



## **RAGHUVIR SYNTHETICS LIMITED**

REGD. OFF. : RAKHIAL ROAD, RAKHIAL, AHMEDABAD-380 023, INDIA

PHONE : 079-22911015 - 22911902 - 22910963

Email : raghuvirad1@sancharnet.in

Website : <http://www.raghuvir.com>

CIN : L17119GJ1982PLC005424

**DATE : 29<sup>TH</sup> SEPTEMBER, 2018**

**TO,  
BSE LIMITED,  
THE DEPARTMENT OF CORPORATE SERVICES  
MUMBAI 400 001**

**REF: SCRIP CODE: 514316**

**SUBJECT: SUBMISSION OF 36<sup>TH</sup> ANNUAL REPORT OF THE COMPANY FOR THE FINANCIAL YEAR 2017-2018 UNDER REGULATION 34 OF THE SEBI ( LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS ) REGULATIONS, 2015**

Dear Sir,

Pursuant to Regulation 34 of SEBI ( Listing Obligation and Disclosure Requirements ) Regulations, 2015, Please find enclosed herewith the copy of the 36<sup>th</sup> Annual Report of the company for the Financial year 2017-2018 duly approved and adopted by the members in the 36<sup>th</sup> Annual General Meeting held on Monday, 24<sup>th</sup> September, 2018.

Kindly take the above information on your record and acknowledge the same.

Thanking you,

Yours Faithfully,

**FOR RAGHUVIR SYNTHETICS LIMITED**

**FOR, RAGHUVIR SYNTHETICS LIMITED**

  
**DIRECTOR/AUTHORISED SIGNATORY**

**SUNIL R. AGRAWAL**

**CHAIRMAN & MANAGING DIRECTOR**

**DIN: 00265303**



## **RAGHUVIR SYNTHETICS LIMITED**

**NR. GUJARAT BOTTLING, RAKHIAL ROAD,  
RAKHIAL, AHMEDABAD-380 023. (INDIA)**

**PHONE : 079-22910963-1015-1902**

**E-mail : raghuvirad1@sancharnet.in**

**Website Address : [www.raghuvir.com](http://www.raghuvir.com)**



**36<sup>th</sup>  
Annual Report  
2017-2018**

**Board of Directors**

Shri Sunil R. Agarwal  
Shri Yash S. Agarwal  
Shri Hardik S. Agarwal  
Shri Pamitadevi S. Agarwal  
Shri Samirbhai R. Sheth  
Shri Kamalbhai B. Patel  
Shri Anup R. Agarwal  
Shri Nisitbhai C. Joshi

Chairman & Managing Director  
Director  
Director  
Director  
Independent Director  
Independent Director  
Independent Director  
Independent Director

**STATUTORY AUDITORS**

M/s. Ashok K. Bhatt & Co.

Ahmedabad.

**INTERNAL AUDITORS**

M/s. Anilkumar Sheth & Co.

Ahmedabad.

**BANKERS**

HDFC Bank Ltd.

**REGISTERED OFFICE & MILLS**

Rakhial Road, Rakhial,  
Ahmedabad-380 023. (Gujarat)

**REGISTRAR & SHARE TRANSFER AGENTS**

506 TO 508, AMARNATH BUSINESS CENTRE1 (ABC-1)  
BESIDE GALA BUSINESS CENTRE, NEAR XT XAVIERS COLLEGE CORNER  
OFF C G ROAD, NAVRANGPURA, AHMEDABAD380009  
Ph no. 079-26465179 Email : [ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in)



### NOTICE

**NOTICE IS HEREBY GIVEN THAT THE 36<sup>TH</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF RAGHUVIR SYNTHETICS LIMITED WILL BE HELD ON MONDAY 24<sup>TH</sup> DAY OF SEPTEMBER, 2018, AT 12.30 P.M. AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT RAKHIAL ROAD, RAKHIAL, AHMEDABAD - 380023, GUJARAT TO TRANSACT THE FOLLOWING BUSINESS:**

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2018, the Audited Statement of Profit and Loss for the year ended on that date and the Reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Hardik Sunil Agarwal (DIN: 03546802), who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**:

**RATIFICATION OF APPOINTMENT OF ASHOK K. BHATT & CO., CHARTERED ACCOUNTANTS, AS STATUTORY AUDITORS OF THE COMPANY TILL CONCLUSION OF 37<sup>TH</sup> ANNUAL GENERAL MEETING OF THE COMPANY**

**"RESOLVED THAT** pursuant to the Provisions of Section 139, 141, 142 and other applicable Provisions, if any, of the Companies Act, 2013, (the Act) and the Rules made thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the resolution passed by the Members at the 35<sup>th</sup> annual general meeting to appoint M/s. Ashok K. Bhatt & Co., Chartered Accountants, Ahmedabad, [ Firm Registration No. : 100657W ] as new Statutory Auditor of the Company to hold office for a period of 5(Five) till the conclusion of 40<sup>th</sup> annual general meeting of the company ( i.e from 2017-2018 to 2021-2022) , the Company hereby ratifies and confirms the appointment of M/s. Ashok K. Bhatt & Co., Chartered Accountants, Ahmedabad, as Statutory Auditor of the Company for the financial year ending 31st March, 2019 at such remuneration to be decided by and between the Statutory Auditors and the Board of Directors of the Company. The ratification of appointment is subject to the approval of members in the ensuing 36<sup>th</sup> Annual General Meeting of the company.

#### **SPECIAL BUSINESS:**

4. To consider and if thought fit, to pass with or without modification, the following Resolution as an **Ordinary Resolution**:

**APPROVAL OF ESTIMATED MATERIAL RELATED PARTY TRANSACTIONS FOR THE YEAR 2018-19 WITH RAGHUVIR EXIM LTD:**

**"RESOLVED THAT** pursuant to provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (Listing Regulations) (including any statutory modification(s) or amendments(s) or re-enactments(s) thereof, for the time being in force), approval of the members be and is hereby accorded to the following Material Related Party transactions estimated / to be entered into and to be carried out in ordinary course of business and at arm's length price with Raghuvir Exim Ltd (Associates Company), a 'Related party' as defined under Section 2(76) of the Companies Act, 2013 and Regulation 2 (zb) of the Listing Regulations:-

Sr. No.	Nature of Transaction	Estimated Value of transactions for the financial year 2018-2019
1.	Sale, Purchase or supply of any goods or materials	Transaction Amount not Exceeding Rs. 75 Crores (Rupees Seventy-five crores only)



**"RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof) be and is hereby authorized to do all such acts, deeds or things, as may be considered necessary, desirable and expedient, in order to give effect to the aforesaid resolution."

**BY ORDER OF THE BOARD OF DIRECTORS  
FOR, RAGHUVIR SYNTHETICS LIMITED**

**DATE: 10/08/2018  
PLACE: AHMEDABAD  
Regd. Office:  
Rakhial Road, Rakhial,  
Ahmedabad-380023, Gujarat**

**SUNIL R. AGARWAL  
CHAIRMAN & MANAGING DIRECTOR  
DIN:-00265303**

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER. PROXY IN FORM NO MGT-11 TO BE EFFECTIVE SHOULD REACH THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.  
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.
2. Proxies, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 18<sup>th</sup> September, 2018 to 24<sup>th</sup> September, 2018 (both days inclusive) for the purpose of 36<sup>th</sup> Annual General Meeting of the Company.
4. The members are requested to intimate their change of address along with supporting evidence, if any, immediately to the Registrar and Transfer Agent (RTA) Viz. LINK INTIME INDIA PVT. LTD., 506 TO 508, AMARNATH BUSINESS CENTRE – 1 ( ABC-1 ) , BESIDE GALA BUSINESS CENTRE , NEAR XT. XAVIER'S COLLEGE CORNER, OFF C G ROAD, NAVRANGPURA, AHMEDABAD – 380009 quoting their Folio No. or Client ID No.
5. Members desiring any information on Accounts are requested to write to the Company at least one week before the meeting so as to enable the management to keep the information ready. Replies will be provided at the meeting.
6. As a measure of economy, copies of Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to bring their copies of Annual Report and the attendance slip at the Annual General Meeting.
7. Nomination facility is available to the Share holders in respect of share held by them.
8. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio number in the attendance slip for attending the meeting.
9. Members who hold shares in the dematerialized form and want to provide/change/correct the bank account details should send the same immediately to their concerned Depository Participant and not to the Company. Members are also requested to give the MICR Code of their bank to their Depository Participants. The Company will not entertain any direct request from such members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details. While making payment of Dividend, the Registrar and Share Transfer Agent is obliged to use only the data provided by the Depositories, in case of such demat shares.
10. Referring to the SEBI Circular No SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April 2018 & BSE Circular No LIST/COMP/15/2018-19 dated 5<sup>th</sup> July 2018 by which they have directed all the listed companies to record the PAN , Bank account details of all their shareholders and advise them to dematerialise their physical securities. Accordingly, Members holding shares in physical form are advised to submit particulars of their bank account, viz. name and address of the branch of the bank, MICR code of the branch, type of account and account number and PAN details (including joint holders if any) to our Registrar and Share Transfer Agent, LINK INTIME INDIA PVT. LTD., 506 TO 508, AMARNATH BUSINESS CENTRE – 1 ( ABC-1 ) , BESIDE GALA BUSINESS CENTRE , NEAR XT. XAVIER'S COLLEGE CORNER, OFF C G ROAD, NAVRANGPURA , AHMEDABAD – 380009 quoting their Folio No. or Client ID No. We would also like to register other KYC details such as specimen signature and nomination.
11. Members who have not registered their e-mail address and mobile number with the Company are requested to submit their valid e-mail address to LINK INTIME INDIA PVT. LTD., 506 TO 508, AMARNATH BUSINESS



CENTRE – 1 (ABC-1) , BESIDE GALA BUSINESS CENTRE , NEAR XT. XAVIER'S COLLEGE CORNER, OFF C G ROAD, NAVRANGPURA , AHMEDABAD – 380009 quoting their Folio No. or Client ID No. . Members holding shares in demat form are requested to register/update their e-mail address and mobile number with their Depository Participant(s) directly.

12. Members who are holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or Company's Registrar and Share Transfer Agent the details of such folios together with the share certificates for consolidating their holding in one folio. The share certificates will be returned to the members after making requisite changes, thereon. Members are requested to use the share transfer form SH-4 for this purpose.
13. Non-resident Indian shareholders are requested to inform about the following immediately to the Company or its Registrar and Share Transfer Agent or the concerned Depository Participant, as the case may be, immediately of:-
  - a. The change in the residential status on return to India for permanent settlement.
  - b. The particulars of the NRE account with a Bank in India, if not furnished earlier.
14. The Registers under the Companies Act, 2013 will be available for inspection at the Registered Office of the Company during business hours between 11.00 am to 1.00 pm on all working days except on holidays. The said Registers will also be available for inspection by the members at the AGM.
15. With the aim of curbing fraud and manipulation risk in physical transfer of securities, SEBI has notified the SEBI notification SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 & BSE circular no. LIST/COMP/15/2018-19 dated 05th July, 2018 have stated that requests for effecting transfer of securities ( except in case of transmission or transposition of securities) shall not be processed after 5th December 2018, unless the securities are held in the dematerialized form with the depositories. Hence you are requested to dematerialize your physical securities. (The above mentioned circulars are available on our website) In view of the above and the inherent benefits of holding shares in electronic form, we urge the shareholders holding shares in physical form to opt for dematerialization.
16. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the special business under item number 4 is annexed.
17. Information relating to the Directors proposed to be appointed and those retiring by rotation and seeking re-appointment at this Meeting, as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to this Notice.

<b>Name</b>	<b>Mr. Hardik Sunil Agarwal</b>
<b>Date of Birth</b>	29/10/1991
<b>DIN No.</b>	03546802
<b>No. of Equity Shares held in the Company</b>	374827
<b>Relationship with other Directors/ Manager/KMP</b>	Son of Mr. Sunil R Agarwal & Mrs. Pamita S. Agarwal, Brother of Mr. Yash S Agarwal
<b>Education Qualification</b>	B.COM
<b>Profile &amp; Expertise in Specific functional Areas</b>	He has over 7 years of experience in textile sector
<b>List of other Directorship/ Committee membership in other Public Companies as on 31st March, 2018.</b>	1. Raghuvir Exim Limited 2. Sagar Textiles Mills Private Limited 3. HYS Developers LLP 4. HYS Lifecare LLP
<b>Terms and Conditions of appointment or re-appointment</b>	Executive Director, liable to retire by rotation



18. Any Shareholder of the Company interested in obtaining a physical form of Annual Report may write to the Company at the registered office of the Company and the same is uploaded on the Company's website <http://www.raghuvir.com/> which may accessed by the members.

19. Voting through electronic means:

The Company is pleased to offer e-voting facility to all its members to enable them to cast their vote electronically in terms of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 (including any statutory modification or re-enactment thereof for the time being in force). Accordingly, a member may exercise his vote by electronic means and the Company may pass any resolution by electronic voting system in accordance with the above provisions.

**Voting Process and other instructions regarding Remote e-voting:**

**SECTION A - E-VOTING PROCESS –**

Step 1: Open your web browser during the voting period and log on to the e-voting Website: [www.evotingindia.com](http://www.evotingindia.com).

Step 2: Click on "Shareholder" to cast your vote(S)

Step 3: Please enter User ID –

- For account holders in CDSL :- Your 16 digits beneficiary ID
- For account holders in NSDL :- Your 8 Character DP ID followed by 8 Digits Client ID
- Members holding shares in Physical Form should enter Folio Number registered with the Company

Step 4: Enter the Image Verification as displayed and Click on "LOGIN"

Step 5: If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used. If you have forgotten the password, then Enter the User ID and the image verification code and click on "FORGOT PASSWORD" and enter the details as prompted by the system.

Step 6: If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
<b>PAN</b>	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)  For members who have not updated their PAN with the Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN Field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
<b>Dividend Bank Details OR Date of Birth (DOB)</b>	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.  If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction step 5

Step 7: After entering these details appropriately, click on "SUBMIT" tab.

Step 8: Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.



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

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

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

- Step 9: Click on the EVSN of the Company i.e. **180820029** to vote.
- Step 10: On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option 'YES/NO' for voting. Select the relevant option as desired YES or NO and click on submit.
- Step 11: Click on the "RESOLUTION FILE LINK" if you wish to view the Notice.
- Step 12: After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- Step 13: Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

#### SECTION B - COMMENCEMENT OF E-VOTING PERIOD AND OTHER E-VOTING INSTRUCTIONS

- i. The e-voting period commences on 21<sup>st</sup> September, 2018 (9.00 a.m.) and ends on 23<sup>rd</sup> September, 2018 (5.00 p.m.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on cut off date of 17<sup>th</sup> September, 2018 may cast their vote electronically. The e-Voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- ii. The voting rights of shareholders shall be in proportion to their shares of the Paid Up Equity Share Capital of the Company.
- ii. Shareholders can also cast their vote using Mobile app - "m - Voting" for e voting. m - Voting app is available on Apple, Android and Windows based Mobile. Shareholders may log in to m - Voting using their e voting credentials to vote for the company resolution(s).
- iii. The shareholder who voted prior to the 36<sup>th</sup> Annual General Meeting via e-voting would not be entitled to vote at the meeting venue.
- iv. Note for Non – Individual Shareholders and Custodians
  - ✦ Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - ✦ A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - ✦ After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - ✦ The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - ✦ A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- v. Mr. Amrish N. Gandhi, Practicing Company Secretary [Fellow Membership No. 8193] (and failing him Mr. Samsad A. Khan, Practicing Company Secretary) [Membership No. 28719] has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner for the 36<sup>th</sup> Annual General Meeting of the company.
- vi. The Scrutinizer shall, within a period not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor or against, if any and submit forth with to the



Chairman of the Company.

- vii. The Results shall be declared on the date of AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.raghuvir.com](http://www.raghuvir.com) and on the website of CDSL <https://www.evotingindia.co.in> within two days of the passing of the resolutions at the AGM of the Company and communicated to the Stock Exchange(s), where the shares of the Company are listed.
- viii. For Members holding shares in physical form, the password and default number can be used only for e-Voting on the resolutions given in the notice.
- ix. 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 communication(s) regarding CDSL e-Voting system in future. The same may be used in case the Member forgets the password and the same needs to be reset.
- x. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

xi Further:

(1) Website address of CDSL (EVOTING AGENCY) where notice of meeting is displaced- [www.evotingindia.com](http://www.evotingindia.com)

(2) Name , Designation , Address , E Mail ID and Phone no. of official responsible for grievances connected with facility of e voting :

Name of Official – Mr. Rakesh Dalvi

Designation – Manager

Address - 25th Floor, A Wing, Marathon Futurex, Mafatlal Mills Compound, NM Joshi Marg, Lower Parel (E), Mumbai - 400 013

E Mail ID -[helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

Phone No. - 1800225533

#### **VOTING AT ANNUAL GENERAL MEETING:-**

The members who have not casted their votes electronically , can exercise their voting rights at the Annual General Meeting of the company. Facility for voting through ballot paper shall also be made available at the AGM. Members attending the meeting, who have not already caste their vote by remote e-voting, shall be able to exercise their at the meeting.

<b>CONTACT DETAILS</b>	
<b>Company</b>	<b>Raghuvir Synthetics limited</b>
<b>Registrar and Transfer Agent</b>	<b>M/s. LINK INTIME INDIA PVT. LTD</b> <b>506 TO 508, AMARNATH BUSINESS CENTRE1 (ABC-1)</b> <b>BESIDE GALA BUSINESS CENTRE, NEAR XT XAVIERS</b> <b>COLLEGE CORNER OFF C G ROAD, NAVRANGPURA,</b> <b>AHMEDABAD380009 Ph no. 079-26465179</b> <b>Email : <a href="mailto:ahmedabad@linkintime.co.in">ahmedabad@linkintime.co.in</a></b>
<b>E-Voting Agency</b>	<b>Central Depository Services (India) Limited</b> <b>E-mail: <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a></b>
<b>Scrutinizer</b>	<b>CS Amrish N Gandhi,</b> <b>Practicing Company Secretary</b> <b>Email : <a href="mailto:amrishgandhi72@gmail.com">amrishgandhi72@gmail.com</a> Ph: 9825654756</b>

**BY ORDER OF THE BOARD OF DIRECTORS**  
**FOR, RAGHUVIR SYNTHETICS LIMITED**  
**SUNIL R. AGARWAL**  
**CHAIRMAN & MANAGING DIRECTOR**

**Place : Ahmedabad**

**Date : 10/08/2018**

**DIN : 00265303**



**EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013**

The following Statement sets out all material facts relating to the Special Business mentioned in the Notice Item No. 4 :

**Approval of Estimated Material Related Party Transactions For The Financial Year 2018-19 With Raghuvir Exim Ltd**

As a part of its regular business, the Company purchases, avails/renders services from/to Raghuvir Exim Limited, the Company, at arm's length price.

The Audit Committee at its meeting has reviewed and after due consideration, accorded omnibus approval for the estimated value of transactions mentioned in the item No. 4 of the Notice for the Financial year 2018-2019 (estimated). An analysis of all the Related Party Transactions (RPTs) estimated / to be entered into by the Company during the year for the Financial year 2018-19 (estimated). The Audit Committee upon review of such analysis is of the view that all these RPTs by the Company are at Arm's Length price.

Raghuvir Exim Limited is a Associate Company of the Company and is a "Related Party" as per the definition under Section 2(76) of the Companies Act, 2013 and Regulation 2(zb) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

Respective of the end of the tenure of previous agreement between Raghuvir Synthetics Limited & Raghuvir Exim Limited as on 24<sup>th</sup> February 2017, the contract renewed & begun from 25<sup>th</sup> February, 2017 with unaltered terms & conditions for the period of 3 (Three) year from the date of the renewed contract.

As per the provisions of Companies Act, 2013 and Listing Regulations, based on past trend, the transactions as described hereunder are likely to exceed 10% of the annual turnover of the Company as per the last audited financial statements of the Company (2017-18) and may exceed the materiality threshold as prescribed by Listing Regulations. Thus, in terms of the Listing Regulations, 2015 this transactions would require the approval of the members by way of an Ordinary Resolution.

As per the provisions of Listing Regulations, all entities falling under the definition of related parties shall abstain from voting on the resolution and accordingly, the promoters, except Mrs. Pamita S. Agarwal, will not vote on item No. 4.

**Registered Office:-**  
Rakhial Road, Rakhial,  
Ahmedabad-380023.  
Gujarat  
CIN:L17119GJ1982PLC005424

**BY ORDER OF THE BOARD OF DIRECTORS  
FOR, RAGHUVIR SYNTHETICS LIMITED**

**SUNIL R. AGARWAL**  
**CHAIRMAN & MANAGING DIRECTOR**  
**DIN : 00265303**

**Place:- Ahmedabad**  
**Date:- 10/08/2018**

**Important Communication to Members**

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respects of electronics holding with the Depository through their concerned Depository Participants and Members holding shares in physical mode are requested to register their e-mail ID's with M/s. Link Intime India Pvt. Ltd., the Registrars & Share Transfer Agents of the Company



## **DIRECTORS' REPORT**

### **DEAR SHAREHOLDERS,**

The Directors are pleased to present their 36<sup>th</sup> Annual report on the business and operations of the Company and the Audited financial accounts for the Year ended 31<sup>st</sup> March, 2018.

