 'SRSI House', Pulla Bhuwana Road, N.H.No.8, Udaipur - 313 004

b) Financial year : 1st April, 2014 - 31st March, 2015

Financial Calendar Particulars April 01, 2014 to March 31, 2015

Unaudited Financial Results for

Quarter ended June 30, 2014 - 14th August, 2014

Unaudited Financial Results for

Half Year ended September 30, 2014 - 12th November, 2014

Unaudited Financial Results for Third

Quarter ended December 31, 2014 - 12th February, 2015

Audited Financial Results for

the year ending March 31, 2015 - 22nd May, 2015

Financial Calendar Particulars April 01, 2015 to March 31, 2016 (Tentative schedule)

Unaudited Financial Results for

Quarter ended June 30, 2015 - August, 2015 (2nd Week)

Unaudited Financial Results for

Half Year ended September 30, 2014 - November, 2015 (2nd Week)

Unaudited Financial Results for Third

Quarter ended December 31, 2014 - February, 2016 (2nd Week)

Audited Financial Results for the

year ending March 31, 2015 - May, 2016 (Last Week)

Annual General Meeting 2015-16 : Last week of September, 2016 (Tentative schedule)

c) Date of Book Closure : 28th September, 2015 - 29th September, 2015

d) Listing on Stock Exchanges : At present the equity shares of the company are listed on Bombay Stock Exchange Ltd. (BSE). The Annual Listing fees for the financial year 2015 to BSE have been paid.

e) Stock Code : 503837 with BSE Ltd.

f) Market Price Data

Month	High (Rs.)	Low (Rs.)	Volume
April, 2014	07.65	06.01	82,571
May, 2014	09.50	06.50	69,019
June, 2014	12.70	08.75	83,099
July, 2014	13.00	09.37	69,307
August, 2014	09.83	07.75	37,373
September, 2014	10.07	08.01	50,514
October, 2014	10.24	08.00	30,479
November, 2014	12.02	08.30	1,01,851
December, 2014	10.19	08.23	1,28,239
January, 2015	09.90	08.02	73,044
February, 2015	11.83	08.01	49,435
March, 2015	10.20	06.57	67,722

g) Registrar and Transfer Agent : M/s. MAS Service Ltd.
T-34, 2nd Floor, Okhla Industrial Area, Phase - II
New Delhi-110 024
Phone: 011 26387281-83
Fax: 011 26387384

h) Share Transfer System: Share transfers are normally effected within a period of 15 days from the date of receipt, if all required documentation is submitted. All share transfers are approved by the Sub-Committee of the Board of Directors. The Committee met 28 times during the financial year 2014-2015 for consideration of share transfer and similar matters. The Company obtains from a Company Secretary in Practice Half-yearly Certificate of compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement and file a copy of the said certificate with Stock Exchange.

i) Distribution of Shareholding as on 31st March, 2015

Table - i.1 Shareholding Pattern by Size

Shareholding of Nominal value (Rs.)	No. of Share Holders	Total No. of Share	% of share holding
1 - 5000	10585	1407353	11.35
5001-10000	559	439643	3.55
10001-20000	255	384890	3.10
20001-30000	95	234679	1.89
30001-40000	61	210999	1.70
40001-50000	35	165942	1.34
50001-100000	71	502048	4.05
100001 & above	107	9056747	73.03
Total	11768	12402301	100.00

Table- i.2 Shareholding Pattern by Ownership

Shareholders	No. of Shares held	% of total shares held
Promoters & promoter group	5343826	43.09
Foreign Institutional Investors	150	0.00
Mutual Funds/UTI	4485	0.04
Banks	330794	2.67
Corporate Bodies	1283922	10.35
Non-Resident Indian / OCB's	162415	1.31
Public	5276709	42.54
Total	12402301	100.00

Table- i.3 Shareholding Pattern Category wise

Category	Number of shareholders	Shareholders (%)	Number of Shares held	Shareholding (%)
Electronic	4801	40.51	10972571	88.47
Physical	7049	59.49	1429730	11.53
Total	11850	100.00	12402301	100

Note:- 82 holders are Common in demat and physical

j) Dematerialization of Shares and Liquidity

As on 31st March 2015, 88.47 % of the Company's equity shares have been dematerialized. The Company has entered into an agreement with both National Securities Depository Ltd. (NSDL) and Central Depository Services Ltd. (CDSL) whereby shareholders have the option to dematerialize their shares with the Depositories.

International Securities Identification Number (ISIN) of the Company is INE796C01011.

k) Plant Locations

- i) Shree Rajasthan Syntex Ltd., Village-Udaipura, Simalwara Road, Dungarpur - 314 001 (Raj.) Tel: 02964 - 302400 Fax: 02964 - 302500
- ii) Shree Rajasthan Polycot (A Div. of Shree Rajasthan Syntex Ltd) Simalwara Road Dungarpur -314 001 (Raj.) Tel: 02964 - 302400 Fax: 02964 - 302503
- iii) Shree Rajasthan Texchem (A Div. of Shree Rajasthan Syntex Ltd) Village - Patapura, Simalwara Road Dungarpur - 314 001 (Raj.) Tel: 02964 - 302400, Fax: 02964 - 302502

l) Address for correspondence 'SRSL House', Pulla
/Registered Office : Bhuwana Road, N.H 8,
 Udaipur, (Raj.) - 313 004

m) Payment of Depository Fees

Annual Custody/Issuer fee for the year 2015-16 will be paid by the Company to NSDL & CDSL on receipt of the invoices.

XII. Non-Mandatory Requirements

The Company has not adopted any non-mandatory requirements.

CEO/CFO CERTIFICATE UNDER CLAUSE 49 (V) OF THE LISTING AGREEMENT

To:

The Board of Directors

Shree Rajasthan Syntex Limited

We, V.K. Ladia, Chairman and Managing Director & CEO and Mr. N.K. Soni, Chief Financial Officer of Shree Rajasthan Syntex Limited, to the best of our knowledge and belief, certify that;

- a) We have reviewed financial statements and the cash flow statement for the year 2014-2015 and 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 2014-15 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 -
 - i) significant changes in internal control over financial reporting during the year 2014-15
 - 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.

FOR: SHREE RAJASTHAN SYNTEX LTD.

Sd/-
N.K. SONI
CHIEF FINANCIAL
OFFICER (CFO)

Sd/-
V.K. LADIA
CHAIRMAN & MANAGING
DIRECTOR (CEO)
DIN-00168257

Date: 22nd May 2015

Place : Udaipur

M.C.BHANDARI & CO.
CHARTERED ACCOUNTANTS

To

The Members of Shree Rajasthan Syntex Ltd

We have examined the compliance of conditions of Corporate Governance by Shree Rajasthan Syntex Ltd, for the year ended on 31st March, 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to review of the procedures and implementation thereof adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Clause 49 of the Listing Agreement with relevant Stock Exchange.

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

For M.C. Bhandari & Co.
Chartered Accountants,
Firm Reg. No. 303002E

C.A. V. CHATURVEDI
PARTNER
M. No.13296

Place : Jaipur
Date : 08th August, 2015

CONFIRMATION FOR COMPLIANCE WITH CODE OF CONDUCT

I hereby confirm & declare that all the Board members and Senior Management Personnel have individually affirmed compliance with the Code of Conduct adopted by the Company for the financial year ended 31st March, 2015.

Place : Udaipur
Date : 22nd May, 2015

Sd/-
(V.K. Ladia)
Chairman and Managing Director (CEO)

ANNEXURE-VIII

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

2) CIN	:	L24302RJ1979PLC001948
3) Registration Date	:	15/11/1979
4) Name of the Company	:	SHREE RAJASTHAN SYNTEX LTD.
5) Category / Sub-Category of the Company	:	Public Company / Limited by Shares
6) Address of the Registered office and contact details	:	'SRSL House', Pulla Bhuwana Road, N.H. 8 Udaipur (Raj.)- 313004
7) Whether listed company	:	Yes / No
8) Name, Address and Contact details of Registrar and Transfer Agent, if any	:	MAS Services Limited, T-34, 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi- 110020 Ph:- 26387281/82/83 Fax:- 26387384 Email:- info@masserv.com Website:- www.masserv.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
01	Man made Fibre spun yarn	5509 (ITC Code)	91.11%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl.No.	Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associates	% of share held	Applicable Section
01			N.A.		
02					
03					

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

1. Category-wise Share Holding -

Category of Shareholders	No. of shares held at the beginning of the year (01.04.2014)				No. of shares held at the end of the year (31.03.2015)				% age change during the year.
	Demat	Physical	Total	% age of total shares.	Demat	Physical	Total	% age of total shares.	
A. Promoters									
1) Indian									
a) Individual/ HUF	1585956	0	1585956	12.79	1548242	0	1548242	12.48	(0.31)
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt.(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	3795584	0	3795584	30.6	3795584	0	3795584	30.6	0
e) Banks/FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A) (1)	5381540	0	5381540	43.39	5343826	0	5343826	43.08	(0.31)
2) Foreign									
a) NRIs-Individuals	0	0	0	0	0	0	0	0	0
b) Other individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
Sub-Total (A) (2)	0	0	0	0	0	0	0	0	0
Total shareholding of promoters (A) [(A)(1)+(A)(2)]	5381540	0	5381540	43.39	5343826	0	5343826	43.08	(0.31)



B. Public shareholding									
(1) Institutions									
a) Mutual Funds	2334	2151	4485	0.04	2334	2151	4485	0.04	0
b) Banks / Financial Inst.	330134	660	330794	2.67	330134	660	330794	2.67	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt.(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Company	0	0	0	0	0	0	0	0	0
g) FI Is	0	150	150	0	0	150	150	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
I) Others (Specify)	0	0	0	0	0	0	0	0	0
Sub-Total (B) (1)	332468	2961	335429	2.71	332468	2961	335429	2.71	0
(2) Non Institutions									
a) Bodies Corp.	997676	256220	1253896	10.11	1027702	256220	1283922	10.35	0.24
I) Indian									
II) Overseas									
b) Individual									
I) Individuals shareholder holding nominal share capital upto Rs. 1 Lac	2261966	1024445	3286411	26.5	2131758	997938	3129696	25.24	(1.26)
II) Individual shareholder holding nominal share capital in excess of Rs. 1 lac	1684401	100600	1785001	14.39	1871901	100600	1972501	15.9	1.51
c) Others (specify) Non- Resident Indian/ OCB	89283	72011	161294	1.3	90404	72011	162415	1.31	0.01
d) Others (specify) Clearing Member	31513	0	31513	0.25	7295	0	7295	0.06	(0.19)
e) Others (specify) Trust	167217	0	167217	1.35	167217	0	167217	1.35	0
Sub Total (B) (2) :	5232056	1453276	6685332	53.9	5296277	1426769	6723046	54.21	0.31
Total Public Shareholding (B) [(B)(1) + (B)(2)]	5564524	1456237	7020761	56.61	5628745	1429730	7058475	56.91	0.30
C.Shares held by custodian for GDRs and ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	10946064	1456237	12402301	100	10972571	1429730	12402301	100	0

2. Shareholding of Promoters -

Sl. No.	Shareholder's name	Shareholding at the beginning of the year (01.04.2014)			Share holding at the end of the year (31.03.2015)			% change in share holding during the year
		No. of shares	% of total shares of the Company	% of shares pledged/encumbered to total shares.	No. of shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	
1	VINOD KUMAR LADIA	87400	0.71	0	87400	0.71	0	0
2	SUNIL KUMAR JAIN	46067	0.37	0	46067	0.37	0	0
3	SHRADHA JAIN	6934	0.06	0	6934	0.06	0	0