### **FINANCIAL RESULTS:**

(Rs. in Lakhs)

Particulars	For the year ended on 31 <sup>st</sup> March, 2018	For the year ended on 31 <sup>st</sup> March 2017
Net Total Income	3854.60	4246.08
<b>Less:</b> Operating and Admin. Exps	3432.25	3946.34
Profit before depreciation and Taxes	422.35	299.74
<b>Less:</b> Depreciation	280.99	206.70
Extraordinary/Exceptional Items	0	0
<b>Profit before Tax (PBT)</b>	141.36	93.04
<b>Less:</b> Taxes (including deferred tax and fringe benefit tax)	81	45.78
<b>Profit after Tax (PAT)</b>	60.36	47.26
Other Comprehensive Income	(0.13)	(6.38)
Tax	0.039	1.97
Total Comprehensive Income	(0.091)	(4.41)
Balance Available for appropriation	60.27	42.85
Which the Directors propose to appropriate as under:		
(i) Proposed Dividend	NIL	NIL
(ii) Corporate Dividend Tax	NIL	NIL
Surplus Carried to Balance Sheet	60.27	42.85
Earnings Per Equity Share		
Basic	1.57	1.22
Diluted	1.57	1.22

Note: Figures of previous year have been regrouped whenever necessary, to confirm to current year's presentation.

### **HIGHLIGHTS OF PERFORMANCE:**

The total revenue of the Company has decreased from Rs. 42.46 Crores to Rs. 38.56 Crores whereas the profit before tax of the Company has increased from Rs. 93.04 Lakhs to Rs. 141.36 Lakhs. Subsequently, the net profit after tax has increased to Rs. 60.36 Lakhs as compared to previous year's net profit of Rs. 47.26

Lakhs. We remained resolute and relentless in our quest for strengthening our cost-competitiveness, better management of working capital and operational excellence across all businesses.

### **DIVIDEND:**

Keeping in view the financial results and in order to conserve financial resources for the future requirement of the fund, your directors do not recommend any dividend during the year under review.

### **PUBLIC DEPOSITS:**

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

### **SUBSIDIARY/JOINT VENTURE/ ASSOCIATE COMPANY:**

As on 31st March, 2018, Your Company has 2 associate Company.

Sr. No	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	Applicable Section
1.	<b>Raghuvir Exim Limited</b> Address:- Nr. Gujarat Bottling, Rakhial Road, Rakhial, Ahmedabad, Gujarat	U51909GJ1992-PLC018496	Associate	2(6)
2.	<b>Sagar Textiles Mills Private Limited</b> Address:- Ramkumar Mills Compound, Saraspur, Ahmedabad-380018, Gujarat	U17119GJ1957-PTC000876	Associate	2(6)

### **DEPOSITORY SYSTEM:**

As members are aware, the company's shares are compulsorily tradable in the electronic form. As on March 31, 2018 almost 86% of the Company's total paid-up capital representing 33,32,586 shares were in dematerialized form. In view of the numerous advantages offered by the Depository system, members holding shares in physical mode are advised to avail of the facility of dematerialization on either of the Depositories.

### **EXTRACT OF ANNUAL RETURN AS PER SECTION 92 (3) OF COMPANIES ACT 2013:**

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as "Annexure -A".



**BOARD MEETINGS HELD DURING THE YEAR:**

Sr. No.	Date on which board Meetings were held	Total Strength of the Board	No of Directors Present
1.	10/04/2017	8	8
2.	18/04/2017	8	7
3.	29/05/2017	8	7
4.	31/07/2017	8	6
5.	17/08/2017	8	8
6.	12/09/2017	8	6
7.	20/11/2017	8	6
8.	09/12/2017	8	8
9.	23/12/2017	8	6
10.	29/12/2017	8	7
11.	17/01/2018	8	8
12.	12/02/2018	8	7
13.	03/03/2018	8	6

**ATTENDANCE OF DIRECTORS AT BOARD MEETINGS:**

Sr. No.	Name of Directors	No. of Meeting Held	No. of Meeting Attended
1.	Sunil Agrawal	13	13
2.	Yash Agarwal	13	8
3.	Hardik Agarwal	13	12
4.	Anup Agarwal	13	13
5.	Samirbhai Sheth	13	11
6.	Kamalbhai Patel	13	10
7.	Pamitadevi Agarwal	13	10
8.	Nishitbhai Joshi	13	13

**DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

- ◆ In terms of Section 152 of the Companies Act, 2013, Mr. Hardik Sunil Agarwal is liable to retire by rotation at forthcoming AGM and being eligible offer himself for re-appointment.
- ◆ During the Year under review, the Board of Directors approved the resignation of Mr. Kirit V. Patel, Chief executive officer w.e.f 30<sup>th</sup> December, 2017.
- ◆ A brief resume of directors being appointed / re-appointed with the nature of their expertise, their shareholding in the Company as stipulated under

as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to this Notice of the ensuing Annual General Meeting.

- ◆ The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- ◆ All the directors of the Company have confirmed that they are not disqualified from being appointed as directors in terms of Section 164 of the Companies Act, 2013.

**MATTERS AS PRESCRIBED UNDER SUB-SECTIONS (1) AND (3) OF SECTION 178 OF THE COMPANIES ACT 2013:**

The policy of the Company on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Sub section (3) of Section 178 of the Companies Act, 2013, adopted by the Committee, is appended in the Corporate Governance Report. We affirm that the remuneration paid to the directors is as per the terms laid out in the nomination and remuneration policy of the Company.

**POLICY ON REMUNERATION:**

Policy on remuneration of Directors, Key Managerial Personnel and employees of the Company is that:-

- ◆ Remuneration to Key Managerial Personnel, Senior Executives, Managers, Staff and Workmen is industry driven in which it is operating taking into account the performance leverage and factors such as to attract and retain quality talent. The remuneration policy is in consonance with the existing industry practice
- ◆ For Directors, it is based on the shareholders resolutions, provisions of the Companies Act, 2013 and Rules framed therein, circulars and guidelines issued by Central Government and other authorities from time to time.

**BOARD EVALUATION:**

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual evaluation of its



own performance, the directors individually, as well as the evaluation of the working of its Committees. At the meeting of the Board all the relevant factors that are material for evaluating the performance of individual Directors, the Board and its various committees were discussed in detail. A structured questionnaire each for evaluation of the Board, its various Committees and individual Directors was prepared and recommended to the Board by Nomination & Remuneration Committee for doing the required evaluation after taking into consideration the input received from the Directors covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, execution and performance of specific duties, obligations and governance etc.

#### SEPARATE MEETING OF THE INDEPENDENT DIRECTORS:

The Independent Directors of your Company, in a separate meeting held on 12<sup>th</sup> March, 2018 to carry out the evaluation for the financial year 2017-18 and inter alia, discussed the following:

- ◆ Reviewed the performance of Non-Independent Directors of the Company and the Board as a whole.
- ◆ Reviewed the performance of the Chairman of the Company taking into account the views of Executive Directors and Non-executive Directors.
- ◆ Assessed the quality, quantity and timelines of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All Independent Directors of the Company were present at the Meeting.

#### AUDITORS:

##### ◆ Statutory Auditors

Pursuant to the Provisions of Section 139, 141, 142 and other applicable Provisions, if any, of the Companies Act, 2013, (the Act) and the Rules made thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the resolution passed by the Members at the 35<sup>th</sup> annual general meeting to appoint M/s. Ashok K. Bhatt & Co., Chartered Accountants, Ahmedabad, [ Firm Registration No. : 100657W ] as new Statutory Auditor of the Company to hold office for a period of 5(Five) till the conclusion of 40<sup>th</sup>

annual general meeting of the company ( i.e from 2017-2018 to 2021-2022) , the Company hereby ratifies and confirms the appointment of M/s. Ashok K. Bhatt & Co., Chartered Accountants, Ahmedabad, as Statutory Auditor of the Company for the financial year ending 31st March, 2019 at such remuneration to be decided by and between the Statutory Auditors and the Board of Directors of the Company. The ratification of appointment is subject to the approval of members in the ensuing 36<sup>th</sup> Annual General Meeting of the company.

Your Directors recommend the ratification of appointment of M/s. Ashok K. Bhatt & Co., Chartered Accountants, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of 37<sup>th</sup> Annual General Meeting of the Company to be held in the calendar year 2019 for the financial year 2018-2019.

##### ◆ Secretarial Auditor

Mr. Amrish N. Gandhi of Amrish Gandhi & Associates, Practicing Company Secretaries is re-appointed to conduct the secretarial audit of the Company for the financial year 2017-18, as required under Section 204 of the Companies Act, 2013 and Rules thereunder. Your Company has received consent from Mr. Amrish N. Gandhi to act as the auditor for conducting audit of the Secretarial records for the financial year ending 31st March, 2018. The secretarial audit report in form MGT 9 for FY 2017-18 forms part of the Annual Report as 'Annexure C' to the Board's report.

#### DIRECTORS' RESPONSE TO SECRETARIAL AUDIT REPORT:

The Secretarial Audit Report issued by Mr. Amrish N. Gandhi of Amrish Gandhi & Associates, Practicing Company Secretaries is self-explanatory , however no qualifications is raised by Secretarial auditor for the Financial year 2017-2018.

##### ◆ Internal Auditor

The Board re-appointed M/s. Anil kumar Sheth & Co., Chartered Accountants ( Firm Registration Number 100445W ) as Internal Auditor of your company for the financial year 2018-19 and is hereby eligible for re-appointment for the financial year 2018-19



pursuant to the provisions of the Companies Act, 2013. The report prepared by the Internal Auditors is to be reviewed by the Statutory Auditors & Audit Committee.

#### **INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY:**

The details in respect of internal financial control and their adequacy are included in the Management Discussion & Analysis Report, which forms part of this report.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:**

Details of Loans, Guarantees and Investments under the provisions of Section 186 of the Companies Act, 2013 are not applicable to the Company.

#### **AUDIT COMMITTEE:**

Audit Committee comprises of four members and all members are Independent Directors. All transactions with related parties are on an arm's length price. During the year, there are no instances where the Board had not accepted the recommendations of the Audit Committee. The composition and the functions of the Audit Committee of the Board of Directors of the Company is disclosed in the Report on Corporate Governance, which is forming a part of this report.

#### **NOMINATION AND REMUNERATION COMMITTEE:**

Nomination and Remuneration Committee comprises of four members and all members are Independent Directors. The composition and the functions of the Nomination and Remuneration Committee of the Board of Directors of the Company is disclosed in the Report on Corporate Governance, which is forming a part of this report.

#### **RELATED PARTY TRANSACTIONS:**

All Related Party Transactions that were entered into during the financial year were on arm's length price and were in the ordinary course of business and are in compliance with applicable provisions of Companies Act, 2013 & SEBI All Related Party Transactions were placed before the Audit Committee of the Board of Directors for their approval.

The company entered in contract with Raghuvir Lifestyle Pvt. Ltd, Raghukaushal Textile Pvt. Ltd and Raghuvir Exim Limited in this financial year and transactions that were entered into during the financial year were on arm's length price and were in the ordinary course of business. A prior omnibus approval of Audit committee is obtained on yearly basis for the transactions entered with Related parties as per the contract agreed between

the parties. The transaction entered in pursuant to omnibus approval, a statement giving details of all related party transactions are placed before the Audit Committee for their approval, on a quarterly basis. The policy on Related Party Transactions as approved by the Board is available on the Company's website.

As per the provisions of the Companies Act, 2013 and Listing Regulation, all material RPTs require approval of the members by an ordinary resolution. Based on past trend, the transactions with Raghuvir Exim Ltd. (Associates Company) are likely to exceed 10% of the annual turnover of the Company as per the last audited financial statements of the Company and may exceed the materiality threshold as prescribed under the provisions of Listing Regulations. Thus, in terms of Listing Regulations, these transactions would require approval of the members.

The details of the related party transactions as per Accounting Standard 18 are set out in Note [39] to the Standalone Financial Statements forming part of this report.

The disclosure of related party transactions as required Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014) in Form AOC 2 is available in Annexure "B"

#### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:**

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

#### **MATERIAL CHANGES:**

There is no material changes and commitments, that would affect financial position of the company from the end of the financial year of the company to which the financial statements relate and the date of the directors report.

#### **RESERVES:**

The Company has proposed to transfer Rs. 60,26,495/- of profit of the Company to the General Reserve for this year.

#### **EMPLOYEE STOCK OPTION:**

The Company has not issued any Employee Stock Option.

#### **CASH FLOW ANALYSIS:**

The Cash Flow Statement for the year under reference in terms of Regulation 34(2)(c) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 with the stock exchanges forms part of the Annual



Report.

**CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Additional information on Conservation of energy, technology absorption, foreign exchange earnings and outgo as required to be disclosed under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, are provided in "Annexure D" to the Directors' Report and forms part of this Report.

**CORPORATE GOVERNANCE:**

As per regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, report on "Corporate Governance" is attached and forms a part of Directors Report. A Certificate from Amrish Gandhi & Associates, Practicing Company Secretary regarding compliance of the conditions of Corporate Governance as stipulated under the Listing Regulation is annexed to this Report.

**MANAGEMENT DISCUSSION AND ANALYSIS:**

◆ **Economic Scenario:**

Indian textile and apparel trade associations are hopeful of the industry's growth in FY 2018-19 as the Economic Survey 2018, conducted by Ministry of Finance, has predicted 7-7.5 per cent growth in FY 2018-19 from 6.75% last fiscal. The Economic Survey 2018, tabled in the Indian Parliament on January 29, 2018, also highlighted that exports will be the major cause of 'upside potential' for the country's economy. Additionally, the country will make a splendid comeback from the struggle of demonetization and Goods and Services Tax (GST).

India's Union Finance minister Arun Jaitley announced that allocation for the textile industry has been increased from Rs. 6,000 crores (in 2016) to Rs. 7,148 crores for FY 2018-19. The industry stakeholders have thanked the Indian Government on the move made but said that the allocated amount falls short of what is needed to take care of the Rebate of State Levies (RoSL) and Technology Upgradation Fund (TUF) schemes' backlog coupled with the current year's requirement. The textile industry also welcomed the extension of fixed-term employment to all segments (earlier it was only for apparel and made-ups). Additionally, paid maternity leave period has been extended from 12 weeks to 26

weeks which will support the women workforce in the sector. The textile industry will be benefited from the various concessions announced for the SMEs, farmers and the increased budget for the sector, however, need to see how the allocation takes place.

The Indian textile sector had all the tailwinds the businesses needed, over the last two to three years, to grow and become more profitable. Right from higher export demand to lower cotton prices to falling interest rates to favourable exchange rates, the companies had everything going in their favour. The industry employs about 40 million workers directly and 60 million indirectly. India's targeted textile exports for financial year 2017-18 is US\$ 45 billion. However, this target is likely to be missed by a huge margin. As per the Ministry of Textiles, the Indian textile industry contributed about 14% to industrial production, 4% to the country's GDP and 13% to the country's export earnings in 2017. According to the Ministry of Textiles, the domestic textile and apparel industry in India is estimated to reach US\$ 223 bn by 2021 from US\$ 108 bn in 2015. India enjoys a significant lead in terms of labour cost per hour over developed countries like US and newly industrialised economies like Hong Kong, Taiwan, South Korea and China. Operating profit margins of textiles exporters were under pressure on account of lower export realisations. A shift in the dynamics of US retail, and a reduction in incentives after the implementation of the Goods and Services Tax (GST) led to the pricing pressure. In FY18, the textile export sector was undergoing a sea-change. Many brick & mortar retailers in the US have pruned inventories and downsized stores to offset profitability pressures caused by the e-tail boom. To cushion the consequent fall in utilisation levels, Indian exporters have been enhancing their share of the business with US e-retailers, but at lower realisations.

◆ **Industry Review:**

India's textiles sector is one of the oldest industries in Indian economy dating back several centuries. Even today, textiles sector is one of the largest contributors to India's exports with approximately 13 per cent of total exports. The textiles industry is also labour intensive and is



one of the largest employers. The textile industry has two broad segments. First, the unorganised sector consists of handloom, handicrafts and sericulture, which are operated on a small scale and through traditional tools and methods. The second is the organised sector consisting of spinning, apparel and garments segment which apply modern machinery and techniques such as economies of scale.

The Indian textiles industry is extremely varied, with the hand-spun and hand-woven textiles sectors at one end of the spectrum, while the capital intensive sophisticated mills sector at the other end of the spectrum. The decentralised power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of the textile industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles make the Indian textiles sector unique in comparison to the industries of other countries. The Indian textile industry has the capacity to produce a wide variety of products suitable to different market segments, both within India and across the world.

Textile and apparel exports from India are expected to increase to US\$ 82 billion by 2021. Manmade garments remain the largest contributor to total textile and apparel exports from India, contributing 24.53 per cent to total textile

Rising government focus and favourable policies is leading to growth in the textiles and clothing industry. The Ministry of Textiles is encouraging investments through increasing focus on schemes such as Technology Up-gradation Fund Scheme (TUFS). Under the Union Budget 2018-19, Rs 2,300 (US\$ 355.27 million) crore have been allocated for TUFS and Rs 30 crore (US\$ 4.63 million) for the Scheme for Integrated Textile Parks, under which there are 47 ongoing projects. In May 2018, textiles sector recorded investments worth Rs 27,000 crore (US\$ 4.19 billion) since June 2017. The Cabinet Committee on Economic Affairs (CCEA), Government of India has approved a new skill development scheme named 'Scheme for Capacity Building in Textile Sector (SCBTS)'. Cumulative FDI in the Indian textiles reached US\$ 2.93 billion between April

2000 to March 2018.

The Directorate General of Foreign Trade (DGFT) has revised rates for incentives under the Merchandise Exports from India Scheme (MEIS) for two subsectors of Textiles Industry - Readymade garments and Made ups - from 2 per cent to 4 per cent. The government is also planning to conduct roadshows to promote the country's textiles in non-traditional markets like South America, Russia and select countries in West Asia.

#### ◆ **Review and Future Outlook of the Company:**

The Company is continuously trying to accomplish the desired results. Steps have been taken for cost diminution and manufacturing quality products by various installed machineries of the Company. Various aspects of working conditions of workers, health related issues, minimizing risk of accidents at work place etc. are being taken care of by the Company. The Company will achieve more turnover by various marketing strategies, offering more quality products, launching new products etc. in coming years followed by increase in profit margin by way of various cost cutting techniques and optimum utilization of various resources of the Company.

#### ◆ **Internal Control System:**

The Company has proper and adequate system of internal control, commensurate with the size and nature of its business. Regular Internal Audits and Checks carried out and also management reviews the internal control system and procedures to ensure orderly and efficient conduct of business and to ensure that all assets are safeguarded and protected against loss from unauthorised use or disposition and that transactions are authorised, recorded and reported correctly. The Company has well defined internal control system. The Company takes abundant care to design, review and monitor the working of internal control system. Internal audit in the organization is an independent appraisal activity and it measures the efficiency, adequacy and effectiveness of other controls in the organization. The Audit Committee, comprising Independent Directors, regularly reviews audit plans, significant audit findings, adequacy of internal controls, and compliance with Accounting



Standards, among others.

✦ **Human Resources:**

The Company believes that its people are its most important asset and thus continuously strives to scale up its employee engagement through well structured systems and a visionary HR philosophy. The Company continues to lay emphasis on building and sustaining the excellent organization climate based on human performance. Performance management is the key word for the Company. Pursuit of proactive policies for industrial relations has resulted in a peaceful and harmonious situation in the Company. We are highly focused on developing our employees to perform with the same excellence for the challenges and huge business opportunities that are envisaged in future. The Company firmly believes that intellectual capital and human resources is the backbone of the Company's success.

✦ **Cautionary Statement:**

This Management Discussion and Analysis statement of the Annual Report has been included in adherence to the spirit enunciated in the code of corporate governance approved by the Securities and Exchange Board of India. Statement in the Management Discussion and Analysis describing Company's objectives, projections, estimates, expectation may be forward-looking statements within the meaning of applicable securities laws and regulations. Actual result could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operation include economic conditions affecting demand/supply and price conditions in the Government regulations, tax laws and other status and other incidental factors. Further, the discussion following herein reflects the perceptions on major issues as on date and the opinion expressed here are subject to change without notice. The Company undertakes no obligations to publicly update or revise any of the opinions of forward looking statements expressed in this report, consequent to new information future events, or otherwise. Readers are hence cautioned not to place undue reliance on these statements and are advised to conduct their own investigation and analysis of the information contained or referred

to this statement before taking any action with regard to specific objectives.

**RISK MANAGEMENT:**

The Board of Directors have developed & implemented a robust risk management policy which identifies the key elements of risks that threatens the existence of the Company. The Audit Committee reviews the Company's financial and risk management policies and steps taken by the Company to mitigate such risks at regular intervals.

**INSURANCE:**

The company adopted the Director's and Officer's Liability Insurance Policy and respectively the Board of Directors of the company are covered under Director's and Officer's Liability Insurance Policy. The provisions of indemnity to directors as per the section 197 of the companies Act, 2013 stating that the premium paid on insurance policy shall be treated as part of the remuneration of the officers only if such officer is found guilty.

**CORPORATE SOCIAL RESPONSIBILITY:**

This clause is not applicable.

**PREVENTION OF SEXUAL HARASSMENT POLICY:**

The Company has in place Prevention of Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy. Your Directors state that during the year under review, there were no cases filed pursuant to the aforesaid Act.

**DIRECTOR'S RESPONSIBILITY STATEMENT:**

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, state the following:

- ✦ that in the preparation of the annual financial statements for the year ended March 31, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ✦ that such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2018 and of the profit of the



Company for the year ended on that date;

- ◆ that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- ◆ that the annual financial statements have been prepared on a going concern basis.
- ◆ that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- ◆ that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

#### **Applicability of IND AS–Indian Accounting Standards**

The Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards (IND AS)) Rules 2015, which stipulates the adoption and applicability of IND AS in a phased manner beginning from the Accounting period 2016-17 and subsequently, issued Amendment Rules 2016 to amend the 2015 rules. Your Company has adopted IND AS with effect from 1<sup>st</sup> April, 2017

SEBI has issued a clarification on the applicability of the Indian Accounting Standards or IND AS for adopting the IND AS on or after 1st April 2016

1. Up to March 31, 2017, all of the financial statements filed by them can be under Indian GAAP.
2. Between April 1, 2017, and March 31, 2018, disclosures in the latest previous three financial years will have to be made under the IND AS principles while disclosures for the remaining two financial years may be done under Indian GAAP. However, as far as disclosures for the third latest financial year are concerned, suitable restatement adjustments to the accounting heads from their values as on the date of transition following accounting policies consistent with that used at date of transition to IND AS.
3. Between April 1, 2018, and March 31, 2019, disclosures in the latest previous three financial years will have to be made under the IND AS principles while disclosures for the remaining two financial years may be done under Indian GAAP.
4. Between April 1, 2019, and March 31, 2020,

disclosures in the latest previous four financial years will have to be made under the IND AS principles while disclosures for the remaining one financial year may be done under Indian GAAP.

5. On or after April 1, 2020, disclosures in all the previous five financial years will have to be made under the IND AS principles.

Henceforth, the financial statements of the company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, as applicable. For periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with the then applicable Accounting Standards in India ('previous GAAP'). These are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2016. The comparative figures in the Balance Sheet as at March 31, 2017 and April 1, 2016 and Statement of Profit and Loss and Cash Flow Statement for the year ended March 31, 2017 have been restated accordingly. Accounting Policies have been consistently applied except where newly issued accounting standard is initially adopted or revision to the existing standards requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised accounting standards on an on-going basis.

Refer Note 43 for the explanations of transition to Ind AS including the details of first-time adoption exemptions availed by the Company.

#### **KEY MANAGERIAL PERSON:**

Mr. Sunil R. Agarwal, Chairman & Managing Director (Executive), Mr. Dilip P. Nirmal, Chief Financial Officer and Miss Pratika P. Bothra, Company Secretary & Compliance officer are the Key Managerial Personnel of the Company as on date.

#### **ENVIRONMENT AND POLLUTION CONTROL:**

The Company is well aware of its responsibility towards a better and clean environment. Our efforts in environment management go well beyond mere compliance with statutory requirements. The Company has always maintained harmony with nature by adopting eco-friendly technologies and upgrading the same from time to time incidental to its growth programmes.

#### **VIGIL MECHANISM/WHISTLE BLOWER POLICY:**

Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly,



the Board of Directors have formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177(10) of the Companies Act, 2013 and Regulation 22 of the SEBI (LODR), Regulations, 2015. Employees can raise any suspected or actual violations to the Code of Conduct. Specifically, employees can raise concerns regarding any discrimination, harassment, victimization, any other unfair practice being adopted against them or any instances of fraud by or against your Company. Your Directors state that during the year under review, there were no cases filed pursuant to the aforesaid Act.

#### THE CHANGE IN NATURE OF BUSINESS:

There is no any material change in the business of the Company during the year under review.

#### PARTICULARS OF EMPLOYEES:

A statement containing the names and other particulars of employees in accordance with the provisions of section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as "Annexure – E" to this report.

No employee has received remuneration in excess of the limits set out in rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 during FY 2017-18.

#### CORPORATE ACTIONS IN PROTECTING INTEREST OF SHAREHOLDERS:

Circular to Listed Companies on July 05, 2018 informing about amendment to Regulation 40 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 vide Gazette notification dated June 8, 2018 has mandated that transfer of securities would be carried out in dematerialized form only. In order to implement the aforementioned Amendment in the Regulation your company have taken special efforts through their RTAs to send letter under Registered/Speed post to the holders of physical certificates appraising them about the amendment and sensitise them about the impact of the regulation on the transfer of shares held by them in physical form w.e.f December 5, 2018. We have placed aforesaid information on our website [www.raghuvir.com](http://www.raghuvir.com) intimating the investors about the proposed change and provide appropriate guidance on how to dematerialize their shares.

Referring to the SEBI Circular No SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April 2018 & BSE Circular No LIST/COMP/15/2018-19 dated 5th July 2018

by which they have directed all the listed companies to record the PAN, Bank account details of all their shareholders and advise them to dematerialise their physical securities. Accordingly your company have taken special efforts through their RTAs to send letter under Registered/Speed post to the holders of physical certificates advising them to submit particulars of their bank account, viz. name and address of the branch of the bank, MICR code of the branch, type of account and account number and PAN details (including joint holders if any) to our Registrar and Share Transfer Agent, LINK INTIME INDIA PVT. LTD., 506 TO 508, AMARNATH BUSINESS CENTRE – 1 ( ABC-1 ), BESIDE GALA BUSINESS CENTRE , NEAR XT. XAVIER'S COLLEGE CORNER, OFF C G ROAD, NAVRANGPURA, AHMEDABAD – 380009 quoting their Folio No. or Client ID No. We would also like to register other KYC details such as specimen signature, mobile number, email id and nomination

#### APPOINTMENT OF DESIGNATED DEPOSITORY:

1. Reference to SEBI vide Circular No. IMD/FPIC/CIR/P/2018/61 dated April 5, 2018 introduced a new system for Monitoring of Foreign Investment limits in listed Indian companies and prescribed guidelines w.r.t the necessary infrastructure, data to be provided by listed Indian companies and other related matters.

In compliance with the same your company have appointed CDSL ( CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED ) as designated Depository of the company.

2. Reference to SEBI, vide circular dated May 28, 2018, had introduced system-driven disclosures in securities market detailing the procedure to be adopted for its implementation with effect from August, 1 2018. The disclosures of promoter/promoter group, the CEO and upto two levels below CEO of a company shall be deemed as employees for the purpose of system-driven disclosures in respect of mentioned Regulations.
  - a. Disclosures under Regulation 29(1) and 29(2) of SAST Regulations
  - b. Disclosures under Regulation 7(2) of PIT Regulations

In compliance with the same your company have appointed NSDL ( National Securities Depository Limited ) as designated Depository of the company.



**ACKNOWLEDGMENT:**

The Directors wish to place on record their appreciation to the devoted services of the workers, staff and the officers who largely contributed to the efficient management of the Company in the difficult times. The Directors place on record their appreciation for the continued support of the shareholders of the Company. The Directors also take this opportunity to express their grateful appreciation for assistance and cooperation

received from the bankers, vendors and stakeholders including financial institutions, Central and State Government authorities, other business associates, who have extended their valuable sustained support and encouragement during the year under review.

**BY ORDER OF THE BOARD OF DIRECTORS  
FOR, RAGHUVIR SYNTHETICS LTD.**

**DATE: 10/08/2018  
PLACE: AHMEDABAD**

**SUNIL R. AGARWAL  
CHAIRMAN & MANAGING DIRECTOR  
DIN: - 00265303**

**ANNEXURE-A TO DIRECTORS' REPORT**
**Form No. MGT-9**
**EXTRACT OF ANNUAL RETURN**
**as on the financial year ended on 31.03.2018**
**[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:**

CIN	L17119GJ1982PLC005424
Registration date	18/08/1982
Name of the Company	RAGHUVIR SYNTHETICS LIMITED
Category / Sub-Category of the Company	Company Limited by Shares / Indian Non-Government Company
Address of the registered office and contact details	Rakhial Road, Rakhial, Ahmedabad, Gujarat – 380023 Ph no. : 079-22911015-22911902-22910963 Email id: raghuvirad1@sancharnet.in
Whether listed company (Yes/No)	YES*
Name, address and contact details of Registrar and Transfer Agent, if any	M/S LINK INTIME INDIA PRIVATE LTD 506 TO 508, AMARNATH BUSINESS CENTRE – 1 ( ABC-1 ) , BESIDE GALA BUSINESS CENTRE , NEAR XT XAVIER'S COLLEGE CORNER, OFF C G ROAD, NAVRANGPURA , AHMEDABAD – 380009 Ph : 079 2646 5179 Email id: ahmedabad@linkintime.co.in

\* The Company's Shares are listed at the Bombay Stock Exchange (BSE), and Calcutta Stock Exchange, where as it was listed on Ahmedabad Stock Exchange till 2<sup>nd</sup> April, 2018\*\*

(\*\* Reference to the SEBI circular viz. 8WTM/MPB/MRD/160/2018, Exit Order is issued for Ahmedabad Stock Exchange Limited effective from 2<sup>nd</sup> April, 2018. Henceforth your company is no more listed in Ahmedabad Stock Exchange effective from 2<sup>nd</sup> April, 2018.)

**II. PRINCIPAL OF BUSINESS ACTIVITIES OF THE COMPANY :**

All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated:

Sr No.	Name and Description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
1	Finishing of cotton and blended cotton textiles.	13131	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

Sr. No	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	Applicable Section
1.	<b>Raghuvir Exim Limited</b> Address:- Nr. Gujarat Bottling, Rakhial Road, Rakhial, Ahmedabad, Gujarat	U51909GJ1992PLC018496	Associate	2(6)
2.	<b>Sagar Textiles Mills Private Limited</b> Address:- Ramkumar Mills Compound, Saraspur, Ahmedabad-380018, Gujarat	U17119GJ1957PTC000876	Associate	2(6)



## IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY):

## (i) Category-wise Shareholding:

CATEGORY OF SHARE HOLDER	NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR 31.03.2017				NO. OF SHARES HELD AT THE END OF THE YEAR 31.03.2018				% CHANGE DURING THE YEAR
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. PROMOTERS</b>									
(1) INDIAN									
a) Individual/ HUF	2866979	NIL	2866979	73.99	2901975	NIL	2901975	74.89	0.9
b) Central Govt.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) State Govt(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) Bodies Corporate	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Banks/FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f) Any Other	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Sub total A(1)</b>	<b>2866979</b>	<b>NIL</b>	<b>2866979</b>	<b>73.99</b>	<b>2901975</b>	<b>NIL</b>	<b>2901975</b>	<b>74.89</b>	<b>0.9</b>
(2) FOREIGN	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
a) NRI-Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Other	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) Bodies Corporate	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) Banks/FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Any Other	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Sub Total A(2)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
<b>Total Shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>2866979</b>	<b>NIL</b>	<b>2866979</b>	<b>73.99</b>	<b>2901975</b>	<b>NIL</b>	<b>2901975</b>	<b>74.89</b>	<b>0.9</b>
<b>B) Public Shareholding</b>									
Bodies Corporate	69355	NIL	69355	1.79	63383	NIL	63383	1.64	(0.15)
Individual	344263	569914	914177	23.59	333422	548414	881836	22.75	(0.84)
<b>Any Others (Specify)</b>									
Hindu Undivided Family	23101	NIL	23101	0.60	26005	NIL	26005	0.67	0.07
Non Resident Indians (Non Repat)	300	NIL	300	0.01	301	NIL	301	0.01	0.00
Non Resident Indians (Repat)	10	NIL	10	0.00	11	NIL	11	0.00	0.00
Clearing Member	1078	NIL	1078	0.03	1489	NIL	1489	0.04	0.01
<b>Total shareholding of others (B)</b>	<b>438107</b>	<b>569914</b>	<b>1008021</b>	<b>26.01</b>	<b>424611</b>	<b>548414</b>	<b>973025</b>	<b>25.11</b>	<b>(0.9)</b>
<b>GRAND TOTAL (A+B)</b>	<b>3305086</b>	<b>569914</b>	<b>3875000</b>	<b>100</b>	<b>3326586</b>	<b>548414</b>	<b>3875000</b>	<b>100</b>	

**(ii) Shareholding of Promoters:**

Sl. No.	NAME OF PROMOTERS	SHARE HOLDING AT THE BEGINNING OF THE YEAR			SHARE HOLDING AT THE END OF THE YEAR			% CHANGE DURING THE YEAR
		No. of Shares	% of total shares of the company	% of Shares Pledged/ encumb-ered to total shares	No. of Shares	% of total shares of the company	% of Shares Pledged/ encumb-ered to total shares	
1	Mr. Sunil R. Agarwal	1180403	30.46	NIL	1216024	31.38	NIL	0.92
2	Mrs. Pamita S. Agarwal	872546	22.52	NIL	871921	22.50	NIL	(0.02)
3	Mr. Yash S. Agarwal	4,39,203	11.33	NIL	4,39,203	11.33	NIL	NIL
4	Mr. Hardik S. Agarwal	3,74,827	9.67	NIL	3,74,827	9.67	NIL	NIL
	<b>Total</b>	<b>2866979</b>	<b>73.99</b>	<b>NIL</b>	<b>2901975</b>	<b>74.89</b>	<b>NIL</b>	<b>0.9</b>

**(iii) Change in Promoter's Shareholding:**

SL. NO.	NAME OF PROMOTERS	SHARE HOLDING AT THE BEGINNING OF THE YEAR		CUMULATIVE SHAREHOLDING DURING THE YEAR	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year(31.03.2017)	<b>2866979</b>	<b>73.99</b>		
2.	<b>Mr. Sunil R. Agrawal</b> (Acquisition from the period of 21 <sup>st</sup> April. 2017 to 27 December, 2017) <b>Mr. Pamita S. Agarwal</b> (Sale of 625 shares as on 11 <sup>TH</sup> May, 2017)	35621  (625)	0.92  (0.02)	<b>2901975</b>	<b>74.89</b>
3	At the End of the Year (31.03.2018)	—	—	2901975	74.89



## (IV) Shareholding Pattern of top ten Shareholders (Other than directors, Promoters and Holders of GDRs and ADRs):

SL. NO.	FOR EACH OF THE TOP 10 SHAREHOLDERS	SHAREHOLDING AT THE BEGINNING OF THE YEAR		CHANGE IN SHAREHOLDING (NOS. OF SHARES)		CUMULATIVE SHAREHOLDING DURING THE YEAR	
		No. of Shares	% of Total Shares of The Company	Increase	Decrease	No. of Shares	% of Total Shares of The Company
1.	Mr. Sakar S. Sharma	56600	1.46	—	7800	48800	1.26
2.	Madan and Company Ltd.	48100	1.24	—	—	48100	1.24
3.	BrijMohan D Chiripal	—	—	20313	—	20313	0.52
4.	Bhavna Darshan Mehta	—	—	11068	—	11068	0.29
5.	Vinod Kumar Aggarwal	—	—	9996	—	9996	0.26
6.	Mr. Arvindkumar J. Sancheti	27079	0.70	—	17582	9497	0.24
7.	ASE Capital Markets Ltd.	—	—	9307	—	9307	0.24
8.	Vinod Kumar Madanlal Saraf	227	0.00	7000	—	7227	0.19
9.	Sonia Ashish Agarwal	—	—	5780	—	5780	0.15
10.	Mr. Yogesh R. Patel	5000	0.13	—	—	5000	0.13

## (V) Shareholding of Directors and Key managerial Personnel:

Sl. No.	FOR EACH OF THE DIRECTORS AND KMP	SHAREHOLDING AT THE BEGINNING OF THE YEAR		PURCHASE/ (SALE) DURING THE YEAR	CUMULATIVE SHAREHOLDING DURING THE YEAR	
		No. of shares	% of the shares of the company		No. of shares	% of the shares of the company
1.	Mr. Sunil Agarwal	1180403	30.46	35621	1216024	31.38
2.	Mr. Yash Agarwal	439203	11.33	NIL	439203	11.33
3.	Mr. Hardik Agarwal	374827	9.67	NIL	374827	9.67
4.	Mrs. Pamita Agarwal	872546	22.52	(625)	871921	22.50
5.	Mr. Samir Sheth	NIL	NIL	—	NIL	NIL
6.	Mr. Kamal Patel	NIL	NIL	—	NIL	NIL
7.	Mr. Anup Agarwal	NIL	NIL	—	NIL	NIL
8.	Mr. Nishit Joshi	NIL	NIL	—	NIL	NIL
9.	Mr. Dilip Nirmal	NIL	NIL	—	NIL	NIL
10.	Mr. Kirit V. Patel*	NIL	NIL	—	NIL	NIL
11.	Miss Pratika Bothra	NIL	NIL	—	NIL	NIL

\* Resigned w.e.f. 30<sup>th</sup> December, 2017

**V. INDEBTEDNESS:**

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

	Secured Loans Excluding Deposits (in Rs.)	Unsecured Loans	Deposits	Total Indebtedness (in Rs.)
<b>Indebtdness at the beginning of the financial year</b>	<b>5988890</b>	<b>NIL</b>	<b>NIL</b>	<b>5988890</b>
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest Due but Not Paid	NIL	NIL	NIL	NIL
iii) Interest Accrued but not due	NIL	NIL	NIL	NIL
<b>Total I + ii = iii</b>	<b>5988890</b>	<b>NIL</b>	<b>NIL</b>	<b>5988890</b>
<b>Change in indebtedness during the financial year</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
i) Addition	118084532	NIL	NIL	118084532
ii) Reduction	NIL	NIL	NIL	NIL
<b>Net Change Indebtedness at the end of the financial year</b>	<b>124073422</b>	<b>NIL</b>	<b>NIL</b>	<b>124073422</b>
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest Due but Not Paid	NIL	NIL	NIL	NIL
iii) Interest Accrued but not due	NIL	NIL	NIL	NIL
<b>Total I + ii = iii</b>	<b>124073422</b>	<b>NIL</b>	<b>NIL</b>	<b>124073422</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

SN.	Particulars of Remuneration	Name of MD/WT/ Manager				Total Amount (In Rs.)
		Mr. SUNIL AGARWAL (Managing Director) (In Rs.)	—	—	—	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	12000000/-	NA	NA	NA	12000000/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NA	NA	NA	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NA	NA	NA	NIL
2	Stock Option	NA	NA	NA	NA	NIL
3	Sweat Equity	NA	NA	NA	NA	NIL
4	Commission - as % of profit - others, specify...	NA	NA	NA	NA	NIL
5	Others, please specify	NA	NA	NA	NA	NIL
	Total (A)	12000000/-	NA	NA	NA	12000000/-
	Ceiling as per the Act (as per the Schedule V Part II Section II)	120 lakhs	NA	NA	NA	120 lakhs



**B. Remuneration to other directors**

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		—	—	—	—	
1	Independent Directors	Nil	Nil	Nil	Nil	Nil
	Fee for attending board committee meetings	Nil	Nil	Nil	Nil	Nil
	Commission	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total (1)	Nil	Nil	Nil	Nil	Nil
2	Other Non-Executive Directors	Nil	Nil	Nil	Nil	Nil
	Fee for attending board committee meetings	Nil	Nil	Nil	Nil	Nil
	Commission	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil	Nil	Nil
	Total (B)=(1+2)	Nil	Nil	Nil	Nil	Nil
	Total Managerial Remuneration	Nil	Nil	Nil	Nil	Nil
	Overall Ceiling as per the Act	Nil	Nil	Nil	Nil	Nil

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

SN	Particulars of Remuneration	Key Managerial Personnel			
		Mr. Kirit V. Patel (Chief Executive Officer)* (In Rs.)	Miss Pratika P. Bothra (Company Secretary) (In Rs.)	Mr. Dilip Nirmal (Chief Financial Officer) (In Rs.)	Total (In Rs.)
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	16,70,000/-	2,64,145/-	5,98,214/-	25,32,359/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL	NIL
2	Stock Option	NA	NA	NA	NIL
3	Sweat Equity	NA	NA	NA	NIL
4	Commission	NA	NA	NA	NIL
	- as % of profit	NA	NA	NA	NIL
	others, specify...	NA	NA	NA	NIL
5	Others, please specify	NA	NA	NA	NIL
	Total	16,70,000/-	2,64,145/-	5,98,214/-	25,32,359/-

\*Resigned w.e.f 30<sup>th</sup> December, 2017

**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)
<b>A. COMPANY</b>					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
<b>B. DIRECTORS</b>					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA



**"ANNEXURE – B"****FORM NO. AOC-2****(FINANCIAL YEAR 2017-2018 )****(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)****1. Details of contracts or arrangements or transactions at arm's length basis:**

Sr. No.	Names of related party and Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of contracts/ arrangements/ transactions	Salient terms of the contracts/ arrangements/ transactions	Justification for entering into such contracts or arrangements	Dates of approval by the Board	Amount of contract or arrangement (IN RS.)	Date of special resolution u/s 188
1	Raghu kaushal Textile Private Ltd.	Sales Processing Charges and other Income	FY 2017-2018	Transaction limit should not exceed Rs. 5 crores in financial year 2017-2018	The new contract was entered & approved for execution on board meeting held on 10.04.2017	10/04/2017	1,67,72,959	—
2	Raghuvir Lifestyle Pvt Ltd.	Sales Processing Charges and other Income	FY 2017-2018	Transaction limit should not exceed Rs. 3 crores in financial year 2017-2018	The new contract was entered & approved for execution on board meeting held on 29.05.2017	29/05/2017	9,12,280	—
3	Raghuvir Exim Ltd.	Sales Processing Charges and other Income	FY 2017-2018	Transaction limit should not exceed Rs. 75 crores in financial year 2017-2018	The contract expired on 24.02.2017 henceforth its approved for renewable w.e.f. 25 <sup>th</sup> February, 2017 in board meeting held on 10.04.2017 with the retrosepective effect	10/04/2017	29,06,57,686	30.09.2017

4.	Sunil R Agarwal	Rent Expense	F.Y 2017-2018		Contract entered on 02.04.2013	29/05/2017	3,71,940	—
5.	Raghuvir Exim Ltd	Rent Expense	F.Y 2017-2018		Contract entered on 02.04.2013	29/05/2017	2,12,550	—
6.	Sagar Textiles Mills Pvt Ltd	Rent Expense	F.Y 2017-2018		Contract entered on 01.03.2012	29/05/2017	3,00,000	—
7.	Raghuvir Research Foundation Trust	Donation	F.Y 2017-2018	Transaction limit should not exceed Rs. 40,00,000/- in financial year 2017-2018	limit of Rs. 40,00,000/- in any f.y should not exceed as approved in the general meeting held on 30.09.2016	10/04/2017	20,00,000	30.09.2016

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

Sr no.	Names of related party and Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of contracts /arrangements/ transactions	Salient terms of the contracts/arrangements/ transactions including the value, if any	Dates of approval by the Board	Amount paid as advances, if any
1	NA	NA	NA	NA	NA	NA

**By order of the Board of Directors  
Raghuvir Synthetics Limited**

**Sunil R. Agrawal  
Chairman & Managing Director  
DIN: 00265303**



## ANNEXURE-C TO DIRECTORS' REPORT

FORM NO. MR-3

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2018

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

To,

The Members,

**RAGHUVIR SYNTHETICS LIMITED**

Rakhial Road, Rakhial,

Ahmedabad - 380023.