4	SUSHEEL JAIN*	29267	0.24	0	29267	0.24	0	0
					*MOVED TO PUBLIC CATEGORY			
5	SUBHASH JAIN	6918	0.06	0	6918	0.06	0	0
6	PUJA LADIA	25101	0.2	0	25101	0.2	0	0
7	ROSHAN LAL GARG	5067	0.04	0	4	0.00	0	(99.92)
8	V.K. TEXCHEM PVT. LTD.	444871	3.59	0	444871	3.59	0	0
9	RAJASTHAN STATE INDUSTRIAL DEVELOPMENT AND INVESTMENT CORPORATION LIMITED	440934	3.56	0	440934	3.56	0	0
10	SRSL SECURITIES	2092455	16.87	0	2092455	16.87	0	0
11	MAMTA JAIN	30067	0.24	0	30067	0.24	0	0
12	HIRAMANI DEVI JAIN	58625	0.47	0	58625	0.47	0	0
13	POOJA TOSHNIWAL	25982	0.21	0	25982	0.21	0	0
14	VIKAS LADIA	47495	0.38	0	47495	0.38	0	0
15	POONAM LADIA	140084	1.13	0	140084	1.13	0	0
16	ANUBHAV LADIA	35000	0.28	0	35000	0.28	0	0
17	VIKAS LADIA	302515	2.44	0	302515	2.44	0	0
18	VINOD KUMAR LADIA	466018	3.76	0	466018	3.76	0	0
19	ANUBHAV LADIA	270032	2.18	0	270032	2.18	0	0
20	NARENDRA NATH AGRAWALA*	2550	0.02	0	2550	0.02	0	0
					*MOVED TO PUBLIC CATEGORY			
21	NARENDRA NATH AGRAWALA*	834	0.01	0	834	0.01	0	0
					*MOVED TO PUBLIC CATEGORY			
22	SHREE SHYAM DISTRIBUTORS AND MARKETING PRIVATE LIMITED	817324	6.59	0	817324	6.59	0	0
Total		5381540	43.39	0	5343826	43.09	0	0.30

3. Change in Promoter's Shareholding (please specify, if there is no change)-

Sl. No		Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
01	At the beginning of the year	53,81,540	43.39	53,81,540	43.39
02	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g allotment /transfer / bonus/ sweat equity/ moved to public category etc):	##			
03	At the End of the year	53,43,826	43.09	53,43,826	43.09

##Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g allotment / transfer / bonus/ sweat equity/ moved to public category, etc) is given below :



SL. NO	NAME	SHAREHOLDING		DATE	INCREASE/ DECREASE IN SHAREHOLD - ING	REASON	CUMULATIVE SHAREHOLDING DURING THE YEAR (01.04.2014-31.03.2015)	
		No. of shares at the beginning 01.04.2014	% of total shares of the Company				No. of Shares	% of total shares of the Company
01	Roshan Lal Garg	5067	0.04	01-Apr-2014		Transfer (Sale)		
				31-Mar-2015	-5063		4	0
				31-Mar-2015			4	0
02	Narendra Nath Agrawal (having two folios)	Mr. Narendra Nath Agrawala shares are moved to Public Category. There is no Change in his shareholding.						
03	Susheel Jain	Mr. Susheel Jain shares are moved to Public Category. There is no Change in his shareholding.						

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

Sl. No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative sharehold - ing during the year	
		No. of shares at the beginning (01.04.2014) / end of the year (31.03.2015)	% of total shares of the company				No. of shares	% of total shares of the Company
1	ICICI Banks Ltd.	330134	2.66	01.04.2014				
		330134	2.66	31.03.2015		-	330134	2.66
2	Rai Investments Ltd.	190830	1.54	01.04.2014				
				16.05.2014	23405	Transfer	214235	1.72
				30.05.2014	1000	Transfer	215235	1.74
				13.06.2014	16609	Transfer	231844	1.87
				18.07.2014	7530	Transfer	239374	1.93
				08.08.2014	8230	Transfer	247604	1.99
				05.09.2014	156	Transfer	247760	2
				17.10.2014	15996	Transfer	263756	2.13
		263756	2.13	31.03.2015	-	-	263756	2.13
3	Shree Rajasthan Syntex Ltd. (Trust)	167067	1.34	01.04.2014				
				31.03.2015	-	-	167067	1.34
4	Park Continental Ltd.*	163079	1.31	01.04.2014				
				04.04.2014	-10423	Transfer	152656	1.23
				11.04.2014	-7656	Transfer	145000	1.17
				18.04.2014	-9990	Transfer	135010	1.09
				25.04.2014	-12000	Transfer	123010	0.99
				02.05.2014	-6900	Transfer	116110	0.94
				09.05.2014	-10975	Transfer	105135	0.85
				16.05.2014	-15010	Transfer	90125	0.73
				30.05.2014	-8125	Transfer	82000	0.66

***During the Year 2014 -15, Park Continental ceased to be in top ten shareholder list on 30.05.2014.**

5	BJD Securities Pvt. Ltd.	139666	1.013	01.04.2014				
				16.05.2014	11995	Transfer	151661	1.22
				30.05.2014	50	Transfer	151711	1.22
				06.06.2014	1125	Transfer	152836	1.23
				13.06.2014	11775	Transfer	164611	1.33
				11.07.2014	18994	Transfer	183605	1.48
				18.07.2014	5388	Transfer	188993	1.52
				08.08.2014	8449	Transfer	197442	1.59
				22.08.2014	2510	Transfer	199952	1.61
				05.09.2014	15529	Transfer	215481	1.74
				12.09.2014	500	Transfer	215981	1.74
				17.10.2014	6717	Transfer	222698	1.8
				14.11.2014	4110	Transfer	226808	1.83
				12.12.2014	4225	Transfer	231033	1.86
				31.12.2014	9050	Transfer	240083	1.94
				02.01.2015	900	Transfer	240983	1.94
				09.01.2015	15	Transfer	240998	1.94
				16.01.2015	756	Transfer	241754	1.95
				23.01.2015	32169	Transfer	246923	1.99
				30.01.2015	325	Transfer	247248	1.99
		247248	1.99	31.03.2015	-	-	247248	1.99
6	Bharati Bharat Dattani	137457	1.11	01.04.2014				
				16.05.2014	15630	Transfer	153087	1.23
				30.05.2014	1500	Transfer	154587	1.25
				04.07.2014	-500	Transfer	154087	1.24
		154087	1.24	31.03.2015	-	-	154087	1.24
7	Bharat Jamnadas Dattani	119038	0.96	01.04.2014				
				18.04.2014	-1671	Transfer	117367	0.94
		117367	0.94	31.03.2015	-	-	117367	0.94
8	Lakhpat Rai Jain	109017	0.88	01.04.2014				
		109017	0.88	31.03.2015	-	-	109017	0.88
9	Swan Industries Ltd.	89734	0.72	01.04.2014				
		89734	0.72	31.03.2015	-	-	89734	0.72
10	Bharat Jamnadas Dattani	81977	0.66	01.04.2014				
				04.07.2014	-11	Transfer	81966	0.66
				25.07.2014	-500	Transfer	81466	0.66
		81466	0.66	31.05.2015	-	-	81466	0.66
11	Bharat Jamnadas	79317	0.64	01.04.2014				
				30.05.2014	6150	Transfer	85467	0.69
				11.07.2014	-2000	Transfer	83467	0.67
				09.01.2015	5563	Transfer	89030	0.72
		89030	0.72	31.03.2015	-	-	89030	0.72


5. Shareholding of Director & Key Managerial Personnel- :

Sl. No.	Name	Shareholding		Date	Increase / Decrease in Sharehold - ing	Reason	Cumulative sharehold - ing during the year	
		No. of shares at the beginning (01.04.2014) / end of the year (31.03.2015)	% of total shares of the company				No. of shares	% of total shares of the Company
1	Mr. V.K. Ladia	466018	3.76	01.04.2014	0	Nil Movement during the year		
		466018	3.76	31.03.2015			466018	3.76
2	Mr. Vikas Ladia	302515	2.44	01.04.2014	0	Nil Movement during the year		
		302515	2.44	31.03.2015			302515	2.44
3	Mr. Anubhav Ladia	270032	2.18	01.04.2014	0	Nil Movement during the year		
		270032	2.18	31.03.2015			270032	2.18
4	Mr. Narendra Nath Agrawala	3384	0.03	01.04.2014	0	Nil Movement during the year		
		3384	0.03	31.03.2015			3384	0.03
5	Mr. Susheel Jain	29267	0.24	01.04.2014	0	Nil Movement during the year		
		29267	0.24	31.03.2015			29267	0.24
6	Mr. Ravinder Narain	6000	0.05	01.04.2014	0	Nil Movement during the year		
		6000	0.05	31.03.2015			6000	0.05
7	Mr. Sunil Goyal	-	-	01.04.2014	0	Nil Share-holding		
		-	-	31.03.2015			-	-
8	Mr. R.L. Kunawat	-	-	01.04.2014	0	Nil Share holding		
		-	-	31.03.2015			-	-

V. INDEBTEDNESS

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

(Rs. in Lacs)

Particulars	Secured loans excluding deposits	Unsecured Loans	Deposits (PFD)	Total indebtedness
Indebtedness at the beginning of the financial year				
i) Principal amount	12615.02	-	35.71	12650.73
ii) Interest due but not paid	-	-	0.07	0.07
iii) Interest accrued but not due.	93.98	-	3.76	97.74
Total (i+ii+iii)	12709	-	39.54	12748.54

Change in Indebtedness during the financial year:				
* Addition	532.73	-	52.27	585
* Reduction	1541.26	-	50.71	1591.97
Net change	1008.53	-	1.56	1006.97
Indebtedness at the end of the financial year				
i) Principal Amount	11606.49	-	37.27	11643.76
ii) Interest due but not paid	-	-	0.07	0.07
iii) Interest accrued but not due	76.01	-	1.44	77.45
Total (i+ii+iii)	10499.74	-	38.78	10538.52

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:-

(In Rs.)

Sl. No	Particulars of remuneration	Name of MD / WTD/Manager			Total amount
		Mr. V.K. Ladia (Chairman & Managing Director)	Mr. Vikas Ladia (Joint Managing Director)	Mr. Anubhav Ladia (Executive Director)	
1	Gross salary (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961.	22,50,000	16,90,000	11,96,000	51,36,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	9,33,703	5,62,992	28,6219	1782,914
	(c) Profits in lieu of salary under Section 17(3) Income-Tax Act, 1961	-	-	-	-
2	Stock option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify.	-	-	-	-
5	Others, please specify	-	-	-	-
	Total (A)	31,83,703	22,52,992	14,82,219	69,18,914
	Ceiling as per the Act.	Ceiling limit as per the section 197 of the act & schedule V is Rs.84 Lakhs *			

* Due to inadequacy of the profit for the year 2014-15 & pursuant to Section 197 of the Act & Schedule- V the Ceiling limit is being calculated amounting to Rs. 84 lakhs (42*2) on the basis of effective capital as given in the Part-II of schedule V, Section-II.

B. Remuneration to other director-

(In Rs.)

Sl. No	Particulars of remuneration	Name of the Directors						Total amount
		Mr. R.S. Nirwan (Independent Directors)	Mr. Sunil Goyal (Independent Directors)	Mr. N.N. Agrawala (Independent Directors)	Mr. R.L. Kunawat (Non-Executive Director)	Mr. R.K. Pandey (Ceased to be Director w.e.f. 17.09.2014)	Mrs. Amita Narain (Ceased to be Director w.e.f. 12.02.2015)	
1	Independent Directors * Fee for attending Board, Committee meetings. * Commission * Others, please specify.	56000	28000	42000	-	14000	7000	147000
		-	-	-	-	-	-	-
	Total (1)	56000	28000	42000	-	14000	7000	147000
2	Other Non-Executive Directors. * Fee for attending Board, Committee meetings.	-	-	-	42000	-	-	42000

* Commission	-	-	-	-	-	-	-
* Others, please specify.							
Total (2)	-	-	-	42000	-	-	42000
Total (B) = (1+2)	56000	28000	42000	42000	14000	7000	189000
Total Management remuneration							
Overall ceiling as per the Act.	1% of profit after tax.*						

* Due to inadequacy of the profit for the year 2014-15 the Profit/(loss) is (141.77)lacs. The other Directors have received the remuneration by way of sitting fees only pursuant to section 197(5) of the Companies Act, 2013 & the same is within the ceiling limit of Rs.1Lacs

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

(In Rs.)

Sl. No.	Particulars of remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	22,50,000	2,46,000	5,64,000	8,10,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	9,33,703	1,15,585	1,45,163	2,60,748
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961		-	-	
2	Stock option		-	-	
3	Sweat Equity		-	-	
4	Commissioner				
	- % age of profit		-	-	
	- Others, specify.		-	-	
5	Others, please specify		-	-	
	Total	31,83,703	3,61,585	7,09,163	10,70,748

The Details of CEO i.e. Mr. V.K. Ladia is provided in Attachment I above.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

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

By order of the Board
For Shree Rajasthan Syntex Limited

Place: New Delhi
Date: 8th August, 2015

(V.K. LADIA)
CHAIRMAN & MANAGING DIRECTOR
DIN: 00168257

Independent Auditor's Report

To the Members of Shree Rajasthan Syntex Ltd.