I, Amrish N. Gandhi, Proprietor of Amrish Gandhi & Associates, Company Secretaries, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **RAGHUVIR SYNTHETICS LIMITED [CIN:L17119GJ1982PLC005424]** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of **RAGHUVIR SYNTHETICS LIMITED'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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2018 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **RAGHUVIR SYNTHETICS LIMITED** for the financial year ended on 31<sup>st</sup> March, 2018 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 Byelaws framed there under;
- 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.
- 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 (upto 14th May, 2015) and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective 15th May, 2015);
  - 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 (Share Based Employee Benefits) Regulations, 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)**;
- i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- l. As informed to me the following other Laws specifically applicable to the Company as under:

**A. INDUSTRIAL & LABOUR LAWS:**

- a) The Factories Act, 1948
- b) Industrial Disputes Act, 1947
- c) The Minimum Wages Act, 1948
- d) The Payment of Wages Act, 1936
- e) Employee's State Insurance Act, 1948
- f) Employees' Provident Fund and Miscellaneous Provisions Act, 1952
- g) The Payment of Bonus Act, 1965
- h) The Payment of Gratuity Act, 1972
- i) The Contract Labour (Regulation and Abolition) Act, 1970
- j) The Employees' Compensation Act, 1923
- k) The Apprentices Act, 1961
- l) The Child Labour ( Prohibition and Regulation ) Act, 1986
- m) The Employment Exchange ( Compulsory Notification of Vacancies ) Act, 1959

**B. ENVIRONMENT RELATED:**

- a) The Environment (Protection) Act, 1986
- b) The Hazardous Wasted (Management, Handling And Transboundary Movement) Rules, 2008
- c) The Water (Prevention & Control of Pollution) Act, 1974
- d) The Air (Prevention & Control of Pollution) Act, 1981

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

- a) Secretarial Standards with respect to General and Board Meetings issued by The Institute of Company Secretaries of India (effective from 1<sup>st</sup> July, 2015).
- b) The Listing Agreements entered into by the Company with BSE Limited, Ahmedabad Stock Exchange Limited and Calcutta Stock Exchange Limited.
- c) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. (effective from 1<sup>st</sup> December, 2015)

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

**I 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.

All decisions of the board were unanimous and the same was captured and recorded as part of the minutes.

**I 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.



I further report that during the audit period the Company has no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Place: Ahmedabad

For Amrisha Gandhi & Associates

Date: 3<sup>rd</sup> August, 2018

Amrisha N. Gandhi  
Company Secretaries  
CP No: 5656|FCS: 8193

*Note: This Report is to be read with Our Letter of even date which is annexed as "Appendix A" and forms an integral part of this report.*

**'Appendix A'**

To,  
The Members,  
RAGHUVIR SYNTHETICS LIMITED  
Rakhial Road, Rakhial,  
Ahmedabad-380023.

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**Place: Ahmedabad**  
**Date: 3<sup>rd</sup> August, 2018**

**For Amrish Gandhi & Associates**

**Amrish N. Gandhi**  
**Company Secretaries**  
**CP No: 5656|FCS: 8193**



## ANNEXURE-D TO DIRECTORS' REPORT

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Information as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are set out as under:

**A. CONSERVATION OF ENERGY:**

The Company endeavors to conserve energy wherever possible.

Total energy consumption & consumption per unit of production:

Particulars	2017-2018	2016-2017
1. Power and Fuel Consumption :		
Purchases Units (KHW '000)	4525.92	4278.26
Total Cost (Rs. In Lakhs)	348.66	310.34
Rate per Unit (Rupees)	7.70	7.25
Consumption in Units (Per unit of production)	0.271	0.244
2. Coal and Wooden Dust		
Quantity Consumed (M.T)	10433.71	8460.09
Total Cost (Rs. In Lakhs)	690.23	475.99
Rate per M.T. (Rupees)	6615.40	5626.38
Consumption in Kgs. (Per Unit of production)	0.624	0.482
3. Wind Mill (Units)	0	130303

**B. TECHNOLOGY ABSORPTION**

The Company is not having any technology Collaboration in its manufacturing operations.

**C. FOREIGN EXCHANGE EARNING AND OUT GO:**

PARTICULARS	2017-2018	2016-2017
i. Total Foreign Exchange Used (Rs.)	43272658	10327261
ii. Total Foreign Exchange Earned (on F.O.B basis) (Rs.)	NIL	NIL

**ANNEXURE - E TO DIRECTORS' REPORT**
**PARTICULARS OF EMPLOYEES:-**

(Pursuant to rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

- There is no increase in remuneration of Mr. Sunil R. Agarwal, Chairman & Managing Director, Mr. Dilip P. Nirmal, Chief Financial Officer and Miss Pratika P. Bothra Company Secretary of the company whereas there is decrease remuneration of Mr. Kirit V. Patel, Chief Executive officer of the company during the financial year 2017-18, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-18 is specified herewith:

Sr. No.	Name of Director/KMP	Remuneration for FY 2017-18 (In Rs.)	% increase in remuneration in FY 2017-18
1.	Mr. Sunil Agarwal Chairman & Managing Director	120,00,000/-	NIL
2.	Mr. Yash Agarwal Executive Director	NIL	NA
3.	Mr. Hardik Agarwal Executive Director	NIL	NA
4.	Mr. Samir Sheth Independent Director	NIL	NA
5.	Mr. Kamal Patel Independent Director	NIL	NA
6.	Mr. Anup Agarwal Independent Director	NIL	NA
7.	Mrs. Pamita Agarwal Director	NIL	NA
8.	Mr. Nishit Joshi Independent Director	NIL	NA
9.	Mr. Dilipkumar Nirmal Chief Financial Officer	5,98,214/-	NIL
10.	Mr. Kirit V. Patel* Chief Executive officer	16,70,000/-	(35%)
11.	Miss Pratika Bothra Company Secretary	2,64,145/-	NIL

\* Resigned w.e.f 30<sup>th</sup> December, 2017 and the remuneration decreased w.e.f 1<sup>st</sup> August, 2017. He was assigned the project task for the period from 1<sup>st</sup> January, 2017 to 30<sup>th</sup> June 2017 and thereby he was given incentives along with the gross salary that leads to increase in his remuneration for that period. After the completion of project task in June ended 2017 his remuneration was decreased w.e.f 1<sup>st</sup> August, 2017.

- There were 208 permanent employees on the rolls of Company as on 31<sup>st</sup> March, 2018.
- It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.



## CORPORATE GOVERNANCE REPORT

### Corporate Governance

The principal characteristics of corporate governance are Transparency, Independence, Accountability, Responsibility, Fairness, and Social Responsibility. Corporate Governance pertains to system of blending law, regulations and voluntary practices, which enable the Company to attract financial and human capital, perform efficiently and thereby perpetuate it into generating long-term economic value for its shareholders, while respecting interests of other stakeholders and the society as a whole.

It aims to assure the shareholders that it is "Your Company" and it belongs to you. The Chairman and Board of Directors are your fiduciaries and trustees pushing the business forward in maximizing long term value for its shareholders. This report sets out the compliance status of the Company with the requirements of corporate governance, as set out in Pursuant to Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year 2017-18

### Company's Philosophy on Corporate Governance

The fundamental approach to corporate governance is to ensure the condition that Board of Directors and managers act in the interest of the Company. The implementation of good corporate governance leads to increase in the long term value of the shareholders and also in the enhancement of the interest of the other stakeholders. The Company is led by the Chairman and the Managing Director who are responsible for implementing the broad policies and guidelines.

Your Company has followed all the mandatory requirement of Corporate Governance complying with the requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 ('Listing Regulations') and applicable provisions of Companies Act, 2013 and looking forward positively to follow non mandatory provisions. The Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value, over sustained period of time.

### BOARD OF DIRECTORS

#### A. Composition of Board of Directors as on 31-03-2018 is as under:-

Name of the Director	Category	Total No. of Other Directorship (In public Companies)	Details of Committees in other Companies	
			Chairman	Member
Mr. Sunil Agarwal	Executive & Non-Independent	1	NIL	1
Mr. Yash Agarwal	Executive & Non-Independent	1	NIL	NIL
Mr. Hardik Agarwal	Executive & Non-Independent	1	NIL	NIL
Mrs. Pamita Agarwal	Non-Executive & Non-Independent	1	NIL	1
Mr. Samir Sheth	Non-executive & Independent	4	NIL	4
Mr. Kamal Patel	Non-executive & Independent	1	1	NIL
Mr. Anup Agarwal	Non-executive & Independent	NIL	NIL	NIL
Mr. Nishit Joshi	Non-executive & Independent	NIL	NIL	NIL

#### B. Attendance of each director at the Board Meeting and Last Annual General Meeting:

During the financial year 2017-2018, the Board of Directors of your Company met 13 (Thirteen) times on 10/4/2017, 18/04/2017, 29/05/2017, 31/07/2017, 17/08/2017, 12/09/2017, 20/11/2017, 9/12/2017, 23/12/2017, 29/12/2017, 17/01/2018, 12/02/2018

The details of directors and their attendance at the board meetings and Last Annual General Meeting of the Company are as under:-

Name of Directors	No. of Board Meeting attended	Attendance at last AGM held on 28 <sup>th</sup> September, 2017
Mr. Sunil Agarwal	13	YES
Mr. Yash Agarwal	08	ATTENDED VIA PROXY
Mr. Hardik Agarwal	12	YES
Mr. Samir Sheth	11	YES
Mr. Kamal Patel	10	YES
Mr. Anup Agarwal	13	YES
Mrs Pamita Agarwal	10	YES
Mr. Nishit Joshi	13	YES

#### **AUDIT COMMITTEE**

The Audit Committee, comprising four Directors, all being Non-Executive & Independent Directors and all of them have financial and accounting knowledge. The constitution of Audit Committee also meets with the requirements under Section 177 of the Companies Act, 2013 and as per Regulation 18 of SEBI (LODR) Reg, 2015. Members are regularly present at the meetings.

**A. Number of Audit Committee Meetings held during the financial year 2017-2018 and dates of the meetings:**

Audit Committee meeting	Date	Audit Committee Meeting	Date
1	10/04/2017	4	12/09/2017
2	29/05/2017	5	09/12/2017
3	17/08/2017	6	12/02/2018

**B. The Composition of an Audit Committee as on 31.03.2018 and details of committee meetings attended by members are as under:-**

Name of the Member	Designation	Category Committee Meetings held	No. of Meeting attended	Committee
Mr. Nishit Joshi	Chairman	Independent & Non-Executive	6	6
Mr. Kamal Patel	Member	Independent & Non-Executive	6	6
Mr. Samir Sheth	Member	Independent & Non-Executive	6	6
Mr. Anup Agarwal	Member	Independent & Non-Executive	6	6

**C. Keeping in view the provisions of section 177 of the Act, and the provisions of the SEBI LODR Regulations, 2015, the terms of reference of the Audit Committee include the following:-**

- I. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- II. Recommending the appointment, remuneration and terms of appointment of statutory auditors, including cost auditors of the Company;
- III. Approving payment to statutory auditors, including cost auditors, for any other services rendered by them;



- IV. Reviewing with management the quarterly and annual financial statements before submission to the board, focusing primarily on;
  - ◆ Matters required to be included in the Directors' 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;
  - ◆ Changes, if any, in accounting policies and practices and reasons for the same;
  - ◆ Major accounting entries involving estimates based on the exercise of judgment by the management;
  - ◆ Compliance with listing and other legal requirements relating to financial statements;
  - ◆ Disclosure of any related party transactions; and.
- V. Reviewing with the management, performance of statutory and internal auditors, external and Cost auditors, the adequacy of internal control systems, risk management systems.
- VI. Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- VII. Discussion with internal auditors any significant findings and follow up there on.
- VIII. 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.
- IX. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
- X. Approval of appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing qualifications, experience and background, etc. of the candidate;.
- XI. Reviewing the Company's financial and risk management policies.
- XII. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
- XIII. to review the functioning of the Vigil Mechanism/Whistle blower mechanism

#### NOMINATION AND REMUNERATION COMMITTEE

- A. Number of Nomination and Remuneration Committee Meetings held during the financial year 2017-2018 and dates of the meetings:

Nomination and Remuneration Committee Meetings	Date
1	29/05/2017
2	11/12/2017

- B. The composition of the Nomination and Remuneration Committee as on 31.03.2018 and the details of the meetings attended by the Directors are given below:

Name of the Member	Designation	Category	Committee Meeting attended
Mr. Nishit Joshi	Chairman	Independent & Non-Executive	2
Mr. Kamal Patel	Member	Independent & Non-Executive	2
Mr. Samir Sheth	Member	Independent & Non-Executive	2
Mr. Anup Agarwal	Member	Independent & Non-Executive	2

**C. Keeping in view the provisions of section 178 of the Act and the provisions of the SEBI LODR Regulations 2015, the terms of reference of the NOMINATION AND REMUNERATION COMMITTEE include the following.**

- I. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- II. formulation of criteria for evaluation of performance of independent directors and the board of directors;
- III. devising a policy on diversity of board of directors;
- IV. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
- V. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

**D. The details of remuneration paid to the Managing Director for the year 2017-2018.**

Name of the Director	Salary/Perquisite Amount (Rs.)	Commission Amount (Rs.)	Total Amount (Rs.)
Mr. Sunil R. Agarwal	120,00,000/- Per Annum	—	120,00,000/- Per Annum

**E. The details of remuneration paid to the Key Managerial Personnel for the year 2017-2018**

Name of the Director	Salary/Perquisite Amount (Rs.)	Commission Amount (Rs.)	Total Amount (Rs.)
Mr. Kirit V. Patel* (Chief Executive Officer)	16,70,000/- Per Annum	—	16,70,000/- Per Annum
Mr. Dilip Popatlal Nirmal (Chief Financial Officer)	5,98,214/- Per Annum	—	5,98,214/- Per Annum
Ms. Pratika P. Bothra (Company Secretary)	2,64,145/- Per Annum	—	2,64,145/- Per Annum

\*Resigned w.e.f 30.12.2017

**No sitting fee is payable to the Executive, Non Executive and Managing Director.**

**F. Details of shares of the Company held by Directors as on 31<sup>st</sup> March, 2018 are as under:**

Name	No. of Shares held
Mr. Sunil Agarwal	1216024
Mr. Yash Agarwal	439203
Mr. Hardik Agarwal	374827
Mrs. Pamita Agarwal	871921
Mr. Samir Sheth	NIL
Mr. Kamal Patel	NIL
Mr. Anup Agarwal	NIL
Mr. Nishit Joshi	NIL

♦ The Company has no employee stock option scheme in force at present.



**STAKEHOLDER RELATIONSHIP COMMITTEE (erstwhile shareholders'/investors' grievance committee):-****A. Number of Committee meetings held during the financial year 2017-2018 and dates of the meetings:**

Stakeholder Relationship Committee Meeting	Date	Stakeholder Relationship Committee Meeting	Date
1	29/05/2017	3	09/12/2017
2	12/09/2017	4	12/02/2018

**B. The Composition of Stakeholder Relationship Committee as on 31.03.2018 and details of committee meetings attended by Director are as under:-**

Name of Member	Designation	Category	No. of Meeting attended	Committee Meeting attended
Mr. Nishit Joshi	Chairman	Independent & Non-Executive	4	4
Mr. Kamal Patel	Member	Independent & Non-Executive	4	4
Mr. Samir Sheth	Member	Independent & Non-Executive	4	4
Mr. Anup Agarwal	Member	Independent & Non-Executive	4	4

**C. Keeping in view the provisions of section 178 of the Act, and the provisions of the SEBI LODR Regulations 2015 the terms of reference of the Stakeholders Relationship Committee are as follows :-**

- I. Oversee and review all matters connected with the transfer of the Company's securities;
- II. Approve issue of the Company's duplicate share / debenture certificates;
- III. Consider, resolve and monitor redressal of investors' / shareholders' / security holders' grievances related to transfer of securities, non-receipt of Annual Report, non-receipt of declared dividend etc.;
- IV. Oversee the performance of the Company's Registrars and Transfer Agents;
- V. Recommend methods to upgrade the standard of services to investors;
- VI. Monitor implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading;
- VII. Carry out any other function as is referred by the Board from time to time and / or enforced by any statutory notification / amendment or modification as may be applicable.

**D. Investor Grievance Redressal:-****A. Number of complaints received and resolved during the year as on 31<sup>st</sup> March, 2018 is as follows:- (As per the reports received via BSE, RTA and SCORES)**

Number of complaints as on 1st April, 2017	NIL
Number of complaints received during the year ended on 31st March, 2018	2
Number of complaints resolved up to 31st March, 2018	2
Number of complaints pending as on 31st March, 2018	NIL

**B. QUERY RAISED BY MINISTRY OF CORPORATE AFFAIRS:**

With reference to the complaint raised via ROC/COMPL/2018, hearing was attended on 27<sup>th</sup> May, 2018 in Investor Grievance Resolution Forum and the submissions and compliances were done as per the order of the forum and no objection being raised till date by the forum.

**CHAIRMAN / MANAGING DIRECTOR AND CFO CERTIFICATION**

The Chairman/Managing Director and CFO have issued certificate pursuant to the provisions of under Regulation 17(8) of the (LODR) Reg, 2015 certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

**GENERAL BODY MEETINGS**

Details of last three Annual General Meetings are as under:

Year	Date	Time	Venue	No. of Special Resolutions Passed
2014-15	30/09/2015	10.30 A.M.	Rakhial Road, Rakhial, Ahmedabad-23	1
2015-16	30/09/2016	10.30 A.M.	Rakhial Road, Rakhial, Ahmedabad-23	1
2016-17	28/09/2017	12.00 A.M.	Rakhial Road, Rakhial, Ahmedabad-23	1

Details of Extra ordinary General Meetings are as under:

Year	Date	Time	Venue	No. of Special Resolutions Passed
2016-2017	01/02/2017	1.00 P.M	Rakhial Road, Rakhial, Ahmedabad-23	1

◆ No postal ballot was conducted during the year.

**DISCLOSURES:**

- Disclosure on materially significant related party transactions:  
Full disclosure of related party transactions as per accounting standard 18 issued by The Institute of Chartered Accountants of India is given under Note No. 39 of Notes Forming part of accounts for the year ended on 31<sup>st</sup> March, 2018.  
The Board has approved a policy for related party transactions which has been uploaded on the Company's website. The web-link as required under Listing Regulations is as under: <http://www.raghuvir.com/policies.html>
- There were no transactions of material nature with its promoters, the Directors or the management or relatives of the Directors during the year. There were no instances of non-compliance on any matter related to the capital Markets, during the last three years
- No. penalties or strictures have been imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital Markets.
- Independent Directors are familiarised with their roles, rights and responsibilities in the Company as well as with the nature of industry and business model of the Company. The details of the familiarisation programmes can be accessed on the web link: <http://www.raghuvir.com/policies.html>
- The Company has also adopted Material Events Policy, Website Content Archival Policy and Policy on Preservation of Documents which is uploaded on the website of the Company at <http://www.raghuvir.com/policies.html>

**RE-APPOINTMENT OF DIRECTORS (REGULATION 36(3) OF SEBI (LODR) REGULATIONS, 2015)**

Mr. Hardik Sunil Agarwal, Director of the Company is retiring by rotation at the ensuing Annual General Meeting and is eligible, offer himself for re-appointment. Brief resume of Mr. Hardik Sunil Agarwal together with other details is provided as under:

The Director has furnished the requisite declaration for his re-appointment.



<b>Name</b>	Mr. Hardik Sunil Agarwal
<b>Date of Birth</b>	29/10/1991
<b>DIN</b>	03546802
<b>Shareholding</b>	374827
<b>Relationship with other Directors/ Manager/KMP</b>	Son of Mr. Sunil R. Agarwal & Mrs. Pamita S. Agarwal and Brother of Mr. Yash S. Agarwal
<b>Education Qualification</b>	B.com
<b>Experience</b>	He has over 7 years of experience in textile sector
<b>List of other Directorship /Committee membership in other Public Companies as on 31st March, 2017.</b>	1. Raghuvir Exim Limited 2. Sagar Textiles Mills Private Limited 3. HYS DEVELOPERS LLP 4. HYS LIFECARE LLP
<b>Terms and Conditions of appointment or re-appointment</b>	Executive Director, liable to retire by rotation

**MEANS OF COMMUNICATIONS****a) Financial Results:**

The Company has regularly published its quarterly, half yearly & annual results in newspapers & also submitted its quarterly, half yearly & annual results to stock exchanges in accordance with the Listing Agreement requirements. Our Website address is [www.raghuvir.com](http://www.raghuvir.com).