Report on the Financial Statements

We have audited the accompanying financial statements of Shree Rajasthan Syntex Ltd., which comprise the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended 31st March, 2015, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for purpose of expressing an opinion on whether the Company has in place an adequate Internal financial controls system over financial reporting and the operating effectiveness of such controls.. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, 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 on the financial statements.

Opinion

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

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- b) in the case of the Statement of Profit and Loss of the loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
 - 2. As required by section 143(3) of the Act, we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes 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 aforesaid financial statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) on the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164(2) of the Act.
- f) with respect to the other matters included in the Auditor's Report and to best of our information and according to the explanations given to us:
 - I. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 29(e) & 32 (a) to (f) to the financial statements.
 - II. The Company does not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses)
 - III. There has been no delay in transferring amounts, required to be transferred, to the Investor and Education and Protection Fund by the Company.

For : **M. C. BHANDARI & Co.**
Chartered Accountants
FRN303002E

CA V. Chaturvedi
Partner

Membership No. : 013296

Place: Udaipur
Date: May 22, 2015

ANNEXURE REFERRED TO THE AUDITORS REPORT

(Referred to in our report of even date)

**Annexure referred to in Point 1 of the Auditor's Report of even date to the members of
Shree Rajasthan Syntex Ltd for the year ended as on March 31, 2015.**

**On the basis of such checks as considered appropriate and in terms of the information and
explanations given to us we state as under:-**

- (i) a) The Company has maintained proper records showing full particulars, including quantitative details and situations of Fixed Assets.
 - b) As per the information and explanations given to us, physical verification of fixed assets has been carried out in terms of the phased program of verification adopted by the company and no material discrepancies were noticed on such verification.
- (ii) a) As per the information and explanations given to us, the Inventories (excluding stock, materials and work in progress, which are in transit & stock lying with third parties) have been physically verified during the year by the management. In our opinion, having regard to the nature and location of stocks, the frequency of the physical verification is reasonable.
 - b) In our opinion and according to the information and explanations given to us procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory and no material discrepancies were noticed on verification of inventory.
- (iii) As per the information and explanations given to us, the company has granted unsecured loans to companies covered in the register maintained under section 189 of the Companies Act, 2013. The number of such parties involved are NIL and the maximum balance during the year is NIL and the closing balance as on year end is NIL.
 - a) The receipt of principal amount and interest are regular.
 - b) Since there is no overdue amount, Clause (iii)b is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of its business with regard to the purchase of inventory and fixed assets and for sales of goods and services. During the course of our audit, no major weakness has been noticed in the internal controls.
- (v) The Company has accepted deposits, to the best of our knowledge & belief, the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there

under, where applicable, have been complied with.

- (vi) The Central Government has prescribed maintenance of the cost records U/S 148(1) of the Companies Act, 2013 in respect to the company's products. We have broadly reviewed the books of account & records maintained by the company in this connection and are of the opinion that prima facie, the prescribed accounts and records have been made & maintained. We have however, not made a detailed examination of the records with a view to determining whether they are accurate of complete.
- (vii) (a) According to the information and explanations given to us and the records examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident Fund, investor education and protection fund, employees' state Insurance, Income Tax, sales tax, wealth tax, service tax, custom duty and excise duty, cess and other statutory dues with appropriate authorities wherever applicable. According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding, as at 31st March, 2015 for a period of more than 6 months from the date they became due.
- (b) According to the record of the company, the dues of sales tax, income tax, customs, wealth tax, excise duty, service tax which have not been deposited on account of disputes and the forum where the dispute is pending are given hereunder:

Disputed Matters with the various forum.

S. No.	Name of the Statute	Nature of the dues	Amount (Rs. In lacs)		Period to which the amount relates (F.Y.)	Forum where dispute is pending
			Gross.	Net of Deposit		
1	Rajasthan Stamp Act 1998	Stamp Duty	2.70	2.70	2012 -13	Tax Board Ajmer
2	Rajasthan Tax into entry of Goods into Local Area Act, 1999	Entry Tax and Interest	303.40	182.09	2006 -07 To 2012 -13	Supreme Court of India
3	Central Excise Act, 1994	Excise Duty/ Custom Duty	3.07 42.41 80.20 22.22	2.80 15.29 41.04 22.22	-	Dy Commissioner/ Asst. Commissioner Commissioner Appeal CESTAT Jt. Secretary
4	Service tax	Service Tax	38.63 18.91	32.41 1.76	-	CESTAT Commissioner Appeal
5	Rajasthan Value Added Tax, 2003	Value Added Tax with RIPS	261.05	200.20	2007 -08 to 2011 -12	Raj. Tax Board Ajmer

- (c) According to the information and explanations given to us the amounts which were required to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under has been transferred to such fund within time.
- (viii) The Company had accumulated loss at the year end which have not exceeded fifty percentage of the net worth of the company. The company did not incur cash losses during the year as well as the immediate previous financial year.
- (ix) Based on our audit procedures and the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks. There are no debenture holders of the company.
- (x) According to the information and explanations given to us the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) According to the information and explanations given to us, the term loans have been applied for the purpose for which they were raised.
- (xii) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanation given to us, we have neither come across any instances of fraud on or by the company noticed or reported during the year, nor we have been informed of such case by the management.

For and on behalf of
M. C. BHANDARI & Co.
Chartered Accountants
FRN303002E

Place: Udaipur
Date: May 22, 2015

CA V. Chaturvedi
Partner
Membership No. : 013296

BALANCE SHEET AS AT 31ST MARCH, 2015

Particulars	Note No.	As at 31.03.2015 Rs. (in lacs)	As at 31.03.2014 Rs. (in lacs)
I. EQUITY AND LIABILITIES			
(1) Shareholder's funds			
(a) Share Capital	2	1240.23	1240.23
(b) Reserves & Surplus	3	2199.92	2477.94
		3440.15	3718.17
(2) Non- current liabilities			
(a) Long-term borrowings	4	5923.05	6966.29
(b) Deferred tax liabilities (Net)	5	382.49	557.20
(c) Other Long term liabilities	6	127.92	137.87
(d) Long term provisions	7	290.11	343.09
		6723.57	8004.45
(3) Current liabilities			
(a) Short-term borrowings	8	4506.43	4137.46
(b) Trade payables	9	4158.22	3536.57
(c) Other current liabilities	10	1609.36	1896.57
(d) Short term provisions	11	143.22	83.74
		10417.23	9654.34
Total		20580.95	21376.96
II. ASSETS			
(1) Non- current assets			
(a) Fixed assets			
(i) Tangible assets	12	10232.69	10669.73
(ii) Intangible assets	12	0.12	0.26
(iii) Capital work-in-progress	12	2.88	396.35
(b) Non-current investments	13	40.15	40.15
(c) Long-term loans and advances	14	231.08	316.92
		10506.92	11423.41
(2) Current assets			
(a) Inventories	15	4510.22	4580.26
(b) Trade receivables	16	1443.52	1496.54
(c) Cash and cash equivalents	17	178.47	156.31
(d) Short-term loans and advances	18	365.34	380.79
(e) Other current assets	19	3576.48	3339.65
		10074.03	9953.55
Total		20580.95	21376.96
Significant Accounting Policies	1		
Note on Financial Statements	2 to 44		

Signed in terms of our report
of even date annexed hereto.

For and on behalf of
M/s M.C. BHANDARI & CO.
Chartered Accountants
Firm Reg. No. 303002E

Sd/-
V.K. LADIA
CHAIRMAN & MANAGING
DIRECTOR (DIN : 00168257)

Sd/-
N. N. AGRAWALA
DIRECTOR
(DIN : 00168211)

(CA V. CHATURVEDI)
Membership. No. 13296
Partner

Date : 22/05/2015
Place : Udaipur

Sd/-
BHANUPRIYA MEHTA JAIN
COMPANY SECRETARY

Sd/-
N.K. SONI
CHIEF FINANCIAL OFFICER

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

Particulars	Note No.	2014-2015 Rs. (in lacs)	2013-2014 Rs. (in lacs)
Revenue from operations	20	29734.32	28805.01
Other Income	21	464.55	205.66
Total Revenue		30198.87	29010.67
Expenses :			
Cost of materials consumed	22	19626.24	19,228.40
Purchases of Stock -in-Trade		186.62	105.01
Changes in inventories of finished goods- work-in-progress and stock-in-trade	23	(200.63)	(408.76)
Employee benefits expenses	24	2903.61	2697.94
Finance costs	25	1673.91	1588.70
Depreciation and amortisation Expenses		780.46	927.95
Other Expenses	26	5545.14	4796.29
Total expenses		30515.35	28935.53
Profit before tax		(316.48)	75.14
Tax Expenses:			
(1) Current tax (MAT)		-	14.32
Less : MAT credit entitlement		-	14.32
Net current tax		-	-
(2) Deferred Tax		(174.71)	13.83
Profit/(Loss) for the period		(141.77)	61.31
Earning per equity share :	27		
Basic & Diluted		(1.14)	0.50
Significant Accounting Policies	1		
Note on Financial Statements	2 to 44		

Signed in terms of our report
of even date annexed hereto.

For and on behalf of
M/s M.C. BHANDARI & CO.
Chartered Accountants
Firm Reg. No. 303002E

Sd/-
V.K. LADIA
CHAIRMAN & MANAGING
DIRECTOR (DIN : 00168257)

Sd/-
N. N. AGRAWALA
DIRECTOR
(DIN : 00168211)

(CA V. CHATURVEDI)
Membership. No. 13296
Partner

Date : 22/05/2015
Place : Udaipur

Sd/-
BHANUPRIYA MEHTA JAIN
COMPANY SECRETARY

Sd/-
N.K. SONI
CHIEF FINANCIAL OFFICER

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015 PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT

	2014-15	2013-14
A Cash Flow from Operating Activities		
Net Profit before tax and extraordinary items	(316.48)	75.14
Adjustments for		
Depreciation	780.46	927.95
Provision for Leave Encashment/Gratuity	6.50	(11.15)
Loss on Sale of Assets/Investments (Net)	(323.85)	2.06
Interest Income	(81.51)	(122.86)
Interest Expenses	1,635.90	1,449.61
Exchange Fluctuation	38.01	139.09
Operating Profit before Working Capital Changes	1,739.03	2,459.84
Adjustments for		
Trade and other Receivables	(99.02)	(140.87)
Inventories	70.04	(900.75)
Trade and other payable	665.37	1,162.50
Cash Generation from Operations	2,375.42	2,580.72
Less: Taxes paid (Net of Refunds)	(9.90)	33.81
Net Cash from Operating Activities	2,385.32	2,546.91
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets/Capital Expenditure	(190.23)	(1,401.58)
Sale of Fixed Assets	428.01	92.69
Cash used in Investing Activities	237.78	(1,308.89)
C Cash flow from Financing Activities		
Proceeds from Term Borrowings	163.76	1,186.24
Repayment of Loans	(1,541.26)	(1,669.08)
Proceeds of Fixed Deposits/ICD	(6.61)	(17.57)
Intercompany and Other Loans	6.60	4.44
Change in Short Term Borrowings	368.97	721.15
Interest Expenses	(1,635.90)	(1,449.61)
Interest Income	81.51	122.86
Foreign Exchange Fluctuation	(38.01)	(139.09)
Net Cash Realised from Financing Activities	(2,600.94)	(1,240.66)
Add: Cash and Cash Equivalent as at 31.03.2014	156.31	158.95
Cash and Cash Equivalent as at 31.03.2015	178.47	156.31

Sd/-
V.K. LADIA
CHAIRMAN & MANAGING
DIRECTOR (DIN : 00168257)

Sd/-
N. N. AGRAWALA
DIRECTOR
(DIN : 00168211)

Sd/-
N. K. SONI
Chief Financial Officer

Sd/-
BHANUPRIYA MEHTA JAIN
Company Secretary

Auditor's Certificate

We have verified the above cash flow statement of M/s Shree Rajasthan Syntex Limited with reference to the audited Annual Accounts for the year ended March 31, 2015 and we found the same to be in agreement therewith.

M/s. M. C. BHANDARI & CO.
Chartered Accountants
Firm Reg. No. 303002E

CA V. CHATURVEDI
Membership. No. 13296
Partner
Date: 22.05.2015
Place: Udaipur

1 SIGNIFICANT ACCOUNTING POLICIES

i) FIXED ASSETS AND DEPRECIATION:

- a) Fixed Assets are stated at cost, net of Cenvat. All costs including financing costs till commencement of commercial production and adjustment arising from exchange rate variations relating to borrowings attributable to the fixed assets are capitalised. Stores and spares received along with the Plant & Machinery are being capitalised with related machine.
- b) Cotton Yarn unit and Wartsila Power Plant are stated at cost without availing CENVAT, and thermal power plant is stated without availing service cenvat. All costs including financing costs till commencement of commercial production and adjustment arising from exchange rate variations relating to borrowings attributable to the fixed assets are capitalized.
- c) Depreciation on fixed assets is provided on straight line method as per useful life prescribed in Schedule II to the Companies Act, 2013. Depreciation on incremental cost, arising on account of conversion difference of foreign currency liabilities for acquisition of fixed assets and stand by equipments , which are amortised over the residual life of the respective assets.
- d) Assets costing Rs.5000/- or less acquired on or after 1.7.1993 are fully depreciated.
- e) The company provides for depreciation on following plant & machinery considering the same as continuous process plant.
 - (i) Filament Yarn Division , Spun Yarn Division and Cotton Yarn Division
 - (ii) Power Generation Equipments
- f) Free hold lands and leasehold lands are not depreciated.
- g) Impairment of Assets - If the carrying amount of fixed assets exceeds the recoverable amount on the reporting date, the carrying amount is reduced to the recoverable amount. The recoverable amount is measured as the highest of the net selling price and the value in use determined by the present value of estimated future cash flows.

ii) INVENTORIES:

Inventories are valued at cost or net realisable value which ever is lower. Historical cost has been determined as under:-

A	Raw Materials	At Batch cost.
B	Stores, Spares	At First In First Out method.
C	Fuel	Monthly weighted average
D	Work-in-progress	(i) Preparatory Stage - at cost (ii) Yarn Stage-at cost or net realizable value whichever is lower.
E	Finished goods	at cost or net realizable value whichever is lower.

[Cost formula used in clause (D) & (E): - Conversion cost and other cost in bringing the inventories to their present location and condition.]

F	Waste and Scrap	at net realisable value.
G	Trading stocks	at cost of purchase

iii) INVESTMENTS:

Long term investments are carried at cost including related expenses. In case of diminution in value other than temporary, the carrying amount is reduced to recognize the decline cost.

iv) RAW MATERIAL CONSUMPTION IS NET OF EXPORT BENEFITS.

v) RESEARCH AND DEVELOPMENT:

Research and development costs (other than costs of fixed assets acquired) are charged as an expense in the year in which they are incurred.

vi) EMPLOYEE BENEFITS:

Short-term employee benefits (benefits which are payable within twelve months after the end of the period in which the employees render service) are measured at cost. Long -term employee benefits (benefits which are payable after the end of twelve months from the end of the period in which the employees render service) and post employment benefits (benefits which are payable after completion of employment) are measured on a discounted basis by the Projected Unit Credit Method on the basis of annual third party actuarial valuations.

Contributions to Provident Fund , a defined contribution plan are made in accordance with the statute , and are recognized as an expense when employees have rendered service entitling them to the contributions.

The costs of providing leave encashment and gratuity, defined benefit plans, are determined using the Projected Unit Credit Method , on the basis of actuarial valuations carried out by third party actuaries at each balance sheet date. The leave encashment and gratuity benefit obligation recognized in the Balance Sheet represents the present value of the obligations as reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to the discounted value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. Actuarial gains and losses are recognized immediately in the Profit and Loss Account.

vii) PRELIMINARY, CAPITAL ISSUES AND DEFERRED REVENUE EXPENSES:

Preliminary, Capital issue expenses are amortised in a period of ten years. Upfront payment made for reduction in rate of interest and for fresh Term Loans and amalgamation expenses(Debited to Deferred Revenue Expenses) are amortised in a period of five years.

viii) REVENUE RECOGNITION:

- (a) The accounts of the company are prepared under the historical cost convention and in accordance with the applicable accounting standards.
- (b) Income is accounted for on accrual basis in accordance with Accounting Standard (AS) 9-"Revenue Recognition" which provides that where there is no reasonable certainty, the recognition of income be postponed.
- (c) Excise Duty is recognized on dispatches to parties except consignment agents.
- (d) Claims lodged with insurance companies and others are recognised in accounts to the extent they are measurable with reasonable certainty of acceptance. Excess/Shortfall is adjusted in the year of receipt.

ix) CENVAT:

- a. CENVAT claimed on capital goods (Plant and Machinery), except for Plant and Machinery of Cotton Yarn Division and Service tax cenvat on plant & machinery of Wartsila Power Division, is credited to Plant and Machinery cost. Depreciation is not charged on the CENVAT claimed on capital goods in the books of account as well as under the Income Tax Act.
- b. CENVAT on purchases of such inputs are deducted from the cost, wherever the excise duty has been paid on finished goods manufactured out of these inputs.

x) FOREIGN CURRENCY TRANSACTION:

- a. Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
- b. Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.
- c. Non monetary foreign currency items are carried at cost.
- d. Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Profit and Loss Account except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

xi) EXPORT BENEFITS:

Export benefits on Export are recognized in accounts to the extent they are measurable with reasonable certainty. Excess/Shortfall is adjusted in the year of receipt.

xii) PROVISIONS AND CONTINGENT LIABILITIES:

- a. Provisions are made when the present obligation of a past event gives rise to probable outflow, embodying economic

benefit on settlement and the amount of obligation can be reliably estimated.

- b. Contingent Liabilities are disclosed after a careful evaluation of facts and legal aspects of the matter involved.
- c. Provisions and Contingent Liabilities are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

xiii) TAXATION:

Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961. Deferred tax on account of timing difference between taxable and accounting income is provided considering the tax rates and tax laws enacted or substantially enacted by the Balance Sheet date in accordance with Accounting Standard 22 as notified by the regulatory authorities.

xiv) EXCISE DUTY:

Excise duty on manufactured goods wherever applicable is accounted for at the point of manufacture of goods and accordingly, is considered for valuation of finished goods stock lying in the factories as on the Balance Sheet date.

Notes on Financial Statements for the Year ended 31st March, 2015

2 Share Capital

	As at 31.03.2015 Rs. (in lacs)	As at 31.03.2014 Rs. (in lacs)
AUTHORISED :		
(i) 2,60,00,000 (Previous year 2,60,00,000) Equity Shares of Rs.10/- each	2600.00	2600.00
(ii) 6,00,000 (Previous year 6,00,000) Cumulative Redeemable Preference Shares of Rs.100/- each	600.00	600.00
	3200.00	3200.00
ISSUED,SUBSCRIBED AND FULLY PAID UP:		
1,24,02,301 (Previous year 1,24,02,301) Equity Shares of Rs.10/-each	1240.23	1240.23
	1240.23	1240.23

2.1 Out of above equity shares, 37,59,899 equity shares of Rs. 10/- each fully paid have been allotted to erstwhile share holders of the amalgamating Company M/s Shree Rajasthan Texchem Ltd., pursuant to the scheme of amalgamation as approved by the Honb'le High Court of Rajasthan, Jodhpur without payment being received in cash.

2.2 Details of shareholder holding more than 5% shares :-

Name of the Share holders	As at 31.03.2015 No. of Shares	% held	As at 31.03.2014 No. of Shares	% held
SRSL Securities Ltd.	2092455	16.87	2092455	16.87
Shree Shyam Distributors & Maktg. (P) Ltd.	817324	6.59	817324	6.59

2.3 The reconciliation of number of shares outstanding is set out below :

	As at 31.03.2015 No. of Shares	As at 31.03.2014 No. of Shares
Equity share at the beginning of the year	12402301	12332301
Equity shares allotted on conversion of warrants	-	70,000
Equity share at the closing of the year	12402301	12402301

2.4 The Company has one class of equity shares having a par value of Rs. 10/- per share. Each equity shareholder is eligible for one vote per share held. Each equity shareholder is entitled to dividends as and when declared by the Company. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amount in proportion to their shareholding.

3 Reserves & Surplus

	As at 01.04.2014 Rs. (in lacs)	Addition/ Transfer Rs. (in lacs)	Deduction/ Transfer Rs. (in lacs)	As at 31.03.2015 Rs. (in lacs)
Reserves				
Capital Reserves	75.00	-	-	75.00
Share Premium	1998.42	-	-	1998.42
Securities Premium	718.82	-	-	718.82
Capital Redemption Reserve	500.00	-	-	500.00
Capital Subsidy	17.28	-	-	17.28
Total (A)	3309.52	-	-	3309.52
General Reserve	177.12	-	-	177.12
Profit & Loss Account				
Opening balance	(1,008.70)	(141.77)	-	(1,150.47)
Retained earning (refer Note No. 38)	-	-	136.25	(136.25)
	(1,008.70)	(141.77)	136.25	(1,286.72)
Total (B)	(831.58)	(141.77)	136.25	(1,109.60)
Grand Total (A+B)	2477.94	(141.77)	136.25	2199.92

4 Long Term Borrowings

	As at 31.03.2015 Rs. (in lacs)	As at 31.03.2014 Rs. (in lacs)
(i) Term Loans from Banks (Secured)		
IDBI	2420.78	2956.04
BOB	2103.00	2372.49
SBI	1393.52	1613.52
	5917.30	6942.05

(ii) Deposits (Unsecured)

- From Directors	-	2.27
- From Related Parties	5.75	10.96
- From Public & Others	-	11.01
	<u>5.75</u>	<u>24.24</u>
Total	5923.05	6966.29

4.1 Term Loans from IDBI Bank Ltd. (IDBI), State Bank of India (SBI), and Bank of Baroda (BOB) are secured by a joint equitable mortgage, by deposit of title deeds, over the company's immovable assets and a charge by way of hypothecation of all movable assets (except Plant & Machinery exclusively charged in favour of SBI and BOB for Loan of Rs... Nil... & Rs. 1100.00 Lacs respectively, (Previous year Rs. 218.00 Lacs & Rs. 976.24 lacs respectively) present and future subject to prior charges on specified movables created in favour of company's Bankers and personal guarantee of two directors. The mortgage and charges created shall rank pari-passu inter-se amongst the financial Institution and Banks.

4.2 Maturity Profile of Secured Term Loans from Banks are as set out below :

Repayment Due in Financial Years	IDBI	BOB	SBI	Rs. (in lacs)
2016-2017	675.00	378.00	460.00	1513.00
2017-2018	686.00	320.00	460.00	1466.00
2018-2019	899.78	135.00	473.52	1508.30
2019-2020	160.00	520.00	-	680.00
2020-2021	-	435.00	-	435.00
2021-2022	-	315.00	-	315.00
Total	2420.78	2103.00	1393.52	5917.30

4.3 Interest Rates are lending Bank's Base Rates + 3 to 4.50%.

4.4 Maturity Profile of Unsecured Deposits are as set out below :

Repayment Due in Financial Years	Amount	Rs. in lacs
2017-2018		5.75
Total		5.75

5 Deferred Tax Liabilities (Net)

	As at 31.03.2015 Rs. (in lacs)	As at 31.03.2014 Rs. (in lacs)
Deferred tax liabilities (Net)	382.49	557.20
	<u>382.49</u>	<u>557.20</u>

5.1 The Company has estimated the deferred tax charge using the applicable rate of taxation based on the impact of timing difference between financial Statements and estimated taxable income for the current year. The component of the deferred tax balance as on 31.03.2015 and 31.03.2014 are as follows :-

	31.03.2015	31.03.2014
Deferred Tax Assets		
Brought Forward Losses	1746.88	1615.74
Gratuity / Leave encashment	131.04	129.63
Total Assets	1877.92	1745.37
Deferred Tax Liability		
Depreciation	2260.41	2302.57
	<u>2260.41</u>	<u>2302.57</u>
Net Deferred Tax (Assets) / Liability	382.49	557.20

6 Other Long Term Liabilities

	As at 31.03.2015 Rs. (in lacs)	As at 31.03.2014 Rs. (in lacs)
Deposit & Advances	127.92	137.87
	<u>127.92</u>	<u>137.87</u>

7 Long Term Provisions

	As at 31.03.2015 Rs. (in lacs)	As at 31.03.2014 Rs. (in lacs)
Provision for Employees benefits	290.11	343.09
	<u>290.11</u>	<u>343.09</u>

8 Short Term Borrowings

	As at 31.03.2015 Rs. (in lacs)	As at 31.03.2014 Rs. (in lacs)
Working Capital Loans (Banks)		
Foreign Currency Loan	732.62	-
Rupee Loan	3773.81	4137.46
	<u>4506.43</u>	<u>4137.46</u>

8.1 Borrowings for Working Capital from State Bank of India, Bank of Baroda , State Bank of Bikaner & Jaipur and IDBI Bank Ltd. are secured by hypothecation of raw materials, stock-in-process, stock-in-transit, finished goods, consumable stores and spares and book debts and are further secured by way of second charge on immovable assets of the Company ranking pari-passu inter-se amongst the Bankers and personal guarantee of two directors.