**b) Website:**

The Company's website <http://www.raghuvir.com/> contains a separate dedicated section namely "Investors" where shareholders information is available. The Annual Report of the Company is also available on the website of the Company.

The Management Discussion and Analysis Report forms part of the report.

**GENERAL SHAREHOLDERS' INFORMATION:-****A. Annual General Meeting:-**

**Date:** - Monday, 24<sup>th</sup> September, 2018

**Venue:** - M/s. Raghuvir Synthetics Limited, Nr. Gujarat Bottling, Rakhial Road, Rakhial, Ahmedabad - 380023

**Time:-** 12.30 P.M.

**B. Financial Year: 2018-2019 (Tentative)**

The financial year of the Company is 1<sup>st</sup> April to 31<sup>st</sup> March and financial results will be declared as per the following schedule.

<b>Particulars</b>	<b>Tentative Schedule</b>
<b>Quarterly Unaudited Result</b>	
Quarter Ending 30 <sup>th</sup> June, 2018*	Held on 10 <sup>th</sup> August, 2018
Quarter Ending 30 <sup>th</sup> September, 2018*	On or before 14 <sup>th</sup> November, 2018
Quarter Ending 31 <sup>st</sup> December, 2018	On or before 14 <sup>th</sup> February, 2019
<b>Annual Audited Result</b>	
Year ending 31 <sup>st</sup> March, 2019	Within 60 days from 31 March, 2019

**C. Date of Book Closure:**

The Share Transfer Book and Register of Members will remain closed from 18<sup>th</sup> September, 2018 to 24<sup>th</sup> September, 2018 (Both days inclusive).

**D. Dividend: Nil**
**E. Listing at following Stock Exchanges:**

Name of the Stock Exchange	Stock Code
The BSE Limited (BSE)	514316
Ahmedabad Stock Exchange till 2nd April, 2018*	47800
Calcutta Stock Exchange	28124
ISIN for Equity Shares held in Demat form with NSDL and CDSL	INE969C01014

\*Reference to the SEBI circular viz. 8WTM/MPB/MRD/160/2018, Exit Order is issued for Ahmedabad Stock Exchange Limited effective from 2<sup>nd</sup> April, 2018. Henceforth your company is no more listed in Ahmedabad Stock Exchange effective from 2<sup>nd</sup> April, 2018.

**F. Listing Fees:**

The Company has been regular in paying the Annual listing fees to the Bombay stock exchange and Ahmedabad Stock Exchange and paid outstanding Annual listing fees to Calcutta Stock Exchange for all the cumulative pending years till 31<sup>st</sup> March, 2017.i.e 1<sup>st</sup> April, 2001 to 31<sup>st</sup> March, 2017

However with the approval of board of Directors of the company , your company have applied for revocation of suspension from Calcutta stock exchange and the process for the execution of the compliances are in force.

**G. Market Price Data :-**

The Stock Market Price Data of Trading of Equity Shares of the Company at Bombay Stock Exchange for the period from 1<sup>st</sup> April, 2017 to 31<sup>st</sup> March, 2018:

Month	BSE		
	High Price	Low Price	Close Price
April-17	88.45	47.85	88.45
May-17	88.45	74.05	74.05
June-17	88.45	72.00	88.45
July-17	132.10	80.45	103.80
August-17	98.85	81.30	94.50
September-17	100.00	87.40	99.00
October-17	126.05	97.00	126.00
November-17	138.00	106.80	128.25
December-17	156.00	116.00	153.20
January-18	153.00	145.55	152.00
February-18	155.00	112.50	154.00
March-18	162.75	146.00	151.00



**H. Registrar & Share Transfer Agents:**

Link Intime India Pvt Limited

506 To 508, Amarnath Business Centre – 1 ( ABC-1 )

Beside Gala Business Centre, Near Xt Xavier's College Corner

Off C G Road, Navrangpura, Ahmedabad – 380009

Ph : 079 2646 5179

Email : [ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in)

**I. Name of Compliance Officer : Miss Pratika P. Bothra****J. Share holding pattern as on 31<sup>st</sup> March, 2018 :**

Sr. No.	Category	No. of Shares held	% of Share Holding
1.	Promoters	2901975	74.89
2.	Mutual Fund and UTI	0	0
3.	Bank, Financial Institution, Insurance Companies (Central/State Government Institution)	0	0
4.	Foreign Institutional Investors	0	0
5.	Corporate Bodies	63383	1.64
6.	Indian Public	881836	22.75
7.	NRIs/OCBs	312	0.01
8.	HUF	26005	0.67
9.	GDR	0	0
10.	Clearing Member	1489	0.04
	<b>Grand Total :-</b>	<b>3875000</b>	<b>100.00</b>

**K. Distribution of Shareholding as on 31<sup>st</sup> March, 2018**

Shares Range	No. of Shareholders	% of Total Shareholders	Total Shares for the Range	% of Issued Capital
1 to 500	3933	94.9312	548637	14.1584
501 to 1000	129	3.1137	118178	3.0498
1001 to 2000	43	1.0379	64181	1.6563
2001 to 3000	13	0.3138	31065	0.8017
3001 to 4000	10	0.2414	35876	0.9258
4001 to 5000	1	0.0241	5000	0.1290
5001 to 10000	5	0.1207	41807	1.0789
10001 to *****	9	0.2172	3030256	78.2002
<b>TOTAL</b>	<b>4143</b>	<b>100</b>	<b>3875000</b>	<b>100.00</b>

**L. Listing and Dematerialisation of shares and liquidity**

- ✦ The Company's Shares are listed at the Bombay Stock Exchange (BSE), and Calcutta Stock Exchange, where as it was listed on Ahmedabad Stock Exchange till 2<sup>nd</sup> April, 2018\*

(\* Reference to the SEBI circular viz. 8WTM/MPB/MRD/160/2018, Exit Order is issued for Ahmedabad Stock Exchange Limited effective from 2<sup>nd</sup> April, 2018. Henceforth your company is no more listed in Ahmedabad Stock Exchange effective from 2<sup>nd</sup> April, 2018.)

- ◆ The Company's Shares are available for dematerialization on both the Depositories Viz. National Securities Depository Limited (NSDL) and Central Depositories Services (India) Limited (CDSL). Equity shares of the Company representing 86% of the Equity share capital are dematerialized as on 31 March, 2018.
- ◆ Miss Pratika P. Bothra is designated as Compliance Officer.

**M. Income Tax PAN mandatory for Transfer of securities**

As per Regulation 40(7) read with Schedule VII of the Listing Regulations, for registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the listed entity for registration of transfer of securities. The Transfer deed in SH-4 Form to be issued by members for transfer of securities.

**N. Outstanding GDR/ADRs/ Warrant or any convertible instrument, conversion and likely impact on equity:-**

NIL

**O. Factory location:-**

Nr. Gujarat Bottling,  
Rakhial Road, Rakhial  
Ahmedabad – 380023  
Gujarat (India)

**P. Registered Office Address for Correspondence**

**Raghuvir Synthetics Limited**

Nr. Gujarat Bottling, Rakhial Road,  
Rakhial, Ahmedabad-380 023.  
Phone : 079-22911015-22911902-22910963  
Website address: [www.raghuvir.com](http://www.raghuvir.com)  
Email Id: raghuvirad1@sancharnet.in

BY ORDER OF THE BOARD OF DIRECTORS  
FOR, RAGHUVIR SYNTHETICS LTD.

PLACE: AHMEDABAD

DATE: 10/08/2018

SUNIL R. AGARWAL  
CHAIRMAN & MANAGING DIRECTOR  
DIN : 00265303



**DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT**

**Pursuant to Regulation 26(3) of SEBI (Listing Obligations  
and Disclosure Requirements) Regulations, 2015**

To,  
The Members,  
Raghuvir Synthetics Limited  
Ahmedabad

I, Sunil Raghvirprasad Agarwal, Managing Director, of Raghuvir Synthetics Limited hereby declare that all the board members and senior executives one level below the executive directors including all functional heads have affirmed for the financial year ended 31<sup>st</sup> March, 2018, compliance with the code of conduct of the Company laid down for them.

**BY ORDER OF THE BOARD OF DIRECTORS  
FOR, RAGHUVIR SYNTHETICS LTD.**

**PLACE: AHMEDABAD  
DATE: 10/08/2018**

**SUNIL R. AGARWAL  
CHAIRMAN & MANAGING DIRECTOR  
DIN : 00265303**

**Chief Executive Officer (CEO) / Chief Financial Officer (CFO)**  
**Certification under Regulation 17(8) of the (LODR) Reg. 2015**

To,  
 The Board of Director  
 Raghuvir Synthetics Limited.  
 Ahmedabad

**Mr. Sunil Raghuvirprasad Agarwal, Chairman & Managing Director** in terms of Companies Act, 2013 and **Mr. Dilip Popatlal Nirmal, Chief Financial Officer** of the Company hereby certify to the Board that:

- A.** We have reviewed financial statements and the cash flow statement of Raghuvir Synthetics Limited for the year ended 31<sup>st</sup> March, 2018 and to the best of their knowledge and belief :
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. 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 their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C.** They accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
- D.** They have indicated to the auditors and the Audit committee:
1. that there are no significant changes in internal control over financial reporting during the year;
  2. that there are no significant changes in accounting policies during the year; and
  3. that there are no instances of significant fraud of which we have become aware.

**Place:- Ahmedabad**

**Date:- 10.08.2018**

**Mr. Sunil R Agarwal**  
**Chairman & Managing Director**  
**DIN: 00265303**

**Mr. Dilip P. Nirmal**  
**Chief Financial Officer**



**Certificate on Corporate Governance**

To,  
The Members of  
**Raghuvir Synthetics Limited**  
Rakhial Road, Rakhial,  
Ahmedabad-380023.

We have examined the compliance of the conditions of Corporate Governance by Raghuvir Synthetics Limited (the Company) for the year ended 31<sup>st</sup> March 2018, as stipulated in clause in Regulations Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The Compliance of the conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance for the year under the review as stipulated in the above mentioned Listing Regulations.

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.

**DATE: 3/08/2018**  
**PLACE: AHMEDABAD**

**For Amrith Gandhi & Associates**  
**Amrith N. Gandhi**  
**Company Secretary**  
**FCS-8193|CP.NO.: 5656**

## **INDEPENDENT AUDITOR'S REPORT**

To,  
The Members,  
RAGHUVIR SYNTHETICS LIMITED

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

We have audited the accompanying Ind AS financial statements of **RAGHUVIR SYNTHETICS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2018, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Change in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

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

The Company's Board of Directors is responsible for the preparation of these Ind AS financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and change in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued thereunder.

The Board of Directors of the Company are responsible for maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 Ind AS financial statements based on our audit.

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of Ind AS financial statements 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 Ind AS financial statements are free from material misstatement.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 including Ind AS, of the state of affairs of the Company as at 31st March, 2018 and its profit, its cash flows and the changes in equity for the year ended on that date.



### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order 2016 ("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", a statement on the matters specified in paragraphs 3 and 4 of the Order.
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, the Statement of Profit and Loss, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rules issued thereunder.
  - (e) On the basis of written representations received from the directors as on 31 March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial

reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 in our opinion and to the best of our information and according to the explanations given to us :
  - (i) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements - Refer note 36 to the Ind AS financial statements.
  - (ii) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**FOR ASHOK K. BHATT & CO.**  
[Firm Registration No. 100657W]  
*Chartered Accountants*

**ASHOK K. BHATT**  
*Partner*  
Mem. No. 36439

**Place : Ahmedabad**  
**Date : 28<sup>th</sup> May, 2018**

**Annexure - A to the Independent Auditors' Report of even date on the Ind AS Financial Statements of RAGHUVIR SYNTHETICS LIMITED**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation, of its fixed assets but such records require to be updated as regard to locations and additions/deletions for the year ended 31st March 2018.
- (b) We were informed that all major items of fixed assets were physically verified by the Management at the end of the year and that no discrepancy was noticed on such verification which, on account of proper records being under compilation, could not be verified.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) According to information and explanation given to us, the Management of the Company has conducted physical verification of inventory at reasonable intervals and no material discrepancies were noticed on such physical verification during the year.
- (iii) The Company has not granted any secured / unsecured loan to any parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of Clause 3(iii) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments, guarantees and securities.
- (v) According to information and explanations given to us, the Company has not accepted any deposits as defined in The Companies (Acceptance of Deposits) Rules 2014. Accordingly, the provisions of Clause 3(v) of the Order are not applicable to the Company.
- (vi) We have broadly reviewed the cost records maintained by the Company pursuant to rules made by the Central Government. We are of the opinion that prima facie the prescribed accounts and records have been maintained and being made. We have not, however, made a detailed examination of these records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information given to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues and Company had no arrears of such outstanding statutory dues as at 31st March, 2018 for a period more than six months from the date they became payable.
- (b) According to the information and explanations given to us, the company has no disputed outstanding statutory dues as at 31st March, 2018 other than stated below:

Name of the Statute	Nature of the Dues	Disputed Amount (Rs. in Lakhs)	Period to Which the amount relates	Forum Where dispute is pending	Remarks
ESI	Demand Notice issue by ESI Corporation	4.98	F.Y.2000-02	Employee State Insurance Corporation	Against the disputed liability as per the order Rs. 7.98 Lakhs and the company deposited Rs. 3.00 Lakhs against such demand
ESI	Demand Notice issue by ESI Corporation	25.93	F.Y.2000-02	Employee State Insurance Corporation	—



- (viii) According to the information and explanations given to us, the Company has not defaulted in the repayment of loans and borrowings to financial institutions, banks, government or dues to debenture holders during the year. The company has so far not issued any debentures.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. However money raised by way of term loans have been applied for the purposes for which they have been obtained.
- (x) According to the information and explanations given to us, no fraud by company or any fraud on the company by its officers and employees have been noticed or reported during the year.
- (xi) According to the information and explanations give to us, the Company has paid/provided for managerial remuneration in accordance with the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us, transactions with the related parties are in compliance with sections 177 and 188 of the Act and details of transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**FOR ASHOK K. BHATT & CO.**  
[Firm Registration No. 100657W]  
*Chartered Accountants*

**ASHOK K. BHATT**  
*Partner*  
Mem. No. 36439

**Place : Ahmedabad**  
**Date : 28<sup>th</sup> May, 2018**

## **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting RAGHUVIR SYNTHETIC LIMITED ("the Company") as of 31 March 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;



- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**FOR ASHOK K. BHATT & CO.**

[Firm Registration No. 100657W]

*Chartered Accountants*

**ASHOK K. BHATT**

*Partner*

Mem. No. 36439

**Place : Ahmedabad**

**Date : 28<sup>th</sup> May, 2018**

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2018**
**[Rs. in Lakhs]**

Particulars	Notes	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, Plant and Equipment	5	2 832.14	1 489.28	1 553.17
Capital work-in progress	6	18.15	5.42	24.43
<b>Financial Assets</b>				
Investments	7	0.00	0.00	0.04
Other Financial Assets	8	52.63	93.05	406.25
Other non current assets	9	0.00	149.39	0.00
		<b>2 902.92</b>	<b>1 737.14</b>	<b>1 983.89</b>
<b>Current assets</b>				
Inventories	10	229.51	146.51	174.77
<b>Financial assets</b>				
Trade Receivables	11	119.65	102.55	34.60
Cash and Cash Equivalents	12	43.44	111.17	59.81
Other Bank Balances	13	68.06	214.70	67.50
Other Financial Assets	8	342.75	93.67	117.22
Current Tax Assets (Net)	14	157.83	183.65	189.84
Other Current Assets	9	6.27	83.12	76.06
		<b>967.51</b>	<b>935.37</b>	<b>719.80</b>
Asset classified held for sale	15	428.61	272.66	255.97
		<b>1 396.12</b>	<b>1 208.03</b>	<b>975.77</b>
<b>TOTAL ASSETS</b>		<b>4 299.04</b>	<b>2 945.17</b>	<b>2 959.66</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share Capital	16	385.41	385.41	385.41
Other Equity	17	1 332.61	1 272.34	1 229.49
		<b>1 718.02</b>	<b>1 657.75</b>	<b>1 614.90</b>
<b>Liabilities</b>				
<b>Non-current Liabilities</b>				
<b>Financial Liabilities</b>				
Borrowings	18	1 240.73	0.00	72.26
Provisions	19	27.28	17.03	11.33
Deferred Tax liabilities(Net)	20	189.78	134.02	122.47
Other Non-current Liabilities	21	15.46	18.71	21.94
		<b>1 473.25</b>	<b>169.76</b>	<b>228.00</b>
<b>Current liabilities</b>				
<b>Financial Liabilities</b>				
Borrowings	18	0.00	59.89	56.27
Trade Payables	22	667.17	953.01	749.25
Other Financial Liabilities	23	198.96	70.58	134.47
Other Current liabilities	21	238.58	25.36	172.41
Provisions	19	2.71	8.47	4.01
Current tax liabilities (Net)	24	0.35	0.35	0.35
		<b>1 107.77</b>	<b>1 117.66</b>	<b>1 116.76</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4 299.04</b>	<b>2 945.17</b>	<b>2 959.66</b>
<b>Significant Accounting Policies</b>				
	4			

The accompanying notes are an integral part of the financial statements.

As per our report of even date  
**FOR ASHOK K. BHATT & Co.**  
[Firm Registration No. 100657W]  
Chartered Accountants

**Ashok K. Bhatt**  
Proprietor  
Mem. No. 36439

Place: Ahmedabad  
Date: 28<sup>th</sup> May, 2018

**FOR AND ON BEHALF OF THE BOARD**

**SUNIL R. AGARWAL**  
Chairman & Managing Director  
Din No. 00265303

**DILIP P. NIRMAL**  
Chief Financial Officer

Place: Ahmedabad  
Date: 28<sup>th</sup> May, 2017

**YASH S. AGARWAL**  
Director  
Din No. 02170408

**PRATIKA P. BOTHRA**  
Company Secretary



## Statement of Profit and Loss for the year ended March 31, 2018

		[ Rs. In Lakhs ]	
Particulars	Notes	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>INCOME</b>			
Revenue from Operations	25	3 793.77	4 178.05
Other Income	26	60.83	68.04
<b>TOTAL INCOME</b>		<b>3 854.60</b>	<b>4 246.09</b>
<b>EXPENSES</b>			
Cost of Material Consumed	27	860.81	1 715.37
Purchase of stock in trade	28	0.00	6.73
Changes in inventories	29	( 1.76)	( 0.24)
Operating Expenses	30	1 880.60	1 543.28
Employee benefits expense	31	368.64	429.86
Finance Cost	32	85.45	16.86
Depreciation and Amortization	33	280.99	206.71
Other Expenses	34	238.51	234.49
<b>TOTAL EXPENSES</b>		<b>3 713.24</b>	<b>4 153.06</b>
<b>Profit before exceptional items and tax</b>		<b>141.36</b>	<b>93.03</b>
Exceptional Items		0.00	0.00
<b>Profit Before Tax</b>		<b>141.36</b>	<b>93.03</b>
<b>Tax expense</b>	20		
Current tax [ Net of excess provision of Rs. 5.80 Lakhs (P.Y. Short Provision of Rs. 2.24 Lakhs) ]		25.20	32.25
Deferred tax		55.80	13.52
<b>TOTAL TAX EXPENSE</b>		<b>81.00</b>	<b>45.77</b>
<b>Profit for the year from continuing operations</b>		<b>60.36</b>	<b>47.26</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurement of the defined benefit plans		( 0.13)	( 6.38)
Tax relating to remeasurement of the defined benefit plans		0.04	1.97
		( 0.09)	( 4.41)
<b>Total comprehensive income for the year, net of tax</b>		<b>60.27</b>	<b>42.85</b>
<b>Earning per Equity Share</b>	35		
Basic		1.57	1.22
Diluted		1.57	1.22
<b>Significant Accounting Policies</b>	4		

The accompanying notes are an integral part of the financial statements.