9 Trade Payables

	Rs. (in lacs)	As at 31.03.2015 Rs. (in lacs)	Rs. (in lacs)	As at 31.03.2014 Rs. (in lacs)
Acceptances		1499.71		1494.04
Trade Payables				
a) Micro Small and Medium Enterprises	7.35		8.79	
b) Others	2651.16	2658.51	2033.74	2042.53
		4158.22		3536.57

9.1 The details of amount outstanding to Micro, Small and Medium Enterprises based on available information with the Company is as under :

Particulars	As at 31.03.2015 Rs. (in lacs)	As at 31.03.2014 Rs. (in lacs)
1 . Principal amount due outstanding	7.35	8.79
2. Interest due on (1) above and unpaid	-	-
3. Interest paid to the suppliers during the year	-	-
4. Payments made to the supplier beyond the appointed day during the year	-	-
5. Interest due and payable for the period of delay	-	-
6. Interest accrued and remaining unpaid	-	-
7. Amount of further interest remaining due and payable in succeeding year	-	-

10 Other Current Liabilities

	As at 31.03.2015 Rs. (in lacs)	As at 31.03.2014 Rs. (in lacs)
Unclaimed dividend (*)	4.46	8.94
Unclaimed Public Fixed Deposit (*)	0.19	0.19
Interest accrued and due on unclaimed deposits (*)	0.07	0.07
Other Liabilities (*)	195.14	149.32
Unearned Income	-	0.01
Deposit & Advances	97.80	71.41
Deposits due within one year from Public & others	-	3.30
Deposits due within one year from Related parties	31.52	24.75
Creditors for Capital Expenditures	9.85	5.94
Deposits due within one year from Directors	11.56	3.15
Interest accrued but not due on borrowing	76.01	93.98
Term Loan Instalment due within one year	1182.76	1535.51
	1609.36	1896.57

(*) These figures do not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund as there is no due & outstanding.

11 Short Term Provisions

	As at 31.03.2015 Rs. (in lacs)	As at 31.03.2014 Rs. (in lacs)
Provision for Employees benefits	143.22	83.74
	143.22	83.74

12 Fixed Assets

Description of Assets	GROSS BLOCK AT COST				DEPRECIATION				NET BLOCK	
	As at 01.04.2014 Rs. in Lacs	Additions/ Adjustments Rs. in Lacs	Deductions/ Transfers Rs. in Lacs	As at 31.03.2015 Rs. in Lacs	As at 01.04.2014 Rs. in Lacs	Additions/ Adjustments Rs. in Lacs	Deductions/ Transfers Rs. in Lacs	As at 31.03.2015 Rs. in Lacs	As at 31.03.2015 Rs. in Lacs	As at 31.03.2014 Rs. in Lacs
(i) Tangible Assets										
Land (Leasehold and freehold) & site Development	37.64	0.00	0.00	37.64	0.00	0.00	0.00	37.64	37.64	37.64
Buildings *	2850.94	103.60	39.64	2914.90	1053.25	93.37	12.54	1134.08	1780.82	1797.69
Tube Well	6.02	0.00	0.00	6.02	1.66	4.08	0.00	5.74	0.28	4.36
Plant & Machinery	21934.23	449.76	1293.46	21090.53	13790.51	602.25	1217.60	13175.16	7915.37	8143.72
Electrical Installations	1027.69	19.47	0.00	1047.16	512.60	176.86	0.00	689.46	357.70	515.09
Water Supply Installations	86.33	0.40	1.15	85.58	26.03	1.95	1.04	26.94	58.64	60.30
Material Handling Equipment	33.21	0.00	6.19	27.02	18.47	2.57	5.47	15.57	11.45	14.74
Air Conditioner	18.72	0.67	0.27	19.12	12.63	3.95	0.25	16.33	2.79	6.09
Furniture & Fixture	140.26	5.91	0.33	145.84	130.75	11.90	0.19	142.46	3.38	9.51
Office Equipments	109.28	3.89	0.00	113.17	61.77	13.75	0.00	75.52	37.65	47.51
Vehicles	85.38	0.00	8.29	77.09	52.30	5.89	8.07	50.12	26.97	33.08
(ii) Intangible Assets										
Software	0.33	0.00	0.00	0.33	0.07	0.14	0.00	0.21	0.12	0.26
Total This Year	26330.03	583.70	1349.33	25564.40	15660.04	916.71	1245.16	15331.59	10232.81	10669.99
Previous Year	25399.20	1194.79	263.96	26330.03	14898.40	927.95	166.31	15660.04		
(iii) Capital Work-in-Progress										
Plant & Machinery								0.00	0.00	188.61
Building								0.00	0.00	24.86
Unit -4 Upgradation / Modernisation Expenses								0.00	0.00	51.80
- Pre-operative & Trial Run Exp.								0.00	0.00	83.71
-Others								2.88	2.88	47.37
								10235.69		11066.34

Note :

12.1 (*) Includes cost of land of corporate office, being composite cost of land and building, value of land could not be ascertained separately.

12.2 There is no addition on account of any Business combination during the year.

12.3 Plant and machineries include power plant and other plant and machineries aggregating to Rs.1558.96 lacs remaining at Bagru and The Company does not intend to put these to use. Depreciation of Rs. 55.28 lacs (till date Rs. 81.71 lacs) and Rs.4.19 lacs (till date Rs. 8.25 lacs) respectively also not provided on these Plant and Machineries.

12.4 Current year's Depreciation includes Rs. 136.25 lacs charged to Retained earning, whose useful life as per Companies Act 2013 exhausted by 01.04.2014.

13 Non-Current Investments

	As at 31.03.2015 Rs. (in lacs)	As at 31.03.2014 Rs. (in lacs)
Other Investments (Unquoted)		
Corporate Bodies		
300000 Equity Share of SRSL Securities Ltd. - - of Rs. 10/- each (Associate Company)	30.00	30.00
10,000 Equity shares of Shyam Texchem (P) Ltd. of Rs. 100/- each.	10.00	10.00
Others		
National Saving Certificates (Pledged with Sales Tax Authorities)	0.15	0.15
	<u>40.15</u>	<u>40.15</u>

14 Long-Term Loans and Advances

	As at 31.03.2015 Rs. (in lacs)	As at 31.03.2014 Rs. (in lacs)
(i) Capital Advances	19.59	36.19
(ii) Security Deposits		
To Director	-	8.97
To Others	<u>121.46</u>	<u>176.69</u>
(iii) Loan & Advances to related parties (SRSL Employees Welfare Trust)	86.20	92.80
(iv) Others (Prepaid Expenses)	<u>3.83</u>	<u>2.27</u>
	<u>231.08</u>	<u>316.92</u>

15 Inventories

	As at 31.03.2015 Rs. (in lacs)	As at 31.03.2014 Rs. (in lacs)
Raw Materials		
- Man made fibre	523.51	611.98
- Cotton	232.20	484.48
- Fibre Stock in Deptt.	46.74	72.64
- Stock in transit	<u>256.31</u>	<u>121.43</u>
Work-in-Process	831.40	932.53
Finished Goods	2131.20	1744.17
- Stock in transit	<u>52.73</u>	<u>117.38</u>
Stock in trade	6.40	0.00
Stores & Spares	347.57	445.62
- Stock in transit	67.40	34.14
Others		
Waste & Scrap	<u>14.76</u>	<u>15.89</u>
	<u>4510.22</u>	<u>4580.26</u>

16 Trade Receivables

	As at 31.03.2015 Rs. (in lacs)	As at 31.03.2014 Rs. (in lacs)
Trade receivables (Unsecured & Considered Good)		
Over six months	40.39	33.87
Others	<u>1403.13</u>	<u>1462.67</u>
	<u>1443.52</u>	<u>1496.54</u>

17 Cash and Cash Equivalents

	As at 31.03.2015 Rs. (in lacs)	As at 31.03.2014 Rs. (in lacs)
Cash and Bank Balances		
Cheques, Drafts on hand	111.11	83.71
Cash -on- Hand	4.07	2.98
Balance in Current account with Banks	1.05	1.59
Bank Deposit (Maturity within 3 months)	<u>6.39</u>	<u>9.53</u>
	<u>122.62</u>	<u>97.81</u>



Balances with Banks				
(i) Dividend Accounts	4.46		8.94	
(ii) Bank Deposit (Maturity above 3 to 12 months)	51.39		5.59	
(iii) Bank deposit (Maturity after 12 months)	-	55.85	43.97	58.50
		178.47		156.31

18 Short-Term Loans and Advances

	As at 31.03.2015 Rs. (in lacs)	As at 31.03.2014 Rs. (in lacs)
Loans & Advances to related parties (SRSL Employees Welfare Trust)	5.00	5.00
Others		
Advance recoverable in cash or kind	360.34	375.79
	365.34	380.79

19 Other Current Assets

	As at 31.03.2015 Rs. (in lacs)	As at 31.03.2014 Rs. (in lacs)
Claims and Export Incentives Recoverable	1694.09	1507.72
Interest accrued on trade receivables	6.67	5.65
Interest Subsidy Recoverable (TUFS)	281.11	232.92
Advance Income Tax	372.70	382.60
Balance with Excise Deptt.	1170.12	1156.32
Others	51.79	54.44
	3576.48	3339.65

20 Revenue From Operations

	Rs. (in lacs)	This Year Rs. (in lacs)	Rs. (in lacs)	Previous Year Rs. (in lacs)
a). Sale of Products				
- Domestic	26555.27		25936.16	
- Export	3234.04		2685.13	
	29789.31		28621.29	
Less :- Sales Return of Previous year	1.04	29788.27	13.65	28607.64
b) Other Operating Revenues				
-Miscellaneous Income	0.45		0.51	
- Insurance Charges Recovered on despatches	97.68		84.48	
- Insurance Claims of damaged goods	2.53		9.79	
- Depot Charges on sales	103.93	204.59	131.82	226.60
		29992.86		28834.24
c) Less : Excise Duty		258.54		29.23
		29734.32		28805.01

21 Other Income

	Rs. (in lacs)	This Year Rs. (in lacs)	Rs. (in lacs)	Previous Year Rs. (in lacs)
a) Interest Income				
Interest Recovered from customers	64.66		91.35	
Interest received on Bank FDR's, loans & others	16.85	81.51	31.51	122.86
b) Other Non-Operating Income				
Miscellaneous Income	32.06		51.87	
Rent / Lease rent Received	0.58		1.94	
Profit on disposal of Fixed Assets (*)	323.85		3.61	
Income Related to Previous year	0.10		0.40	
Insurance claim received	9.27		0.11	
Sundry balances / Liabilities written Back	17.18	383.04	24.87	82.80
		464.55		205.66

(*) Note :- Refer Note No. 40.

22 Cost of Material Consumed

	This Year Rs. (in lacs)	Previous Year Rs. (in lacs)
Fibre Consumption	18812.85	18513.27
Dyes & Chemical Consumption	310.63	343.16
Packing Material Consumption	436.46	315.70
Others	66.30	56.27
	<u>19626.24</u>	<u>19228.40</u>

	This Year Rs. (in lacs)	Previous Year Rs. (in lacs)
22.1 Value of Raw material Consumed	(% of Consumption)	(% of Consumption)
- Imported	141.46	0.72
- Indigenous	19484.78	99.28
Total	19626.24	100.00
22.2 Particulars of Material Consumed		
Cellulosic and non Cellulosic	17297.69	16941.39
Cotton	1825.79	1889.72
Others	502.76	397.29
Total	<u>19626.24</u>	<u>19228.40</u>

23 Increase/ Decrease In Stocks

	This Year Rs. (in lacs)	Previous Year Rs. (in lacs)
Opening Stock :		
Yarn	1861.55	1217.52
Waste & Scrap	15.88	12.52
Work in process	1005.17	1047.95
	<u>2882.60</u>	<u>2277.99</u>
Less :- Transfer for Trial Run	-	13.03
	<u>2882.60(*)</u>	<u>2264.96</u>
Closing stock:		
Yarn	2183.93	1687.83
Fabrics	6.40	-
Waste & Scrap	14.76	13.93
Work in process	878.14	971.96
	<u>3083.23</u>	<u>2673.72</u>
(INCREASE)/ DECREASE IN STOCKS	(200.63)	(408.76)

(*) Including Trial run stock as at 31.03.2014

Yarn Rs. 173.72 lacs

Work in process Rs. 33.21 lacs

Waste & Scrap Rs. 1.95 lacs

24 Employee Benefits Expenses

	This Year Rs. (in lacs)	Previous Year Rs. (in lacs)
Payment & Provision for Employees:		
Salaries, Wages, Bonus & Allowances	2508.95	2343.51
Contribution to Provident Fund & ESI	289.98	276.72
Welfare Expenses	27.74	36.22
Gratuity	76.94	41.49
	<u>2903.61</u>	<u>2697.94</u>

24.1 The employees gratuity fund scheme managed by a Trust is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognized in the same manner as gratuity

Particulars	Gratuity (Funded) Rs. In Lacs	Leave Encashment (Unfunded) Rs. In lacs
EXHIBIT A.1: AMOUNT RECOGNISED IN BALANCE SHEET		
Defined Benefit Obligation	329.09	30.29
Fair value of plan assets	(5.87)	-
Funded status - (surplus)/deficit	323.22	30.29
Unrecognised past service (cost)/credit	-	-
Para 59(b) limit	-	-
Liability/(asset) recognised in balance sheet	323.22	30.29



Particulars	Gratuity (Funded) Rs. In Lacs	Leave Encashment (Unfunded) Rs. In lacs
EXHIBIT A.2: AMOUNT RECOGNISED IN STATEMENT OF PROFIT & LOSS		
Current service cost	45.23	5.59
Interest cost	28.54	3.37
Expected return on plan assets	(0.53)	-
Employee contributions	-	-
Past service cost - vested benefits	-	-
Past service cost - non-vested benefits	-	-
Effect of limit in para 59(b)	-	-
Settlement/curtailment cost/(credit)	-	-
Actuarial loss/(gains)	(61.30)	(16.09)
Total employer expense	11.94	(7.14)
EXHIBIT A.3: ACTUAL RETURN ON PLAN ASSETS		
Expected return on plan assets	0.53	-
Actuarial gain/(loss) on plan assets	(0.53)	-
Actual return on plan assets	-	-
EXHIBIT A.4: RECONCILIATION OF DEFINED BENEFIT OBLIGATION		
Defined Benefit Obligation as at 31 March 2014	317.15	37.43
Current service cost	45.23	5.59
Interest cost	28.54	3.37
Employee contributions	-	-
Past service cost - vested benefits	-	-
Past service cost - non-vested benefits	-	-
Amalgamations	-	-
Curtailment cost/(credit)	-	-
Settlement cost/(credit)	-	-
Actual benefit payments	-	-
Actuarial loss/(gains) due to change in assumptions	16.38	1.49
Actuarial loss/(gains) due to plan experience	(78.21)	(17.58)
Defined Benefit Obligation as at 31 March 2015	329.09	30.29
EXHIBIT A.5: RECONCILIATION OF FAIR VALUE OF PLAN ASSETS		
Fair value of assets as at 31 March 2014	5.87	-
Expected return on plan assets	0.53	-
Contributions by sponsor	-	-
Employee contributions	-	-
Actual benefit payments from fund	-	-
Amalgamations	-	-
Settlements	-	-
Actuarial gains/(loss)	(0.53)	-
Fair value of assets as at 31 March 2015	5.87	-
EXHIBIT A.6: RECONCILIATION OF BALANCE SHEET AMOUNT		
Net liability as at 31 March 2014	311.28	37.43
Employer expense for the period	11.94	(7.14)
Benefit payments made directly by Sponsor	-	-
Actual contributions by sponsor	-	-
Net liability as at 31 March 2015	323.22	30.29
EXHIBIT A.7: RECOGNITION OF ACTUARIAL GAIN/LOSS		
Actuarial loss/(gain) arising on DBO	(61.83)	(16.09)
Actuarial loss/(gain) arising on plan assets	0.53	-
Total loss/(gain) for the period	(61.30)	(16.09)
(Loss)/gain recognised during the period	61.30	16.09
Unrecognised actuarial loss/(gain)	-	-

EXHIBIT A.8: RECOGNITION OF PAST SERVICE COST

Past service cost - non-vested benefits as at 31 March 2014	-	-
Past service cost - non-vested benefits arising during the period	-	-
Past service cost - non-vested benefits recognised during the period	-	-
Past service cost - non-vested benefits as at 31 March 2015	-	-

EXHIBIT A.9: EXPERIENCE HISTORY

Defined Benefit Obligation	329.09	30.29
Fair value of plan assets	(5.87)	-
(Surplus)/deficit	323.22	30.29
Experience adjustment on liabilities: gain/(loss)	78.21	17.58
Experience adjustment on plan assets: gain/(loss)	(0.53)	-

EXHIBIT A.10: MAJOR CATEGORIES OF PLAN ASSETS

Government of India securities	-	N/A
Corporate bonds	-	N/A
Equity shares of listed companies	-	N/A
Property	-	N/A
Insurer-managed funds	1.00	N/A
Other	1.00	N/A
Total	-	N/A

EXHIBIT A.11: DETAILS OF SELF-INVESTMENT

Sponsor's debt instruments	-	N/A
Sponsor's equity shares	-	N/A
Property owned / used by sponsor	-	N/A
other	-	N/A
Total	-	N/A

EXHIBIT A.12: CURRENT AND NON- CURRENT LIABILITY

Current liability	55.86	7.54
Non-current liability	267.37	22.75
Total	323.22	30.29

25 Finance Costs

	This year Rs. (in lacs)	Previous Year Rs. (in lacs)
INTEREST ON:		
Term Loans	729.09	753.62
Bank Borrowings & Others	828.33	627.82
Loss on Foreign currency transactions & translation	38.01	139.09
Other Financial Charges	78.48	68.17
	1673.91	1588.70

26 Other Expenses

	This Year Rs. (in lacs)	Previous Year Rs. (in lacs)
Manufacturing Expenses:		
Stores & Spares	112.08	105.24
Packing Expenses	26.15	24.87
Power & Fuel	3711.37	3108.05
Repairs & Maintenance :		
Plant & Machinery	562.78	586.54
Building	32.68	20.77
General	8.10	7.10
Sundry Manufacturing Expenses	172.67	138.05
Job charges	35.12	37.19
	4660.95	4027.81

Administrative & Other Expenses:

Directors Sitting Fees	1.89	1.33
Directors Remuneration	51.36	46.70
Rent, Rates & Taxes	26.37	18.56
Travelling (including Directors Travelling- -Expenses Rs.32.96 lacs (Previous Year Rs.26.50 lacs)	66.26	50.12
Insurance Charges	23.40	21.33
Vehicle Upkeep	12.01	12.80
Misc.Expenses	115.61	139.80
Add : Previous year expenses	17.77	2.89
Telephone Expenses	13.42	13.95
Fees	6.04	7.15
Donation	-	0.45
Printing & Stationery	13.45	14.38
Postage Expenses	6.65	4.26
	354.23	333.72
Write Off /Loss on disposal of Fixed Assets	-	5.66

Sundry Balances Written off

2.72	2.32
------	------

Auditors Remuneration:

Audit Fee	2.80	2.80
Tax Audit Fee	0.50	0.50
Other Services	0.75	0.77
Audit Expenses	1.99	1.34
	6.04	5.41
Internal Audit Fee & Expenses	2.06	2.05
Cost Audit Fee & Expenses	0.60	0.61
	2.66	2.66

Selling Expenses :

Commission & Brokerage	193.36	175.60
Discount	63.97	58.29
Freight & Forwarding (Net of recoveries)	251.45	171.54
Rebate & Claim	6.33	9.44
Research & Development Exp.	0.02	0.03
Others	3.40	3.81
	518.53	418.71
Grand Total :	5545.14	4796.29

27. Value of Stores & Spares Consumed

This Year			Previous Year	
	Rs. (in lacs)	(% of Consumption)	Rs. (in lacs)	(% of Consumption)
- Imported	13.36	11.92	45.17	42.92
- Indigenous	98.72	88.08	60.07	57.08
Total	112.08	100	105.24	100.00

28. Earning Per Equity Share

	This Year Rs. (in lacs)	Previous Year Rs. (in lacs)
Profit attributable to the Equity Share holders (Rs. in lacs)	(141.77)	61.31
Weighted average number of equity shares outstanding during the year	12402301	12371041
Weighted average number of equity shares outstanding during the year for diluted EPS	12402301	12371041
Nominal value of equity Share (Rs.)	10	10
Basic earning per Share (Rs.)	(1.14)	0.50
Diluted earning per Share (Rs.)	(1.14)	0.50

29. Contingent Liabilities And Commitments:

- a. Claims not acknowledged as debts by the Company Rs. 88.25 Lacs (Previous Year Rs 215.97 Lacs)
 - b. Bills discounted with Banks and outstanding Rs. 657.22 lacs (Previous Year Rs.486.37 Lacs)
 - c. Counter guarantees given by the Company in respect of guarantees and Letter of Credits given by the Bankers on behalf of the Company Rs. 1590.64 Lacs (Previous year Rs. 1358.06 Lacs)
 - d. Estimated amount of contracts remaining to be executed on capital account and not provided for net of advances Rs. 159.53 lacs (Previous Year Rs. 319.67 lacs).
 - e. Demands issued by the Excise/Custom Authorities amounting to Rs. 205.43 Lacs (Previous Year 349.65 Lacs) besides other penalties in law. The company is contesting the issues under legal advice. The company has however deposited Rs.89.93 Lacs (Previous year 92.03 lacs) under protest.
30. Assessment of Sales Tax For The Assessment Years 2012-13, 2013-14 & 2014-15 Are Pending, Liabilities If Any, Arising Thereon Shall Be Accounted For In The Year of Assessment.
31. A. Assessment of Income Tax Has Been Completed Up To The Assessment Year 2012-13.
B. In View of Carry Forward Losses No Provision Is Required Towards Income Tax.

32. Legal Cases:

- a.) The Company has received various demands of ESI aggregating to Rs. 24.44 Lacs. (Previous year Rs.24.44 Lacs). Since the matter is pending in appeal and the Company does not envisage any liability, no provision has been made. Amount deposited under Protest Rs 0.93 lacs. (Previous year Rs. 0.93 Lacs).
- b.) The Company suffered losses due to breaches/non-fulfillment of the terms and conditions of the Contract with M/s. Kirloskar Oil Engines Ltd. in respect of 2 Nos. DG set of 2.5 MW supplied by them. These losses have been partly recovered by the Company by encashment of Bank Guarantee taken under the Contract with the party. For balance recovery of Rs. 234.23 lacs suit

against KOEL is filed.

- c) (i) The Hon'ble Supreme court in the case of Jindal Stainless Ltd. Has held levy of Entry Tax unconstitutional. It has also directed all the High Courts to look in to the constitutional validity of respective Entry Tax. Consequent to that 5 High Courts namely Allahabad, Punjab, Haryana, Jharkhand and Kerla has held the respective Entry Tax to be constitutionally invalid . The Hon'ble High Court of Rajasthan in the case of Dinesh Pouches has also held the levy of Entry Tax by the Government of Rajasthan as unconstitutional. As per legal opinion obtained amount paid by the company towards Entry Tax pursuant to Rajasthan Entry Tax Act 1999 has become refundable since inception. It filed refund claim of Entry Tax aggregating to Rs.252.32 Lacs , for the year 2001-02 to 2005-06.
- (ii) The Company is not liable to pay Entry Tax pursuant to the above said decision of Supreme Court, as such the Company has not provided for Entry Tax for the year 2006-2007 to 2014-15 aggregating to Rs.233.71 Lacs & interest Rs. 80.62 Lacs.
- (iii) The aggrieved State Governments including Government of Rajasthan filed appeals with Hon'ble Supreme Court of India.
- (iv) During the year various Hon'ble High Courts, including the Hon'ble High Court of Rajasthan rejected all the cases relating to Entry Tax. Aggrieved by the judgement of Hon'ble High Court of Rajasthan, the "Trade" had filed SLP with Hon'ble Supreme Court of India with Stay Application, While disposing off stay petition Hon'ble Supreme Court has given Interim Order for deposit of 50% of demand and for balance 50% Bank Guarantee to be submitted to Govt through assessing authorities. The company has deposited Rs. 121.31 Lacs against demand of Rs 303.40 Lacs upto 2012-13 and has given bank guarantee of balance 50% Rs. 98.34 Lacs. From February 2015 the company is regularly paying Entry Tax.
- d.) The company has filed writ petitions with hon'ble high

court of Rajasthan against disallowances of benefits receivable by it under Rajasthan Investment Promotion Scheme 2003 (RIPS) for expansion and modernization towards interest subsidy and wage and employment subsidy aggregating to Rs.261.05 Lacs for the assessment year 2007-08 to 2011-12 inclusive of interest Rs. 63.64 Lacs. As per legal opinion obtained by the company, it is accounting these benefits in its books of account it has also filed appeal before appellate authority and deposited under protest Rs. 60.85 Lacs (Previous year Rs.60.85Lacs).