As per our report of even date  
**FOR ASHOK K. BHATT & Co.**  
 [Firm Registration No. 100657W]  
 Chartered Accountants

**Ashok K. Bhatt**  
*Proprietor*  
 Mem. No. 36439

Place: Ahmedabad  
 Date: 28<sup>th</sup> May, 2018

## FOR AND ON BEHALF OF THE BOARD

**SUNIL R. AGARWAL**  
*Chairman & Managing Director*  
 Din No. 00265303

**DILIP P. NIRMAL**  
*Chief Financial Officer*

Place: Ahmedabad  
 Date: 28<sup>th</sup> May, 2018

**YASH S. AGARWAL**  
*Director*  
 Din No. 02170408

**PRATIKA P. BOTHRA**  
*Company Secretary*

**Statement of Cash Flows for the year ended March 31, 2018**
**[ Rs. in Lakhs ]**

Particulars	2017-2018	2016-2017
<b>A. Cash flow from operating activities</b>		
Profit/(Loss) for the year before taxation	141.36	93.03
<b>Adjustments for</b>		
Depreciation and amortisation	280.99	206.71
Finance cost	85.45	16.86
Interest Income from financial assets measured at amortised cost	( 2.52)	( 22.40)
Loss/gain on sale of property plant & equipment (net)	0.00	( 6.45)
Loss on revaluation of asset classified as held for sale	0.44	2.67
Remeasurement of the defined benefit plans	( 0.13)	( 6.38)
Operating profit before working capital changes	505.59	284.04
<b>Adjustments for Changes in working capital</b>		
Decrease / (Increase) in Inventories	( 83.00)	28.26
Decrease / (Increase) in Trade receivables	( 17.10)	( 67.95)
Decrease / (Increase) in Other Non current financial assets	39.57	268.22
Decrease / (Increase) in Other current financial asset	( 290.08)	57.27
Decrease / (Increase) in Other non current asset	149.39	( 149.39)
Decrease / (Increase) in Other current assets	76.85	( 7.06)
Increase / (Decrease) in Trade Payables	( 285.84)	203.76
Increase / (Decrease) in Provisions	4.49	10.16
Increase / (Decrease) in Other Non current liabilities	( 3.25)	( 3.23)
Increase / (Decrease) in Other current financial liabilities	128.38	( 63.89)
Increase / (Decrease) in Other current liabilities	213.22	( 147.05)
Cash generated from operations	438.22	413.14
Direct taxes Refund/(paid)	0.62	( 26.06)
<b>Net Cash from Operating Activities</b>	<b>[A] 438.84</b>	<b>387.08</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment	( 1 792.97)	( 136.72)
Proceed from sale of investments	0.00	0.04
Other bank balances	146.64	( 147.20)
Interest received	44.37	33.66
<b>Net Cash from / (used in) investing activities</b>	<b>[B] ( 1 601.96)</b>	<b>( 250.22)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from borrowings	1 180.84	( 68.64)
Interest paid	( 85.45)	( 16.86)
<b>Net cash flow from financial activities</b>	<b>[C] 1 095.39</b>	<b>( 85.50)</b>
<b>Net Increase/(Decrease) in cash &amp; cash equivalents</b>	<b>[A+B+C] ( 67.73)</b>	<b>51.36</b>
Cash and cash equivalents opening	111.17	59.81
Cash and cash equivalents closing	43.44	111.17
<b>Components of Cash and cash equivalent</b>		
Balances with scheduled banks	26.30	47.26
Fixed Deposits with maturity less than 3 months	13.00	63.00
Cash in hand	4.14	0.91
	43.44	111.17

**Explanatory Notes to Cash Flow Statement**

- The Cash Flow Statement is prepared in accordance with the format prescribed by Securities and Exchange Board of India & as Accounting Standard 3 as Prescribed by the Institute of Chartered Accountants of India.
- In Part A of the Cash Flow Statements, figures in brackets indicates deductions made from the net profit for deriving the cash flow from operating activities. In part B & part C, figures in brackets indicates cash outflows.
- Figures of the previous year have been regrouped wherever necessary, to confirm to current years presentation.

As per our report of even date  
**FOR ASHOK K. BHATT & Co.**  
 [Firm Registration No. 100657W]  
 Chartered Accountants

**Ashok K. Bhatt**  
 Proprietor  
 Mem. No. 36439

**FOR AND ON BEHALF OF THE BOARD**

**SUNIL R. AGARWAL**  
 Chairman & Managing Director  
 Din No. 00265303

**DILIP P. NIRMAL**  
 Chief Financial Officer

**YASH S. AGARWAL**  
 Director  
 Din No. 02170408

**PRATIKA P. BOTHRA**  
 Company Secretary

Place: Ahmedabad  
 Date: 28<sup>th</sup> May, 2018

Place: Ahmedabad  
 Date: 28<sup>th</sup> May, 2017



## Statement of changes in Equity for the year ended March 31, 2018

<b>A Equity share capital</b>	<b>[Rs. In Lakhs]</b>
As at April 1, 2016	385.41
Issue of Equity Share capital	0.00
<b>As at March 31, 2017</b>	<b>385.41</b>
Issue of Equity Share capital	0.00
<b>As at March 31, 2018</b>	<b>385.41</b>

<b>B. Other equity</b>	<b>[Rs. In Lakhs]</b>
------------------------	-----------------------

Particulars	Reserves and Surplus				
	Securities Premium	General Reserve	Retained Earnings	Other Comprehensive Income	Total equity
<b>Balance as at April 1, 2016</b>	<b>170.41</b>	<b>160.21</b>	<b>898.87</b>	<b>0.00</b>	<b>1 229.49</b>
Profit for the year	0.00	0.00	47.26	0.00	47.26
Other comprehensive income for the year	0.00	0.00	0.00	( 4.41)	( 4.41)
<b>Balance as at March 31, 2017</b>	<b>170.41</b>	<b>160.21</b>	<b>946.13</b>	<b>( 4.41)</b>	<b>1 272.34</b>
Profit for the year	0.00	0.00	60.36	0.00	60.36
Other comprehensive income for the year	0.00	0.00	0.00	( 0.09)	( 0.09)
<b>Balance as at March 31, 2018</b>	<b>170.41</b>	<b>160.21</b>	<b>1 006.49</b>	<b>( 4.50)</b>	<b>1 332.61</b>

The accompanying notes are an integral part of the financial statements.

As per our report of even date

**FOR ASHOK K. BHATT & Co.**  
[Firm Registration No. 100657W]  
Chartered Accountants

**Ashok K. Bhatt**  
Proprietor  
Mem. No. 36439

Place: Ahmedabad  
Date: 28<sup>th</sup> May, 2018

## FOR AND ON BEHALF OF THE BOARD

**SUNIL R. AGARWAL**  
Chairman & Managing Director  
Din No. 00265303

**DILIP P. NIRMAL**  
Chief Financial Officer

Place: Ahmedabad  
Date: 28<sup>th</sup> May, 2017

**YASH S. AGARWAL**  
Director  
Din No. 02170408

**PRATIKA P. BOTHRA**  
Company Secretary

**NOTES FORMING PART OF FINANCIAL STATEMENTS**
**Note 1 : Company Overview**

Raghuvir Synthetics Limited is a public company limited by shares, domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Company operates as Textile Processing Unit. The business of the Company is to offer Processing of fabrics. The registered office of the Company is located at Near Gujarat Bottling, Rakhial Road, Rakhial Ahmedabad – 380023 Gujarat – India. The financial statements for the year ended March 31, 2018 were considered by the Board of Directors and approved for issuance on May 28th, 2018.

**Note 2 : Basis of Preparation**

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, as applicable. For periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with the then applicable Accounting Standards in India ('previous GAAP'). These are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2016. The comparative figures in the Balance Sheet as at March 31, 2017 and April 1, 2016 and Statement of Profit and Loss and Cash Flow Statement for the year ended March 31, 2017 have been restated accordingly. Accounting Policies have been consistently applied except where newly issued accounting standard is initially adopted or revision to the existing standards requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised accounting standards on an on-going basis.

Refer Note 43 for the explanations of transition to Ind AS including the details of first-time adoption exemptions availed by the Company.

The financial statements are prepared in INR and all the values are rounded to the nearest lakhs, except when otherwise indicated.

**2.1 Statement of Compliance**

The financial statements comprising Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity and Cash Flow Statement, together with notes for the year ended March 31, 2018 have been prepared in accordance with Ind AS as notified under section 133 of the Companies' Act, 2013 ("the Act") and are duly approved by the Board of Directors at its meeting held on May 28, 2018.

**2.2 Basis of Measurement**

The financial statements of the Company have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis of accounting, except for certain Assets and Liabilities as stated below:

- (a) Financial instruments (assets / liabilities) classified as Fair Value through profit or loss or Fair Value through Other Comprehensive Income are measured at Fair Value.
- (b) The defined benefit asset/liability is recognised as the present value of defined benefit obligation less fair value of plan assets.
- (c) Assets held for sale measured at fair value less cost to sales

The above items have been measured at Fair Value and the methods used to measure Fair Values are discussed further in Note 4.15.

**2.3 Functional and Presentation Currency**

Items included in the financial statements of the Company are measured using the currency of the primary



economic environment in which the Company operates ("the functional currency"). Indian Rupee is the functional currency of the Company.

The financial statements are presented in Indian Rupees which is the company's presentation currency.

#### **2.4 Standard issued but not yet effective**

Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2018, ('the Rules') on 28th March, 2018. The rules notify the new Revenue Standard Ind AS 115 'Revenue from Contracts with Customers' and also bring in amendments to existing Ind AS. The rules shall be effective from reporting period beginning on or after 1st April, 2018 and cannot be reported early. Hence, not applied in the preparation of these financial statements.

#### **Note 3 : Significant accounting judgments, estimates and assumptions**

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and contingent liabilities at the date of financial statements, income and expense during the period. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the periods in which the estimates are revised and in future periods which are affected.

In the process of applying the Company's accounting policies, management has made the following judgments and estimates, which have the most significant effect on the amounts recognised in the financial statements.

##### **3.1 Useful lives of property, plant and equipment**

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This assessment may result in change in the depreciation expense in future periods.

##### **3.2 Taxes**

Deferred tax assets are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

##### **3.3 Employee Benefits**

The cost of defined benefit plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

##### **3.4 Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the

reported fair value of financial instruments.

### **3.5 Impairment of Property, Plant & Equipment**

The value in use calculation requires the directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, an impairment loss which is material in nature is accounted for.

### **3.6 Litigations**

The provision is recognized based on the best estimate of the amount desirable to settle the present obligation arising at the reporting period and of the income is recognized in the cases involving high degree of certainty as to realization.

## **Note 4: Significant Accounting Policies**

### **4.1 Financial Instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

#### **(a) Financial Assets**

Financial Assets comprises of investments in equity instruments, trade receivables, cash and cash equivalents and other financial assets.

#### **Initial Recognition:**

All financial assets which are not recorded at fair value through Profit and Loss are recognized initially at fair value plus transaction costs that are attributable to the acquisition of financial assets. Purchases or sales of financial assets that requires delivery of assets within a period of time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the company committed to purchase or sell the asset.

#### **Subsequent Measurement:**

##### **(i) Financial assets measured at amortized Cost:**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and where contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### **(ii) Financial assets at Fair Value through Other Comprehensive Income (FVTOCI):**

Financial Assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are subsequently measured at FVTOCI. Fair Value movements in financial assets at FVTOCI are recognized in Other Comprehensive Income.

Equity instruments held for trading are classified as at fair value through profit or loss (FVTPL). For other equity instruments the company classifies the same as FVTOCI. The classification is made on initial recognition and is irrevocable. Fair Value changes on equity instruments at FVTOCI, excluding dividends are recognized in Other Comprehensive Income (OCI).



**(iii) Fair Value through Profit or Loss (FVTPL):**

Financial Assets are measured at FVTPL if it does not meet the criteria for classification as measured at amortized cost or at FVTOCI. All fair value changes are recognized in the Statement of Profit and Loss.

**De-recognition of Financial Assets:**

Financial Assets are derecognized when the contractual rights to cash flows from the financial assets expire or the financial asset is transferred and the transfer qualifies for de-recognition. On de-recognition of the financial assets in its entirety, the difference between the carrying amount (measured at the date of de-recognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognized in the Statement of Profit and Loss.

**(b) Financial Liabilities****Initial Recognition and Measurement**

Financial Liabilities are initially recognized at fair value plus any transaction costs, (if any) which are attributable to acquisition of the financial liabilities.

**Subsequent Measurement:**

Financial Liabilities are classified for subsequent measurement into following categories:

**(i) Financial liabilities at Amortized Cost:**

The Company is classifying the following under amortized cost:

- Borrowing from Banks
- Borrowing from Others
- Trade Payables
- Other Financial Liabilities

Amortized cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus cumulative amortization using the effective interest method of any differences between the initial amount and maturity amount.

**(ii) Financial liabilities at Fair Value through Profit or Loss:**

Financial liabilities held for trading are measured at Fair Value through Profit or Loss

**De-recognition of Financial Liabilities:**

Financial liabilities shall be derecognized when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

**(c) Offsetting of Financial assets and Financial Liabilities**

Financial assets and Financial Liabilities are offset and the net amount is presented in Balance Sheet when, and only when, the Company has legal right to offset the recognized amounts and intends either to settle on the net basis or to realize the assets and liabilities simultaneously.

**(d) Reclassification of Financial Assets**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are categorized as equity instruments at FVTOCI, and financial assets or liabilities that are specifically designated as FVTPL. For financial assets which are debt instruments, a reclassification is made only if there is a change in business model for managing those assets. Changes to the business model are expected to be very infrequent. The management determines the change in a business model as a result of external or internal changes which are significant to the Company's Operations. A Change in business occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively effective from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

**4.2 Share Capital**

Ordinary Shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or share options are recognized as a deduction from equity, net of any tax effects.

**4.3 Property, Plant and Equipment**

Property, plant and equipment held for use in the supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated. All repairs and maintenance costs are charged to the income statement during the financial period in which they are incurred.

Properties in the course of construction for supply of services or administrative purpose are carried at cost, less any recognised impairment loss. Cost includes professional fees and other directly attributable cost and for qualifying assets, borrowing cost capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of Property Plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives as prescribed under Part C of Schedule II to the Companies Act 2013, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Depreciation for assets purchased/sold during a period is proportionately charged for the period of use.

**Estimated useful lives of the assets are as follows:**

Type of Asset	Useful Life
Buildings	30 years
Plant and Machinery	15 years
Electrical Installations	10 years
Furniture and fixtures	10 years
Office equipment	5 years
Vehicles	10 years
Servers and Computers	3 years



An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and are recognised net within "other income / other expenses" in the Statement of profit and loss.

#### **Deemed Cost on transition to Ind AS**

For transition to Ind AS, the Company has opted to adopt the carrying value of all of its property, plant and equipment recognised as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

#### **4.4 Intangible assets**

##### **Intangible Assets acquired separately**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

##### **Derecognition of intangible assets**

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in statement of profit and loss when the asset is de-recognised.

#### **4.5 Inventories**

Raw Materials, Stock-in-process, Finished Goods are valued at lower of cost or net realizable value. Stores, Colours & Chemicals and Coal are valued at cost. Processed Goods Returned is valued at net realizable value. Cost of stock-in-process and finished goods include materials, labour, manufacturing overhead and other cost incurred in bringing the inventories to their present location.

Items of Colour and Chemicals, Stores and Spares are charged to revenue at the stage of purchase and stock of such items as at the end of the year is accounted at cost.

The stock of scrap / waste materials are valued at estimated net realizable value.

#### **4.6 Impairment**

##### **(a) Financial assets (other than at fair value)**

The Company assesses at each date of balance sheet, whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the twelve-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly, since initial recognition.

**(b) Non-financial assets**
**Tangible and Intangible assets**

Property, Plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is an indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

**Reversal of impairment loss**

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized directly in other comprehensive income and presented within equity.

**4.7 Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre tax rates that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A provision for onerous contract is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with the contract.

Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

**4.8 Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

- (i) Sales are recognized upon delivery of goods and are recorded net of trade discount.
- (ii) Revenue from job work processes are recognized as and when the related jobs are performed, the cost incurred up to reporting date for the in-completed jobs are carried to balance sheet under the head cost on job work in process.



- (iii) The company accounts for pro forma credits, refunds of duty of customs or excise, or refunds of VAT/ GST in year of admission of such claims by the concerned authorities. Export benefits are accounted for as other operation income in the year of export based on eligibility and when there is no uncertainty on receiving the same.

#### 4.9 Foreign Currency Translation

The functional currency of the company is the Indian Rupee (Rs.)

##### (i) Initial Recognition

Transactions denominated in foreign currencies entered into by the Company are normally recorded at the exchange rates prevailing on the date of transaction or at monthly average exchange rate prevailing at the time of the transaction.

##### (ii) Measurement at the Balance Sheet date

Monetary items denominated in foreign currency at year end date are restated at exchange rate prevailing on that date.

##### (ii) Treatment of exchange differences

Exchange differences on monetary items are recognised in the Statement of profit and loss in the period in which they arise except for:

- (a) exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- (b) exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements of the company for the period immediately before the beginning of the first Ind AS financial reporting period (prior to April 1, 2016), as per the previous GAAP, pursuant to the company's choice of availing the exemption as permitted by Ind AS 101.

#### 4.10 Borrowing Costs

Borrowing costs include

- (i) interest expense calculated using the effective interest rate method,
- (ii) finance charges in respect of finance leases, and
- (iii) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

#### 4.11 Government Grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

When the grant relates to an asset, it is treated as deferred income and released to the statement of profit and loss over the expected useful lives of the assets concerned. When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to statement of profit and loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in statement of profit and loss in the period in which they become receivable.

#### **4.12 Employee benefits**

##### **(a) Short-term obligations**

Liabilities for salaries, including other monetary and non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

##### **(b) Post-employment obligations**

The Company operates the following post-employment schemes: a) defined contribution plans - provident fund b) defined benefit plans - gratuity plans

###### **(i) Defined contribution plans**

The Company has defined contribution plan for the post-employment benefits namely Provident Fund, Employees Death Linked Insurance and Employee State Insurance and the contributions towards such funds and schemes are recognised as employee benefits expense and charged to the Statement of Profit and Loss when they are due. The Company does not carry any further obligations with respect to this, apart from contributions made on a monthly basis.

###### **(ii) Defined benefit plans**

The Company has defined benefit plan, namely gratuity for eligible employees in accordance with the Payment of Gratuity Act, 1972 the liability for which is determined on the basis of an actuarial valuation (using the Projected Unit Credit method) at the end of each year.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the tenor of the related obligation. The liability or asset recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements) is recognised in the Statement of profit and loss in the line item 'Employee benefits expense'.

Remeasurements of the net defined liability, comprising of actuarial gains and losses, return on plan assets (excluding amounts included in net interest on the net defined benefit liability) and any change in the effect of asset ceiling (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.



Change in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the profit or loss as past service cost.

#### 4.13 Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax

(i) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

(ii) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

(iii) Current and deferred tax for the year

Current and deferred tax are recognised in the Statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

#### 4.14 Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the period. Where ordinary shares are issued but not fully paid, they are treated in the calculation of basic earnings per share as a fraction of an ordinary share to the extent that they were entitled to participate in dividends during the period relative to a fully paid ordinary share. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of

equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

#### **4.15 Fair Value Measurement**

A number of Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair value is the price that would be received on sell of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Company.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

- (a) Level 1 - unadjusted quoted prices in active markets for identical assets and liabilities.
- (b) Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- (c) Level 3 - unobservable inputs for the asset or liability.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy.

Fair values have been determined for measurement and / or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

- (a) Investment in equity and debt securities

The fair value is determined by reference to their quoted price at the reporting date. In the absence of quoted price, the fair value of the financial asset is measured using valuation techniques.

- (b) Trade and other receivables

The fair value of trade and other receivables, is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. However in respect of such financial



instruments, fair value generally approximates the carrying amount due to short term nature of such assets.

(c) Non derivative financial liabilities

Fair Value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

For finance leases, the market rate of interest is determined by reference to similar lease agreements.

#### 4.16 Current / non- current classification

An asset is classified as current if:

- (a) it is expected to be realized or sold or consumed in the Company's normal operating cycle;
- (b) it is held primarily for the purpose of trading;
- (c) it is expected to be realized within twelve months after the reporting period; or
- (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current if:

- (a) it is expected to be settled in normal operating cycle;
- (b) it is held primarily for the purpose of trading;
- (c) it is expected to be settled within twelve months after the reporting period;
- (d) it has no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between acquisition of assets for processing / trading / assembling and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

#### 4.17 Cash and cash equivalent

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consists of balances with banks which are unrestricted for withdrawal and usage.