- e.) As per legal opinion Urban Cess and Water Cess levied by State of Rajasthan is not leviable on the company being established at RIICO Industrial land. The entire amount Rs.245.95 lacs paid upto 31.03.2012 has become recoverable. The company has charged Rs.245.95 lacs paid upto 31.03.2012 to Profit & Loss Account. However Rs.479.68 lacs paid during 2012-13, 2013-14 & 2014-15 stands recoverable under the head Urban Cess / Water Cess deposited under Protest recoverable Account. The company has filed SLP in Supreme Court for the recovery of entire amount.
- f.) The company has paid Rs. 18,69,956/- to M/s TUSCON ENGINEERS LTD. as per arbitration award given against the company. The company has filed an appeal with Hon'ble High Court of Rajasthan against the arbitration award.
33. Since the company is upgrading its main Plant & Machinery under Technology Up gradation Fund scheme regularly, it is not carrying any asset of which carrying cost is more than its recoverable amount / value in use on the Balance Sheet date. Hence there is no impairment loss.
34. Balances appearing under the head Creditors, Debtors, Advances and Deposits are subject to confirmations yet to be received by the company.
- 35. All the investments of the company have been considered by its management to be of long term nature.**
- No provision for decline in the carrying amount of investment is made in this year's accounts as in the management's considered opinion, such decline is not of a permanent nature.

36. The company has fulfilled its export obligation under all EPCG Licenses. Hence no obligation is pending.

37. Primary Segment Information : As per Accounting Standard 17 , the requirement of Segment reporting is not applicable to the Company both in respect of Geographical Segment and Product Segment , The Company is engaged in Production of Textile products, Revenue from other segment is less than 10% of total revenue.

38. Depreciation

- (i) Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II. Accordingly the unamortised carrying value is being depreciated /amortised over the revised remaining useful lives. The written down value of Fixed asstes whole lives have expired as at 1st April 2014 have been adjusted, in the opening balance of Profit and Loss Account amounting to Rs. 136.25 Lacs.
- (ii) The company has provided depreciation as per Schedule II to the companies Act 2013 based on useful life of the Assets on straight line basis as under:-
- (a) Where the useful life as per this schedule remains, it has been depreciated over the remaining useful life.
- (b) Where the useful life is NIL, and there remains a balance after retaining the residual value, it is recognised in the opening balance of retained earnings.
- (iii) The company continue to provide 100% depreciation on assets below Rs. 5000.

39. Change Valuation Method Of Inventory Of Stores & Spares.

Observing the difficulties in Computer programming the company has changed method of valuation of Inventories of Stores Spares etc. from moving weighted average cost to FIFO. This change in the basis of valuation does not have material impact on inventory cost & profit/loss of the year.

40. Exceptional Item.

Profit on Account of sale of fixed asstes shown under other non operating income includes:

Non factory building:	248.74 Lacs.
Plant & Machinery :	74.61 Lacs
Total	323.35 Lacs

41. Related Party Transactions :

Name of the Companies/Firms with whom transactions have taken place during the year :

Associate Company: Nil

Related to the Key Management Personnel :

1	Shree Shyam Distributors & Market. Pvt Ltd.	9	Sh Aman Ladia
2	SRSL Employees Welfare Trust	10	Sh. V.K. Ladia
3	Kunawat & Associates	11	Sh. Pranav Ladia
4	Sh. Vikas Ladia	12	Mrs. Puja Ladia
5	V.K. Texchem Pvt. Ltd.	13	Mrs. Poonam Ladia
6	Sh. Anubhav Ladia	14	Shree Shyam Industries Pvt. Ltd.
7	Shanti Trading Corporation.	15	M/s A.M. Traders
8	Smt Monika Ladia	16	M/s A.P. Enterprises

	Related to Key Management Personnel
Loans – PFD Taken	38.84
Loans – PFD Repayment	37.28
Raw Material Purchase	4727.76
Repayment received- SRSL Employee Welfare Trust	6.60
Interest – Expenses (other than Director)	2.94
Remuneration	4.90
Professional Charges	0.60
Loans Receivables	91.20
Fixed Deposit Payable	37.27
Lease rent Paid	0.86
Deposit Given	10.00
Rent Received	0.04

Name of Directors :

V.K. Ladia	Vikas Ladia	Anubhav Ladia	Amita Narain
RS Nirwan		R L Kunawat	N N Agarwala
Sunil Goyal		R.K. Pandey	

Transaction with Directors:

Remuneration including perquisites	69.19
Loans – Taken(/Fixed Deposit)	9.24
Loans – Refunded	3.10
Interest Expenses – on Fixed Deposit	0.66
Loans Payable - Fixed Deposit	11.56
Board Meeting Fees	1.89
Deposit Received	8.97

42. The National Highway Authority has acquired 2450 Sq Meters of land situated at Bagru Ravan. The Company has filed legal case for recovery of adequate compensation. The matter is sub judice.,

2014-15				2013-14	
		Quantity M.T.	Amount Rs. In Lacs	Quantity M.T.	Amount Rs.in Lacs
a)	C.I.F. VALUE OF IMPORTS:				
	Raw Materials	218.95	247.98	-	-
	Capital Goods , Spares	-	12.99	-	465.96

(Rs. in Lacs)

b) EXPENDITURE IN FOREIGN CURRENCY:				
Travelling Expenses	-	8.84	-	6.08
Commission/Claims	-	16.07	-	2.65
Foreign Bank Charges	-	5.66	-	4.94
Sales Promotion Charges	-	1.48	-	-
c) EARNING IN FOREIGN CURRENCY:				
(i) F.O.B. Value of Export Sales	-	3001.01	-	2295.69
(ii) F.O.B. Value – Export Capital Goods.	-		-	-

43. Figures have been rounded off to the nearest rupees in Lacs.

44. Figures for previous year have been regrouped /reclassified, wherever necessary to confirm to this year's classification.

Signed in terms of our report of even date annexed hereto.

For and on behalf of

M/s. M.C. BHANDARI & CO.

Chartered Accountants

Firm Reg. No.303002E

CA V. CHATURVEDI

Membership. No.13296

Partner

Date : May 22, 2015

Place : UDAIPUR

Sd/-

V.K. LADIA

CHAIRMAN & MANAGING

DIRECTOR (DIN : 00168257)

Sd/-

N. N. AGRAWALA

DIRECTOR

(DIN : 00168211)

Sd/-

N.K. SONI

CHIEF FINANCIAL

OFFICER

Sd/-

BHANUPRIYA MEHTA JAIN

COMPANY SECRETARY

FORM DPT-1
**CIRCULAR OR CIRCULAR IN THE FORM OF ADVERTISEMENT
INVITING DEPOSITS**

[Pursuant to section 73 (2)(a) and section 76 and rule 4(1) and 4(2) of the Companies (Acceptance of Deposits) Rules, 2014]

1. GENERAL INFORMATION
a. Name, address, website and other contact details of the company;

01. Name : **SHREE RAJASTHAN SYNTEX LIMITED**
 02. Address : "SRSL HOUSE " PULLA,
 BHUWANA ROAD, N.H. No 8
 UDAIPUR-(RAJ)-313004
 03. Name of Website : www.srsl.in
 04. Contact No. : Landline No.: 0294-2440335
 Fax No.: 0294-2440632

b. Date of incorporation

of the company

c. Business carried on by the company and its subsidiaries with the details of branches or units if any:

The Company is engaged in the man made fibre spun yarn, cotton yarn and polypropylene Multifilament Yarn. It has its factories at Dungarpur in Rajasthan. Its Regd. Office is at Udaipur (Raj.). It has establishments at Mumbai, Delhi, Bhilwara and Jaipur. The Company has no subsidiary.

d. Brief particulars of the management of the Company as on 31st March 2015 :

The Company is managed by the Chairman & Managing Director under the supervisions, direction and control of the Board of Directors.

e. Names, Addresses, Occupations and DIN of the Directors;

S.No.	Name	Address	Occupation	DIN
01	Shri V.K. Ladia	'Shyam Kunj' Modern Complex, Bhuwana NH No. 8 Udaipur - 313 004	Industrialist	00168257
02	Shri Vikas Ladia	'Shyam Kunj' Modern Complex, Bhuwana NH No. 8 Udaipur - 313 00 4	Service	00256289
03	Shri Anubhav Ladia	'Shyam Kunj' Modern Complex, Bhuwana NH No. 8 Udaipur - 313 004	Service	00168312
04	Shri Raj Singh Nirwan	C-32, Lal Kothi Scheme, Near SMS Stadium JAIPUR - 302 015.	Professional	00313799
05	Shri N.N. Agrawala	B-303 Padmawati Apartment, New Navratan Complex Bhuwana Udaipur -(Raj) - 313004	Professional	00168211
06	Shri Ravinder Narain	55, Sunder Nagar New Delhi - 110 003.	Solicitor	00059197
07	Shri R.L.Kunawat	65, Panchseel Marg, Near Town Hall, UDAIPUR - 313 004 (Raj.)	Professional	00196938
08	Shri Susheel Jain	B-54, New Grain Mandi Kota (Raj.)	Professional	00378678
09	Shri Sunil Goyal	S.R. Goyal & Co. Chartered Accountants SRG House, 2 M I Road, Opp. Ganpati Plaza, Jaipur -302001	Professional	00110601

f. Management's perception of risk factors;

Shree Rajasthan Syntex Limited is a well established company since 1979 having adequate surplus for timely repayment of fixed deposits.

Further in order to make repayment of maturing unsecured deposits, the company has Deposited 15% Liquid amount of deposits maturing at the year end of 2016 & 2017 in a separate Deposit repayment reserve account in the Bank which ensure less risk factors.

g. Details of default, including the amount involved, duration of default and present status, in repayment of -

- i) Statutory dues NIL
 ii) Debentures and interest thereon NIL
 iii) Loan from any bank or financial institution and interest thereon. NIL

2. PARTICULARS OF THE DEPOSIT SCHEME

- a. Date of passing of board resolution; 22nd May, 2015
 b. Date of passing of resolution in the 29th September, 2015
 general meeting to be held for authorizing the invitation of such deposits;
 c. Type of deposits, i.e., whether secured unsecured or unsecured;
 d. Amount which the company can raise 860.03 lacs
 by way of Deposits as per the Act and the rules made there under:
 The aggregate of unsecured deposits 49.02 lacs
 actually held on 31.03.2015:
 Amount outstanding on the date of 41.86 lacs
 issue of the Circular or advertisement:
 i.e 20.08.2015
 Amount of unsecured deposit 50.00 lacs
 proposed to be raised and
 Amount of deposit repayable within 43.27 lacs
 the next twelve months ;
 e. Terms of raising of unsecured deposits: Duration, Rate of interest, mode of payment and repayment; (As per the details mentioned here-under)

UNSECURED FIXED DEPOSIT SCHEME
SCHEME 'A' – NON CUMULATIVE SCHEME

(Interest payable quarterly/monthly)*		
Period	Rate of interest	
One year	:	8.5 % P.A.
Three years	:	9.5 % P.A.

SCHEME 'B' – CUMULATIVE SCHEME

Period	Rate of interest	Amount payable on maturity on amount deposited for every Rs. 10,000/-
One year	: 8.5 % P.A.	Rs. 10,880.00/-
Three years	: 9.5 % P.A.	Rs. 13,250.00/-

Interest is compounded quarterly.