**Note 5 : Property, Plant and Equipment****Note 5.1 : As at March 31, 2018****[ Rs. In Lakhs ]**

Particulars	Gross Block			Accumulated Depreciation				Net carrying amount	
	As at 01/04/2017	Additions	<u>Deduction</u> Adjustments	As at 31/03/2018	Upto 31/03/2017	For the year	<u>Deduction</u> Adjustments	Upto 31/03/2018	As at 31/03/2018
<b>Owned Assets</b>									
Land	11.47	0.00	0.00	11.47	0.00	0.00	0.00	0.00	11.47
Factory Building	322.00	70.06	0.00	392.06	13.59	13.99	0.00	27.58	364.48
Plant & Machinery	1 269.43	1 687.94	422.63	2 534.74	109.02	264.55	252.63	120.94	2 413.80
Furniture & Fixture	2.39	0.00	0.00	2.39	0.30	0.28	0.00	0.58	1.81
Office Equipments	3.03	0.22	0.00	3.25	0.91	0.58	0.00	1.49	1.76
Computer	2.35	0.00	0.00	2.35	0.82	0.27	0.00	1.09	1.26
Vehicle	4.24	35.85	0.87	39.22	0.99	1.32	0.65	1.66	37.56
	<b>1 614.91</b>	<b>1 794.07</b>	<b>423.50</b>	<b>2 985.48</b>	<b>125.63</b>	<b>280.99</b>	<b>253.28</b>	<b>153.34</b>	<b>2 832.14</b>

**Note 5.2 : As at March 31, 2017****[ Rs. In Lakhs ]**

Particulars	Gross Block			Accumulated Depreciation				Net carrying amount	
	As at 01/04/2016	Additions	<u>Deduction</u> Adjustments	As at 31/03/2017	Upto 31/03/2016	For the year	<u>Deduction</u> Adjustments	Upto 31/03/2017	As at 31/03/2017
<b>Owned Assets</b>									
Land	4.09	7.38	0.00	11.47	0.00	0.00	0.00	0.00	11.47
Factory Building	322.00	0.00	0.00	322.00	0.00	13.59	0.00	13.59	308.41
Plant & Machinery	1 215.47	145.32	91.36	1 269.43	0.00	190.10	81.08	109.02	1 160.41
Furniture & Fixture	2.39	0.00	0.00	2.39	0.00	0.30	0.00	0.30	2.09
Office Equipments	2.63	0.40	0.00	3.03	0.00	0.91	0.00	0.91	2.12
Computer	2.35	0.00	0.00	2.35	0.00	0.82	0.00	0.82	1.53
Vehicle	4.24	0.00	0.00	4.24	0.00	0.99	0.00	0.99	3.25
	<b>1 553.17</b>	<b>153.10</b>	<b>91.36</b>	<b>1 614.91</b>	<b>0.00</b>	<b>206.71</b>	<b>81.08</b>	<b>125.63</b>	<b>1 489.28</b>

**Note**

The company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2016 (transition date), measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date. Details of gross block, accumulated depreciation and net block as per Indian GAAP are given in note 5.3



**Note 5 : Property, Plant and Equipment****Note 5.3 : Gross block, accumulated depreciation and net block as per Indian GAAP as at April 1, 2016**

[ Rs. In Lakhs ]

Particulars	Gross carrying amount	Accumulated Depreciation	Net carrying amount
<b>Owned Assets</b>			
Land	4.09	0.00	4.09
Factory Building	432.17	110.17	322.00
Plant & Machinery	4 364.44	3 148.97	1 215.47
Furniture & Fixture	8.37	5.98	2.39
Office Equipments	19.32	16.69	2.63
Computer	25.20	22.85	2.35
Vehicle	8.41	4.17	4.24
	<b>4 862.00</b>	<b>3 308.83</b>	<b>1 553.17</b>

**Note 6 : Capital work in progress****Note 6.1 : As at March 31, 2018**

[ Rs. In Lakhs ]

Particulars	As at 1/4/2017	Additions	(Deductions)/ Adjustment	Capitalised	As at 31/03/2018
Plant & Machinery	5.42	17.78	0.00	5.05	18.15

**Note 6.2 : As at March 31, 2017**

[ Rs. In Lakhs ]

Particulars	As at 01/04/2016	Additions	(Deductions)/ Adjustment	Capitalised	As at 31/03/2017
Plant & Machinery	24.43	5.42	13.35	11.08	5.42

**Note**

The company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2016 (transition date), measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

**Note 6.3 : As at April 1, 2016**

[ Rs. In Lakhs ]

Particulars	As at 01/04/2016
Plant & Machinery	24.43

**Note 7 : Investments**
**[Rs. In Lakhs]**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Trade</b>			
<b>Investment in equity shares of others measured as FVTOCI</b>			
<b>Quoted</b>			
<b>The South Eastern Roadways Limited</b>			
NIL (31st March 2017: NIL, 1st April 2016: 400)	0.00	0.00	0.04
Equity Shares of Rs. 10/- each fully paid-up			
Aggregate amount of quoted investments and market value thereof	0.00	0.00	0.04

**Note 8 : Other Financial Assets**
**[ Rs. In Lakhs ]**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Non- current</b>			
Security deposits	51.88	41.46	40.38
Fixed Deposit with Original Maturity of more than 12 months	0.71	50.70	320.00
Interest accrued but not due on fixed deposit	0.04	0.89	45.87
<b>Total (A):</b>	<b>52.63</b>	<b>93.05</b>	<b>406.25</b>
<b>Current</b>			
Balance with revenue authorities	290.08	0.00	0.00
Capital subsidy receivable	0.00	0.00	32.81
Government Grant Receivable	45.77	45.77	70.23
Security deposits	3.00	3.00	3.00
Interest accrued but not due	3.90	44.90	11.18
<b>Total (B):</b>	<b>342.75</b>	<b>93.67</b>	<b>117.22</b>
<b>Total (A) + (B):</b>	<b>395.38</b>	<b>186.72</b>	<b>523.47</b>

**Note 9 : Other Non - current / Current Assets**
**[ Rs. In Lakhs ]**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Non - Current</b>			
Capital advances	0.00	149.39	0.00
<b>Current</b>			
Pre-paid expenses	6.24	22.15	24.18
Advance to suppliers	0.03	0.61	0.34
Others	0.00	60.36	51.54
<b>Total (B):</b>	<b>6.27</b>	<b>83.12</b>	<b>76.06</b>
<b>Total (A) + (B):</b>	<b>6.27</b>	<b>232.51</b>	<b>76.06</b>



**Note 10 : Inventories****[Rs. in Lakhs]**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(As taken, valued and certified by the Management)			
Stores, Spares & Consumables	150.55	144.46	163.92
Stock In progress	57.37	0.00	0.02
Finished Goods (Inclusive of Returned goods)	0.00	1.74	0.22
Cotton Grey Cloth	0.00	0.00	3.87
Goods in Transit	20.11	3.04	4.20
Packing Materials	1.21	0.79	0.80
Scrap/Waste Material	4.00	0.50	1.74
	233.24	150.53	174.77
Less: Provision for Slow Moving Store, Spares and Consumables	3.73	4.02	0.00
<b>Total:</b>	<b>229.51</b>	<b>146.51</b>	<b>174.77</b>

**Note 11 : Trade Receivables****[ Rs. in Lakhs ]**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Unsecured</b>			
Considered good	119.65	102.55	34.60
Included in the financial statement as follows:			
Non-current	0.00	0.00	0.00
Current	119.65	102.55	34.60
<b>Total:</b>	<b>119.65</b>	<b>102.55</b>	<b>34.60</b>

Includes :

Dues From Directors - Rs. NIL (31st March 2017 Rs. NIL), 1st April 2016 Rs. NIL

Dues From Officers - Rs. NIL (31st March 2017 Rs. NIL), 1st April 2016 Rs. NIL

**Note 12 : Cash and cash equivalents****[ Rs. in Lakhs ]**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balance with Bank			
Current accounts	26.30	47.26	23.99
Fixed Deposits with maturity less than 3 months	13.00	63.00	33.00
Cash on hand	4.14	0.91	2.82
<b>Total:</b>	<b>43.44</b>	<b>111.17</b>	<b>59.81</b>

**Note 13 : Other Bank Balances**
**[ Rs. In Lakhs ]**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Fixed Deposits with Original Maturity for more than 3 months but less than 12 months (*)	68.06	214.70	67.50

\* The above fixed deposits with banks are held as margin money against letter of credit and bank guarantee.

**Note 14 : Current tax assets (Net)**
**[ Rs. In Lakhs ]**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advance tax and TDS	239.83	255.65	277.84
Less: Provision for taxation	82.00	72.00	88.00
<b>Total:</b>	<b>157.83</b>	<b>183.65</b>	<b>189.84</b>

**Note 15 : Asset classified as held for sale**
**[ Rs. In Lakhs ]**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Assets held for sale (Refer note below)	428.61	272.66	255.97

**Note:**

During the course of abandonment of utility of Plant and Machinery, the management of the company has indentified certain block of Plant and Machinery which remained assets of active use and not capable to generating any revenue and also intends to sale such block of assets in accordance with plan formed by the management. According, the aforesaid block of plant and machinery is classified as "assets held for sale" and valued the same at lower of carrying value or estimated realizable value.

**Note 16 : Equity share capital**
**[ Rs. In Lakhs ]**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Authorised share capital 1,00,00,000 (March 31, 2017: 1,00,00,000; April 01, 2016: 1,00,00,000) Equity Shares of Rs.10/ each	1 000.00	1 000.00	1 000.00
Issued share capital 38,75,000 (March 31, 2017: 38,75,000; April 01, 2016: 38,75,000) Equity Shares of Rs. 10/ each	387.50	387.50	387.50
Subscribed and fully paid up 38,75,000 (March 31, 2017: 38,75,000; April 01, 2016: 38,75,000) Equity Shares of Rs. 10/ each fully paid up	387.50	387.50	387.50
Less: Calls In Arrears	2.09	2.09	2.09
<b>Total:</b>	<b>385.41</b>	<b>385.41</b>	<b>385.41</b>



**Note 16.1 Reconciliation of number of shares outstanding at the beginning and at the end of the Reporting Year**

[ In Numbers ]

Particulars	As at	As at
	March 31, 2018	March 31, 2017
At the beginning of the year	38 75 000	38 75 000
Add:		
Shares issued for Cash or Right Issue	0	0
	38 75 000	38 75 000
Less:		
Shares bought back / Redemption	0	0
At the end of the year	38 75 000	38 75 000

**Note 16.2 Rights, Preferences and Restrictions**

The authorised share capital of the Company has only one class of shares referred to as 'equity shares' having a par value of Rs. 10/- each. The rights and privileges to equity shareholders are general in nature and defined under the Articles of Association.

The equity shareholders shall have:

- (i) One Vote and a poll when present in person (including a body corporate by a duly authorised representative) or by an agent duly authorised under a power of attorney or by a proxy his voting right shall be in proportion to his share of the paid equity share capital of the company. However, no member shall exercise any voting rights in respect of any share registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the company has exercised any right of lien,
- (ii) subject to the rights of person if any, entitled to share with special rights as to dividends, all dividends shall be declared and paid according to the amount paid or credited as paid to the shares in respect where of the dividend is paid but if and so long as nothing is paid upon any shares in the company, dividends may be declared and paid according to the amounts of the shares.
- (iii) A special resolution sanctioning a sale to any other company duly passed pursuant to section 494 of the old Companies Act 1956 (corresponding to the section 319 of the new Companies Act 2013) may, subject to the provision of the act, in like manner as aforesaid determined that any shares or other consideration receivable by the liquidator be distributed against the members otherwise then in accordance with their existing rights and any such determination shall be binding upon all the members subject to the rights of dissent and consequential right conferred by the said section.

**Note 16.3 Details of shareholders holding more than 5% Shares in the company**

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	No. of Shares	% of holding	No. of Shares	% of holding	No. of Shares	% of holding
Sunil Agarwal	12 16 024	31.38	12 16 024	31.38	12 16 024	31.38
Pamita Agarwal	8 71 921	22.50	8 71 921	22.50	8 71 921	22.50
Yash Agarwal	4 39 203	11.33	4 39 203	11.33	4 39 203	11.33
Hardik Agawal	3 74 827	9.67	3 74 827	9.67	3 74 827	9.67

**Note 17 : Other Equity**
**[ Rs. In Lakhs ]**

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 1, 2016
Securities Premium	170.41	170.41	170.41
General Reserve	160.21	160.21	160.21
Retained Earnings	1 001.99	941.72	898.87
<b>Total:</b>	<b>1 332.61</b>	<b>1 272.34</b>	<b>1 229.49</b>

**Note 17.1 : Other Equity ...Detailed..**
**[ Rs. In Lakhs ]**

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 1, 2016
<b>Securities Premium</b>			
Balance as per previous financial statements	172.50	172.50	172.50
Less: Calls in Arrears	2.09	2.09	2.09
Balance at the end of the year	170.41	170.41	170.41
<b>General Reserve</b>			
Balance as per previous financial statements	160.21	160.21	160.21
Add: Addition During the year	0.00	0.00	0.00
Balance at the end of the year	160.21	160.21	160.21
<b>Surplus / (Deficit) in Statement of Profit &amp; Loss</b>			
Balance as per previous financial statements	941.72	898.87	898.87
Add : Profit for the year	60.36	47.26	0.00
Add / (Less): OCI for the year	( 0.09)	( 4.41)	0.00
Balance available for appropriation	1 001.99	941.72	898.87
<b>Less: Appropriation</b>	0.00	0.00	0.00
	1 001.99	941.72	898.87
<b>Total:</b>	<b>1 332.61</b>	<b>1 272.34</b>	<b>1 229.49</b>

**Note 18 : Borrowings**
**[ Rs. In Lakhs ]**

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 1, 2016
<b>Non-current</b>			
<b>Secured</b>			
<b>Term Loan from Banks</b>			
HDFC Bank Term Loan - I	0.00	0.00	33.25
HDFC Bank Term Loan - II	0.00	0.00	39.01
HDFC Bank Term Loan - III	1 217.96	0.00	0.00
<b>Vehicle Loan From Banks</b>			
HDFC Bank Limited	22.77	0.00	0.00
	<b>1 240.73</b>	<b>0.00</b>	<b>72.26</b>



## Note 18 : Borrowings ..Continued...

[ Rs. In Lakhs ]

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Current</b>			
<b>Secured</b>			
Loans repayable on demand			
From Bank			
IDBI FD / OD	0.00	59.89	56.27
<b>Total:</b>	<b>1 240.73</b>	<b>59.89</b>	<b>128.53</b>

**Nature of Security:**

HDFC Bank Term Loan I and II

HDFC Term Loan I and II are secured by way of Hypothecation of Plant and Machinery and further secured by lien on fixed deposits of company.

HDFC Bank Term Loan III

HDFC Bank Term Loan III are secured by way of equitable mortgage of properties owned by company situated at Near Gujarat Bolting, Rakhial Road, Rakhial, Ahmedabad - 380023 and further secured by lien on Fixed Deposits of the Company.

HDFC Bank Vehicle Loan

Vehicle Loan from HDFC Bank is secured against the ford car No. GJ-1HV 4896.

IDBI FD / OD

Working Capital Loans from IDBI Bank are secured against lien of fixed deposits.

**Terms of Repayment of Loans:****Term Loan**

HDFC BANK Term Loan - I

Repayable in 61 installments of Rs. 3,78,685 commencing from January, 2013 . Last installments due on January, 2018. Rate of Interest 10% (Base Rate+ 0%).

HDFC BANK Term Loan - II

Repayable in 36 installments of Rs. 1,95,152 commencing from February, 2014. Last installments due on January, 2017. Rate of Interest 10% (Base Rate+ 0%).

HDFC BANK Term Loan - III

Repayable in 72 installments of Rs. 26,29,926 commencing from February, 2018. Last installments due on January, 2024. Rate of Interest 8.15% (Base Rate+ 0%).

**Vehicle Loan**

HDFC Bank Limited

Repayable in 37 installments of Rs. 99,446 commencing from April 2018. Last installments due on April, 2021. Rate of Interest 10% (Base Rate+ 0%).

**Note 19 : Provisions**
**[ Rs. In Lakhs ]**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Non- Current</b>			
Provision for employee benefits			
Gratuity	27.28	17.03	11.33
<b>Current</b>			
Provision for employee benefits			
Gratuity	0.00	6.64	3.78
Bonus	2.71	1.83	0.23
	2.71	8.47	4.01
<b>Total:</b>	<b>29.99</b>	<b>25.50</b>	<b>15.34</b>

**Note 20: Income Taxes**
**Note 20.1 : Deferred tax liabilities (net)**
**[ Rs. In Lakhs ]**

Particulars	As at March 31, 2018	As at March 31, 2017
<b>Opening balance</b>	134.02	122.47
Adjustment for the current year:		
(Charged)/Credited in the Statement of Profit and Loss	55.80	13.52
Charged / (Credited) through Other Comprehensive Income	( 0.04)	( 1.97)
<b>Closing Balance</b>	<b>189.78</b>	<b>134.02</b>

**Note 20.2 : Significant components of deferred tax assets are shown in the following table:**
**[Rs. In Lakhs ]**

Particulars	As at March 31, 2018	(Charged)/ Credited to profit or loss/OCI	As at March 31, 2017	(Charged)/ Credited to profit or loss/OCI	As at April 1, 2016
<b>Deferred tax liabilities</b>					
Difference of book depreciation and tax depreciation	193.17	55.68	137.49	16.13	121.36
Other items	5.61	5.08	0.53	( 5.46)	5.99
	<b>198.78</b>	<b>60.76</b>	<b>138.02</b>	<b>10.67</b>	<b>127.35</b>
<b>Deferred tax asset</b>					
Provision for gratuity	( 9.00)	( 5.00)	( 4.00)	0.88	( 4.88)
<b>Net deferred tax liabilities (net)</b>	<b>189.78</b>	<b>55.76</b>	<b>134.02</b>	<b>11.55</b>	<b>122.47</b>



**Note 20.3: The reconciliation between the provision of income tax and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:** [ Rs. In Lakhs ]

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Profit before taxes from continuing operations	141.36 21.34%	93.03 30.90%
Current tax expense calculated using MAT tax rate at 21.34% (Previous year: using Normal tax rate at 30.90%)	30.17	28.75
Tax effect of amounts which are not deductible / (taxable) in calculating taxable book profit:		
<b>Add:</b>		
Expenses not allowable	0.00	4.32
MAT on Other Comprehensive Income not to be reclassified in Statement of Profit and Loss	0.03	0.00
<b>Less :</b>		
Deferred tax recognised in Other Comprehensive Income	0.00	( 1.97)
Other / rounding of Adjustments	( 5.00)	12.70
<b>Income Tax as per normal provisions</b>	<b>25.20</b>	<b>43.80</b>

**Note 20.4 : Income tax expense has been allocated as follows:** [ Rs. In Lakhs ]

Particulars	2017-2018	2016-2017
Income tax expense recognised in the Statement of Profit and loss		
Current tax on profits for the year	25.20	32.25
<b>Deferred tax recognised in the Statement of Profit and loss</b>		
Decrease / (increase) in deferred tax assets	( 5.00)	0.88
(Decrease) / increase in deferred tax liabilities	60.76	10.67
Deferred Tax recognised in Other Comprehensive income	0.04	1.97
	55.80	13.52
Income tax expense / (income) attributable to continuing operations	81.00	45.77
<b>Deferred tax recognised in the Other Comprehensive Income</b>		
Defined benefit plan actuarial gains/(losses)	0.04	1.97

**Note 21 : Other non-current / current liabilities** [ Rs. In Lakhs ]

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Non- Current</b>			
Government Grant	15.46	18.71	21.94
<b>Current</b>			
Government Grants	3.25	3.23	3.55
Advance from customers	221.59	3.05	162.91
Statutory Liabilities	13.74	19.08	5.95
	238.58	25.36	172.41
<b>Total:</b>	<b>254.04</b>	<b>44.07</b>	<b>194.35</b>

**Note 22 : Trade Payables**
**[ Rs. In Lakhs ]**

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 1, 2016
Current			
Micro, Small and Medium Enterprise	0.00	0.00	0.00
Others	667.17	953.01	749.25
<b>Total:</b>	<b>667.17</b>	<b>953.01</b>	<b>749.25</b>

Trade payables are not-interest bearing and are normally settled within 30-45 days.

**Note 23 : Other Financial Liabilities**
**[ Rs. In Lakhs ]**

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 1, 2016
Current			
Current maturities of Long term borrowing	198.96	70.33	134.47
Advance from Related Party	0.00	0.25	0.00
<b>Total:</b>	<b>198.96</b>	<b>70.58</b>	<b>134.47</b>

**Note 24 : Current tax liabilities (Net)**
**[ Rs. In Lakhs ]**

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 1, 2016
Provision for Tax	2.63	2.63	2.63
Less : Advance Tax	2.28	2.28	2.28
<b>Total:</b>	<b>0.35</b>	<b>0.35</b>	<b>0.35</b>

**Note 25 : Revenue from Operations**
**[ Rs. In Lakhs ]**

Particulars	2017-2018	2016-2017
Sale of Products		
Manufactured Goods	0.00	609.98
Traded Goods		
Processed Fabrics	0.00	4.71
Sale of services		
Processing Charges Received	3 793.77	3 563.36
<b>Total:</b>	<b>3 793.77</b>	<b>4 178.05</b>



**Note 26 : Other Income**

[ Rs. In Lakhs ]

Particulars	2017-2018	2016-2017
Interest income		
From Banks	12.70	33.42
From Others	10.18	11.02
Deferment of Capital Subsidy	3.24	3.55
Other Non Operating Income		
Sales of Scrap	34.64	10.48
Sundry Credit Balance Written Back	0.03	2.21
Foreign Exchange Fluctuation	0.00	0.11
Net Profit/(Loss) on sale of assets	0.00	6.45
Miscellaneous Income	0.04	0.80
	34.71	20.05
<b>Total:</b>	<b>60.83</b>	<b>68.04</b>

**Note 27 : Cost of Materials Consumed**

[ Rs. In Lakhs ]

Particulars	2017-2018	2016-2017
Raw Materials	0.00	504.09
Colours & Chemicals	860.81	1 211.28
<b>Total:</b>	<b>860.81</b>	<b>1 715.37</b>

**Note 28 : Purchase of Stock-in-trade**

[ Rs. In Lakhs ]

Particulars	2017-2018	2016-2017
Processed Fabrics	59.12	6.73
Less : Process Fabric Return	( 59.12)	0.00
<b>Total:</b>	<b>0.00</b>	<b>6.73</b>

**Note 29 : Changes in inventories**

[ Rs. In Lakhs ]

Particulars	2017-2018	2016-2017
Closing Stock		
Traded goods	0.00	1.74
Stock of Scrap/ Waste materials	4.00	0.50
Opening Stock		
Traded goods	1.74	0.22
Work in Progress	0.00	0.02
Stock of Scrap/ Waste materials	0.50	1.76
<b>(Increase) / Decrease in stocks:</b>	<b>( 1.76)</b>	<b>( 0.24)</b>

**Note 30 : Operating Expenses**
**[ Rs. In Lakhs ]**

Particulars	2017-2018	2016-2017
<b>Power and Fuel</b>		
Electric Power	348.66	310.34
Fuel	0.54	3.79
Coal and Wooden Dust	666.87	517.17
	<b>1 016.07</b>	<b>831.30</b>
<b>Freight and Octroi</b>		
Stores	4.32	1.88
Grey Cloth	14.96	15.18
	<b>19.28</b>	<b>17.06</b>
Packing Material	27.22	33.92
Jobwork Charges Paid	605.88	390.57
Stores, Spares & Other consumables	191.63	261.72
Electrical Expenses	13.17	14.53
Insurance charges	4.35	3.01
<b>Cost of Work In Progress (Job)</b>		
Opening Balance	60.37	51.54
Less: Closing Balance	57.37	60.37
	3.00	( 8.83)
<b>Total:</b>	<b>1 880.60</b>	<b>1 543.28</b>