- * Additional interest of 0.5% shall be given per annum to the senior citizens above the age of 60 years:-
- subject to deduction of Income Tax at source wherever applicable.
 - Mode of Payment is cheque.

TERMS OF DEPOSIT:

Unsecured fixed deposits will be accepted in multiples of Rs.1000/- with a minimum of Rs. 10,000/- (except in case of renewal of deposit where the minimum deposit acceptable shall be Rs. 5,000/-) and maximum of Rs. 10,00,000/- by cheque payable at Udaipur. Depositors outside Udaipur can send demand draft payable at Udaipur after deducting usual bank commission.

The Company reserves the right to alter or amend without notice, any or all of the terms and conditions governing fixed deposits, subject to the provisions of the Companies (Acceptance of Deposits) Rules 2013 amended from time to time. The acceptance/renewal of deposits is subject to the rules and regulations contained in the application form.

- f. Proposed time schedule mentioning : 29th September 2015
the date of opening of the Scheme
The time period for which the circular : 29th September, 2015
or Advertisement is valid; (From to 26th September,
current AGM to next AGM) 2016 (tentative date)
- g. Reasons or objects of raising the :For maintaining
deposits Liquidity & for
expansion of
the business.
- h. (i) Credit rating obtained : YES
Name of the Credit Rating Agencies : Credit Rating Analysis
& Research Ltd
Rating obtained : 'CARE BB (FD)'
[Double B
(Fixed Deposit)]
Meaning of the rating obtained : Instruments with this
rating are considered
to have moderate risk
of default regarding
timely servicing of
financial obligations
: 05th August, 2014
- i. Date on which rating was obtained : 05th August, 2014
Extent of deposit insurance,; }
Name of the Insurance Company, }
Terms of the insurance coverage, } Not Applicable for
Duration of coverage, Extent of }
coverage, Procedure for claim in }
case of default etc. } the year 2015-16.

- j. Short particulars of the charge : N.A. as unsecured fixed
created or to be created Deposits
Securing such deposits, if any
- k. Any financial or other material interest of the directors,
promoters or key managerial personnel in such deposits and
the effect of such interest in so far as it is different from the
interests of other persons : NO

3. DETAILS OF ANY OUTSTANDING DEPOSITS

- a. Amount Outstanding; Rs.48,83,000/-
- b. Date of acceptance; As per the List
enclosed
- c. Total amount accepted from 01.04.2015 NIL
- d. Rate of interest: -
One year : 8.5 % P.A.
Three years : 9.5 % P.A.
- e. Total number of depositors; 24 DEPOSITORS

Sr.No.	Date of Acceptance of Unsecured FD	Sr.No.	Date of Acceptance of Unsecured FD
1	12.04.2014	13	27.01.2015
2	19.05.2014	14	14.02.2015
3	02.07.2014	15	13.02.2015
4	07.09.2014	16	12.03.2015
5	08.10.2014	17	12.03.2015
6	09.10.2014	18	24.03.2015
7	08.11.2014	19	24.03.2015
8	08.11.2014	20	24.03.2015
9	08.11.2014	21	24.03.2015
10	08.11.2014	22	24.03.2015
11	15.12.2014	23	24.03.2015
12	18.12.2014	24	01.08.2008

- f. Default, if any, in repayment of deposits and payment of
interest thereon, if any, including number of depositors,
amount and duration of default involved ; NO
- g. Any waiver by the depositors, of interest accrued on deposits ;
NO

4. FINANCIAL POSITION OF THE COMPANY

- a) **Profits of the company, before and after making provision
for tax, for the three financial years immediately preceding
the date of issue of circular or advertisement;**

Year	31.03.2013	31.03.2014	31.03.2015
Profit/Loss before tax	46,10,145.80	7514067.34	(3,16,48,194.81)
Profit/Loss after tax	3,20,537.80	61,31,253.34	(1,41,77,256.81)

- b) **Dividends declared by the Company in respect of the said
three financial years:**

Dividends	For the accounting year ended		
	31.03.2013	31.03.2014	31.03.2015
On equity shares	-	-	-
On preference shares	-	-	-

Interest coverage ratio for last three years (Cash profit after tax
plus interest paid)

Interest Coverage Ratio	For 31st March, 2013	For 31st March, 2014	For 31st March, 2015
	1.69	0.71	1.41

c) A summary of the financial position of the company as in the three audited balance sheets immediately preceding the date of issue of circular or advertisement;

1. EQUITY AND LIABILITIES	As at 31st March, 2015 (Rs.)	As at 31st March, 2014 (Rs.)	As at 31st March, 2013 (Rs.)
(1) Shareholder's Funds			
(a) Share capital	12,40,23,010.00	12,40,23,010.00	12,33,23,010.00
(b) Reserve & Surplus	21,99,92,196.18	24,77,94,479.99	24,13,83,226.65
(c) Money received against share warrants	-	-	9,80,000
(2) Share application money pending allotment	-	-	-
(3) Non-Current Liabilities			
(a) Long term borrowings	59,23,04,878.40	69,66,28,878.40	75,50,62,878.40
(b) Deferred tax liabilities (Net)	3,82,49,070.00	5,57,20,008.00	5,43,37,194.00
(c) Other long term liabilities	1,27,91,999.60	13,786,688.81	1,21,02,101.71
(d) Long term provisions	2,90,11,321.00	3,43,09,327.00	3,42,50,712.00
(4) Current Liabilities			
(a) Short term borrowings	45,06,42,526.70	41,37,46,433.08	34,16,30,855.19
(b) Trade payable	41,58,22,372.87	35,36,56,849.09	23,75,15,624.36
(c) Other current liabilities	16,09,36,451.31	18,96,56,905.55	18,28,41,661.99
(d) Short term provisions	1,43,22,009.00	8373964.00	95,53,362.00
Total :	205,80,95,835.06	2137696543.92	199,29,80,626.30
II. ASSETS			
(1) Non current assets			
(a) Fixed Assets			
(i) Tangible assets	1,02,32,69,030.37	1066972809.67	1,05,00,47,959.24
(ii) Intangible assets	12,424.41	26419.63	31,768.93
(iii) Capital work in progress	2,88,028.05	39635374.69	1,89,56,289.17
(iv) Intangible assets under development.	-	-	-
(b) Non current investments	40,14,575.00	4014575.00	40,14,575.00
(c) Long term loans and advances	2,31,08,353.00	31693143.00	3,69,52193.00
(d) Other non-current assets	-	-	-
(2) Current Assets			
(a) Current investments	-	-	-
(b) Inventories	45,10,22,063.00	458025874.93	36,76,62,348.87
(c) Trade receivables	14,43,51,779.58	149654119.53	17,8515,471.63
(d) Cash and cash equivalents	1,78,47,320.07	15631070.77	15894379.80
(e) Short term loans and advances	36,53,4269.87	38078524.99	2,53,96,653.56
(f) Other current assets	35,76,47,991.71	333964631.71	29,55,08,987.10
Total :	205,80,95,835.06	2137696543.92	1,99,29,80,626.30

d) Audited Cash Flow Statement for the three years immediately preceding the date of issue of circular or advertisement;

PARTICULARS	2014-15	2013 -14	2012 -13
A			
Cash Flow from Operating Activities			
Net Profit before tax and extraordinary items	(316.48)	75.14	46.10
Adjustments for			
Depreciation	780.46	927.95	1,000.30
Amortisation of Expenses	-	-	1.92
Provision for Leave Encashment/Gratuity	6.50	(11.15)	(109.29)
Loss on Sale of Assets/Investments (Net)	(323.85)	2.06	(170.76)
Interest Income	(81.51)	(122.86)	(141.75)
Interest Expenses	1635.90	1,449.61	1,502.63
Exchange Fluctuation	38.01	139.09	58.35
Operating Profit before Working Capital Changes	1739.03	2,459.84	2,187.50
Adjustments for			
Trade and other Receivables	(99.02)	(140.87)	(106.29)
Inventories	70.04	(900.75)	687.47
Trade and other payable	665.37	1,162.50	(1,172.98)
Cash Generation from Operations	2375.42	2,580.72	1,595.70
Less: Taxes paid (Net of Refunds)	(9.90)	33.81	0.94
Net Cash from Operating Activities	2385.3	2,546.91	1,594.76

B.	Cash Flow from Investing Activities			
	Purchase of Fixed Assets/Capital Expenditure	(190.23)	(1,401.58)	(182.03)
	Sale of Fixed Assets	428.01	92.69	1,178.89
	Cash used in Investing Activities	237.78	(1,308.89)	996.86
C	Cash flow from Financing Activities			
	Proceeds from issuance of Share warrants	-	-	68.25
	Proceeds from Term Borrowings	163.76	1186.24	950.00
	Repayment of Loans	(1541.26)	(1,669.08)	(1,304.98)
	Proceeds of Fixed Deposits/ICD	(6.61)	(17.57)	(14.63)
	Inter corporate and Other Loans	6.60	4.44	4.46
	Change in Short Term Borrowings	368.97	721.15	(945.94)
	Interest Expenses	(1635.90)	(1,449.61)	(1,502.63)
	Interest Income	81.51	122.86	141.75
	Foreign Exchange Fluctuation	(38.01)	(139.09)	(58.35)
	Dividends (including corporate dividend tax)		-	-
	Net Cash Realized from Financing Activities	(2600.94)	(1,240.66)	(2,662.07)
	Add: Cash and Cash Equivalent as at 31.03.13	156.31	158.95	229.40

e) Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company: NO CHANGE

5. A DECLARATION BY THE DIRECTORS THAT-

- the company has not defaulted in the repayment of deposits accepted either before or after the commencement of the Act or payment of interest thereon;
- the board of directors have satisfied themselves fully with respect to the affairs and prospects of the company and that they are of the opinion that having regard to the estimated future financial position of the company, the company will be able to meet its liabilities as and when they become due and that the company will not become insolvent within a period of one year from the date of issue of the circular or advertisement;
- the company has complied with the provisions of the Act and the rules made there under;
- the compliance with the Act and the rules does not imply that repayment of deposits is guaranteed by the Central Government;
- the deposits accepted by the company from the public (before the commencement of the Act) will be repaid along with interest within a day(until they are repaid, they shall be treated as unsecured and ranking pari passu with other unsecured liabilities) the year ended on 31st March, 2015.
- In case of any adverse change in credit rating, depositors will be given a chance to withdraw deposits without any penalty.
- the deposits shall be used only for the purposes indicated in the Circular or circular in the form of advertisement;
- the deposits accepted by the company (other than the secured deposits, if any, aggregate amount of which to be indicated) are unsecured and rank pari passu with other unsecured liabilities of the company.

Signed by the below directors :-

Sd/- (Mr. V.K. Ladia)	Sd/- (Mr. Vikas Ladia)	Sd/- (Mr. Anubhav Ladia)
Sd/- (Mr. N.N. Agrawala)	Sd/- (Mr. Raj Singh Nirwan)	

FORM NO. MGT 11
PROXY FORM

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

CIN : L24302RJ1979PLC001948
Name of the company : SHREE RAJASTHAN SYNTEX LTD.
Registered Office : 'SRSL HOUSE', PULLA BHUWANA ROAD, N.H. 8 UDAIPUR
Name of the member (s) :
Registered address :
E-mail Id :
Folio No/ Client Id :
DP ID :

I/We, being the member (s) of shares of the above named company, hereby appoint

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 35th Annual General Meeting of the company, to be held on the 29th day of September, 2015 at 2.30 p.m. at 'SRSL HOUSE', Pulla Bhuwana Road, N.H. 8 Udaipur and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution No.	Resolution
ORDINARY BUSINESS	
1	Adoption of Financial Statements
2	Appointment of Director
3	Ratification of the Appointment of Auditors
SPECIAL BUSINESS	
4	Appointment of Mrs. Neelima Khetan (DIN: 05113000) as an Independent Director
5	Ratification of Remuneration of the Cost Auditors for the financial year ending March 31, 2016
6	Transactions with Related Party (M/s PBS Marketing Pvt. Ltd.) u/s 188 of the Companies Act, 2013
7	Acceptance of Deposits from members under Section 73 of the Companies Act, 2013

Signed this.....day of..... 2015

Signature of shareholder

Signature of Proxy holder(s)

Affix
revenue
Stamp Rs.1/-

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