**Note 31 : Employee benefits expense**
**[ Rs. In Lakhs ]**

Particulars	2017-2018	2016-2017
Salary, Wages and Bonus	335.82	409.77
Contribution to Provident and other funds	26.71	15.09
Staff Welfare and Training Expense	6.11	5.00
<b>Total:</b>	<b>368.64</b>	<b>429.86</b>

**Note 32 : Finance Cost**
**[ Rs. In Lakhs ]**

Particulars	2017-2018	2016-2017
Interest on loan	82.40	14.95
Other Finance Cost		
Bank charges	1.82	0.78
Bank Guarantee Commission	1.23	1.13
<b>Total:</b>	<b>85.45</b>	<b>16.86</b>

**Note 33 : Depreciation and Amortization**
**[ Rs. In Lakhs ]**

Particulars	2017-2018	2016-2017
Depreciation on Property, Plant and Equipments	280.99	206.71



**Note 34 : Other expenses****[ Rs. In Lakhs ]**

<b>Particulars</b>	<b>2017-2018</b>	<b>2016-2017</b>
Repairs and Maintenance		
Plant and Machinery	67.86	66.62
Building	1.23	2.64
Others	4.89	14.97
	<b>73.98</b>	<b>84.23</b>
Travelling Expenses	0.81	0.60
Donation	20.51	15.37
Fees and Legal Expenses	36.88	14.98
Selling and Distribution Expenses	39.70	29.66
<b>Rent, Rates &amp; Taxes</b>		
<b>Rent</b>	9.86	9.60
Rates & Taxes	5.24	5.24
	<b>15.10</b>	<b>14.84</b>
Auditors Remuneration	2.00	2.75
Keyman Insurance	15.28	25.00
Miscellaneous Expenses	33.81	44.39
Loss on revaluation of asset classified as held for sale	0.44	2.67
<b>Total:</b>	<b>238.51</b>	<b>234.49</b>
Auditor's Remuneration is made of		
Statutory Audit Fees	2.00	2.00
Tax Audit Fees	0.00	0.75
<b>Total:</b>	<b>2.00</b>	<b>2.75</b>

**Note 35 : Earning per Share**

<b>Particulars</b>	<b>2017-2018</b>	<b>2016-2017</b>
Profit attributable to Equity shareholders ( Rs. In Lakhs )	60.36	47.26
Number of equity shares ( In Lakhs)	38.75	38.75
Weighted Average number of Equity Shares ( In Lakhs)	38.75	38.75
Basic earning per Share (Rs.)	1.57	1.22
Diluted earning per Share (Rs.)	1.57	1.22

**NOTES FORMING PART OF FINANCIAL STATEMENT**
**Note 36 : Contingent Liabilities and Capital commitments**
**[ Rs. In Lakhs ]**

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>Contingent Liabilities</b>		
- Claims not acknowledged as debts – ESI [See note no. 36 (a)]	4.98	4.98
- [See note no. 36 (b)]	25.93	25.93
- Claims Related to employees pending with Hon'ble Supreme Court of India	3.00	3.00
- Pending export obligations liability on account of Custom Duty on Procurement of Machinery	86.63	70.05
- Demand under Textile committee (Cess) Rules 1975	12.33	12.33
- Demand under Central Excise	Nil	13.81
<b>Capital Commitments</b>		
- Estimated amount of contracts remaining to be executed on capital account and not provided for	150.00	1575.84
- Other commitments	Nil	Nil

(a) The Company has received order u/s 45-A of the ESI Act 1948 for the year 2000 to 2002 raising demand of Rs. 7.98 Lakhs. The company has disputed the demand raised by the corporation by filing a case in the court of Kamdar Rajya Bima Adalat, Ahmedabad and Rs. 3.00 Lakhs has been deposited under the direction of E.S.I Court Ahmedabad in the Registrar Industrial Court Ahmedabad.

(b) The Company has received order u/s 45-A of the ESI Act 1948 for the year 2002 to 2005 raising demand of Rs. 25.35 Lakhs. The company has disputed the demand raised by the corporation by filing a case in the court of Kamdar Rajya Bima Adalat Ahmedabad and Bank Guarantee of Rs. 13.00 Lakhs has been given under the direction of E.S.I Court Ahmedabad. Further in the earlier financial year ESI Court has issued order for payment of Rs. 58,609 in relation to contractor's liability and the same has been deposited by the company and shown as deposit as on 31<sup>st</sup> March, 2018.

**Note 37: Employee Benefits**
**Note 37.1 Defined contribution plan**

The Company has defined contribution plan in form of Provident Fund & Pension Scheme and Employee State Insurance Scheme for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The total expense recognised in the Statement of profit and loss under employee benefit expenses in respect of such schemes are given below:

**[ Rs. In Lakhs ]**

Particulars	2017-2018	2016-2017
Contribution to Provident Fund and Pension Scheme, included under contribution to provident and other funds	26.71	13.28
Contribution to Employee State Insurance Scheme, included in other expense.(P.Y. Included in contribution to Provident and other funds)	5.34	1.80



**Note 37.2 Defined benefit plan****(a) Gratuity**

The Company offers gratuity plan for its qualified employees which is payable as per the requirements of Payment of Gratuity Act, 1972. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

**(b) Defined Benefit Plan**

The principal assumptions used for the purposes of the actuarial valuations were as follows.

**Gratuity**

Particulars	Valuation at		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Discount rate	7.35%	6.75%	7.60%
Expected rate(s) of salary increase	5.00%	5.00%	5.00%

The following table sets out the status of the amounts recognised in the balance sheet & movements in the net defined benefit obligation as at 31st March, 2018

[Rs. in Lakhs]

Particulars	2017-2018	2016-2017
	Gratuity (Unfunded)	Gratuity (Unfunded)
<b>Changes in the present value of obligation</b>		
1. Present value of obligation (Opening)	23.67	15.11
2. Interest cost	1.37	1.01
3. Past service cost adjustments/Prior year Charges	4.46	-
4. Current service cost	6.17	1.17
5. Curtailment Cost / (Gain)	-	-
6. Settlement Cost / (Gain)	-	-
7. Benefits paid	(8.52)	-
8. Actuarial (Gain) / Loss arising from change in financial assumptions	(0.66)	0.73
9. Actuarial (Gain) / Loss arising from change in demographic assumptions	0.03	-
10. Actuarial (Gain) / Loss arising from change on account of experience changes	0.76	5.65
11. Present value of obligation (Closing)	27.28	23.67
- Current	5.48	6.64
- Non current	21.80	17.03

Amount recognized in statement of profit and loss in respect of defined benefit plan are as follows:

[ Rs. In Lakhs ]

Particulars	2017-2018	2016-2017
Current Service Cost	6.17	1.17
Past Service Cost	4.46	-
Adjustment to opening fund	-	-
Net interest Cost	1.37	1.01
(Gains)/Loss on Settlement	-	-
Total Expenses recognized in the Statement of Profit and Loss #	12.00	2.18
#Included in 'Salary and Wages' under 'Employee benefits expense'		

Amount recognized in Other Comprehensive Income (OCI) in respect of defined benefit plan are as follows:

[ Rs. In Lakhs ]

Particulars	2017-2018	2016-2017
Re-measurements during the year due to		
Changes in financial assumptions	(0.66)	0.73
Changes in demographic assumptions	0.03	-
Experience adjustments	0.76	5.65
Return on plan assets excluding amounts included in interest income		
Amount recognised in OCI during the year	0.13	6.38

c) **Sensitivity analysis**

The sensitivity of the defined benefit obligation to changes in the weighted principal assumption is:

**Gratuity**

Impact on defined benefit obligation

	Change in Assumption			Increase in Assumptions			Decrease in Assumptions	
	March 31, 2018	March 31, 2017		March 31, 2018	March 31, 2017		March 31, 2018	March 31, 2017
Discount rate	0.50%	0.50%	Increase by	-1.95%	-1.84%	Decrease by	2.02%	1.92%
Salary growth rate	0.50%	0.50%	Increase by	0.95%	1.08%	Decrease by	-0.92%	-1.29%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined obligation calculated with the projected unit credit method at the end of reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior year.

(c) **Defined benefit liability and employer contribution**

Expected contribution to the post -employment benefit plan (Gratuity) for the year ending March 31, 2019 is Rs. 5.48 Lakhs.

The weighted average duration of the defined benefit obligation is 4.35 years (2017 - 4.06, 2016- 4.67 years).



The expected maturity analysis of undiscounted post -employment benefit plan (gratuity) is as follows:

**Gratuity****[ Rs. In Lakhs ]**

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Cash Flow (Rs.)	(%)	Cash Flow (Rs.)	(%)	Cash Flow (Rs.)	(%)
1st following year	5.48	15.00%	6.79	21.70%	3.78	18.10%
2nd following year	1.42	3.90%	4.24	13.50%	0.37	1.80%
3rd following year	3.86	10.50%	0.42	1.30%	2.62	12.60%
4th following year	1.00	2.70%	2.77	8.90%	0.34	1.60%
5th following year	16.52	45.10%	0.40	1.30%	1.72	8.20%
Sum of year 6 to 10th	5.38	14.70%	13.95	44.50%	10.72	51.30%

**Note 38: Segment Information**

The company operates in a solitary business segment i.e. textile business. Accordingly no further financial information for business segment is required to be given under the Ind AS 108 "Operating Segments" are not applicable.

**Note 39: Related Party Disclosure****Note 39.1: Related Party Disclosures for the year ended March 31, 2018****(a) Details of Related Parties**

Sr. No.	Name of Related Parties	Description of Relationship
1	Sunil R. Agarwal	Key Management Personnel
2	Yash S. Agarwal	
3	Hardik S. Agarwal	
4	Raghuvir Exim Ltd.	Enterprise over which key management personnel exercise significant influence by controlling interest.
5	The Sagar Textiles Mills Pvt. Ltd.	
6	Raghuvir Research Foundation Trust	
7	Raghukaushal Textile Pvt. Ltd.	Enterprise over which relatives of key management personnel exercise significant influence.
8	Raghuvir Life Style Pvt. Ltd.	

(b) Details of transactions with related parties for the year ended March 31, 2018 in the ordinary course of business:

[ Rs. In Lakhs ]

Sr. No.	Nature of Relationship / Transaction	KMP & Relatives	Enterprise over which KMP and Relatives have significant influence	Total
1	<b>Managerial Remuneration</b> – Sunil R. Agarwal	120.00	--	120.00
2	<b>Rent Expense</b> – Sunil R. Agarwal – Raghuvir Exim Ltd. – The Sagar Textile Mill Pvt. Ltd.	3.72 -- --	-- 2.13 3.00	3.72 2.13 3.00
3	<b>Advance for expense repaid during the year</b> – Sunil R. Agarwal	0.25	--	0.25
4	<b>Sales Processing Charges and Other Income</b> – Raghukaushal Textile Pvt. Ltd. – Raghuvir Lifestyle Pvt. Ltd. – Raghuvir Exim Ltd.	-- -- --	167.73 9.12 2 906.58	167.73 9.12 2 906.58
5	<b>Donation</b> – Raghuvir Research Foundation Trust	--	20.00	20.00

(c) Amount due to / from related parties as at March 31, 2018

[ Rs. In Lakhs ]

Sr. No.	Nature of Relationship / Transaction	KMP & Relatives	Enterprise over which KMP and Relatives have significant influence	Total
1	<b>Due to Company As Trade Receivables</b> – Raghukaushal Textile Pvt. Ltd. – Raghuvir Lifestyle Pvt. Ltd.	-- --	12.78 8.95	12.78 8.95
2	<b>Due by Company As Expenses</b> – Sunil R. Agarwal – Raghuvir Exim Ltd. – The Sagar Textile Mill Pvt. Ltd. <b>As Advance from Customer</b> – Raghuvir Exim Ltd. <b>As Remuneration</b> – Sunil R. Agarwal	0.96 -- -- -- -- 2.44	-- 1.28 2.02 214.06 --	0.96 1.28 2.02 214.05 2.44



## Note 39.2: Related Party Disclosures for the year ended March 31, 2017

## (a) Details of Related Parties

Sr. No.	Name of Related Parties	Description of Relationship
1	Sunil R. Agarwal	Key Management Personnel
2	Yash S. Agarwal	
3	Hardik S. Agarwal	
4	Raghuvir Exim Ltd.	Enterprise over which key management personnel exercise significant influence by controlling interest.
5	The Sagar Textiles Mills Pvt. Ltd.	
6	Raghuvir Research Foundation Trust	
7	Raghukaushal Textile Pvt. Ltd.	Enterprise over which relatives of key management personnel exercise significant influence.
8	Raghuvir Life Style Pvt. Ltd.	

## (b) Details of transactions with related parties for the year ended March 31, 2017 in the ordinary course of business:

[ Rs. In Lakhs ]

Sr. No.	Nature of Relationship / Transaction	KMP & Relatives	Enterprise over which KMP and Relatives have significant influence	Total
1	<b>Managerial Remuneration</b> - Sunil R. Agarwal	120.00	--	120.00
2	<b>Rent Expense</b> - Sunil R. Agarwal - Raghuvir Exim Ltd. - The Sagar Textile Mill Pvt. Ltd.	4.20 -- --	2.40 3.00	4.20 2.40 3.00
3	<b>Security deposit taken</b> - Sunil R. Agarwal	1.00	--	1.00
4	<b>Security deposits repaid</b> - Sunil R. Agarwal	1.00	--	1.00
5	<b>Sales Processing Charges and Other Income</b> - Raghukaushal Textile Pvt. Ltd. - Raghuvir Lifestyle Pvt. Ltd. - Raghuvir Exim Ltd.	-- -- --	198.71 0.95 3 383.91	198.71 0.95 3 383.91
6	<b>Donation</b> - Raghuvir Research Foundation Trust	--	15.00	15.00
7	<b>Advance for Expenses</b> - Sunil R. Agarwal	0.25	--	0.25

(c) Amount due to / from related parties as at March 31, 2017

[ Rs. In Lakhs ]

Sr. No.	Nature of Relationship / Transaction	KMP & Relatives	Enterprise over which KMP and Relatives have significant influence	Total
1	<b>Due to Company</b> As Trade Receivables - Raghuvir Exim Ltd. - Raghukaushal Textiles Pvt. Ltd.	-- --	13.47 6.70	13.47 6.70
2	<b>Due by Company</b> <b>As Expenses</b> - Sunil R. Agarwal - Raghuvir Exim Ltd. - The Sagar Textile Mill Pvt. Ltd. <b>As Advance for expenses</b> - Sunil R. Agarwal <b>As Remuneration</b> - Sunil R. Agarwal	0.31 -- -- 0.25 1.94	-- 0.18 2.02 -- --	0.31 0.18 2.02 0.25 1.94

Note 39.3: Amount due to / from related parties as at April 1, 2016

[ Rs. In Lakhs ]

Sr. No.	Nature of Relationship / Transaction	KMP & Relatives	Enterprise over which KMP and Relatives have significant influence	Total
1	Due to Company As Trade Receivables - Raghukaushal Textiles Pvt. Ltd.	--	26.75	26.75
2	Due by Company As Expenses - The Sagar Textile Mill Pvt. Ltd. As Advance from Customer - Raghuvir Exim Ltd. As Remuneration - Sunil R. Agarwal	-- -- 0.87	0.67 161.69 --	0.67 161.69 0.87



**Note 40: Capital Management**

The Company manages its capital to ensure that entities in the Company will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance. The capital structure of the Company consists of net debt (borrowings offset by cash and bank balances) and total equity of the Company.

[ Rs. In Lakhs ]

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Total equity attributable to the equity share holders of the company	1 718.02	1 657.75	1 614.90
As percentage of total capital	55.17	98.86	88.82
Current loans and borrowings	198.96	130.22	190.74
Non-current loans and borrowings	1 240.73	--	72.26
Total loans and borrowings	1 439.69	130.22	263.00
Cash and cash equivalents	43.44	111.17	59.81
Net loans & borrowings	1 396.25	19.05	203.19
As a percentage of total capital	44.83	1.14	11.18
<b>Total capital (loans and borrowings and equity)</b>	<b>3 114.27</b>	<b>1 676.80</b>	<b>1 818.09</b>

**Note 41: Fair value measurements****A. Financial instruments by category**

[ Rs. In Lakhs ]

	31-Mar-18			31-Mar-17			01-Apr-16		
	Amortized cost	FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI
Financial Assets									
Investments	--	--	--	--	--	--	--	--	0.04
Trade and other receivables	119.65	--	--	102.55	--	--	34.60	--	--
Cash and cash equivalents	43.44	--	--	111.17	--	--	59.81	--	--
Other bank balances	68.06	--	--	214.70	--	--	67.50	--	--
Other financial assets	395.38	--	--	186.72	--	--	523.47	--	--
<b>Total Financial Assets</b>	<b>626.53</b>	<b>--</b>	<b>--</b>	<b>615.14</b>	<b>--</b>	<b>--</b>	<b>685.38</b>	<b>--</b>	<b>--</b>
Financial Liabilities									
Borrowings	1 240.73	--	--	59.89	--	--	128.53	--	--
Trade payables	667.17	--	--	953.01	--	--	749.25	--	--
Other financial liabilities	198.96	--	--	70.58	--	--	134.47	--	--
<b>Total Financial Liabilities</b>	<b>2106.86</b>	<b>--</b>	<b>--</b>	<b>1 083.48</b>	<b>--</b>	<b>--</b>	<b>1 012.25</b>	<b>--</b>	<b>--</b>

### Fair value hierarchy

The following section explains the judgments and estimates made in determining the fair values of the financial instruments that are recognized and measured at fair value through profit or loss. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial investments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

### B. Fair value hierarchy for assets

#### Financial assets measured at fair value at March 31, 2018

[ Rs. In Lakhs ]

	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments	—	—	—	—

#### Financial assets measured at fair value at March 31, 2017

[ Rs. In Lakhs ]

	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments	—	—	—	—

#### Financial assets measured at fair value at March 31, 2016

[ Rs. In Lakhs ]

	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments	0.04	—	—	0.04

### Notes:

Level 1 hierarchy includes financial instruments measured using quoted prices (unadjusted) in active market for identical assets that the entity can access at the measurement date. This represents mutual funds that have price quoted by the respective mutual fund houses and are valued using the closing Net asset value (NAV).

Level 2 hierarchy includes the fair value of financial instruments measured using quoted prices for identical or similar assets in markets that are not active.

Level 3 if one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted compound instruments.

There are no transfers between any of these levels during the year. The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

### C. Fair value of financial assets and liabilities measured at amortized cost

The Management has assessed that fair value of loans, trade receivables, cash and cash equivalents, other bank balances, other financial assets and trade payables approximate their carrying amounts largely due to their short-term nature. Difference between carrying amount of Bank deposits, other financial assets, borrowings and other financial liabilities subsequently measured at amortised cost is not significant in each of the years presented.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.



**Note 42: Financial risk management**

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee holds regular meetings and report to board on its activities.

The Company's risk management policies are established to identify and analyses the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management of risk
Credit risk	Cash and cash equivalents, trade receivables, Financial assets measured at amortized cost.	Aging analysis	Diversification of funds to bank deposits, Liquid funds and Regular monitoring of credit limits.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of surplus cash, committed credit lines and borrowing facilities
Market risk – foreign exchange	Recognized financial assets and liabilities not denominated in Indian rupee (Rs.)	Cash flow forecasting Sensitivity analysis	Regular monitoring to keep the net exposure at an acceptable level, with option of taking Forward Foreign exchange contracts if deemed necessary.

**(a) Credit Risk**

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The company is exposed to the credit risk from its trade receivables, unbilled revenue, investments, cash and cash equivalents, bank deposits and other financial assets. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets.

**Trade and other receivables**

For trade receivables, provision is provided by the company as per the below mentioned policy:

Particulars	Gross carrying amount (Rs. In Lakhs)	Expected credit losses rate (%)	Expected credit losses (Rs. In Lakhs)	Carrying amount of trade receivable (Rs. In Lakhs)
Considered Good				
0 - 6 months	119.65	—	—	119.65
6 months - 1 year	—	—	—	—
More than 1 year	—	—	—	—
<b>Total</b>	<b>119.65</b>			<b>119.65</b>
Considered Doubtful	—	—	—	—
<b>Total</b>	<b>119.65</b>	—	—	<b>119.65</b>

**Reconciliation of loss allowance provision**

Trade receivables

Particulars	Rs. In Lakhs
<b>Loss allowance as on April 1, 2016</b>	—
Changes in loss allowance	—
<b>Loss allowance as on March 31, 2017</b>	—
Changes in loss allowance	—
<b>Loss allowance as on March 31, 2018</b>	—

**Cash and Cash Equivalents**

Credit risk on cash and cash equivalents and other deposits with banks is limited as the Company generally invests in deposits with banks with high credit ratings assigned by external credit rating agencies; accordingly the Company considers that the related credit risk is low. Impairment on these items is measured on the 12-month expected credit loss basis.

**(b) Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's treasury maintains flexibility in funding by maintaining liquidity through investments in liquid funds and other committed credit lines. Management monitors rolling forecasts of the group's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.



**Financing arrangements**

The working capital position of the Company is given below:

[ Rs. In Lakhs ]

Particulars	31-Mar-18	31-Mar-17	01-Apr-16
Cash and cash equivalents	43.44	111.17	59.81

**Liquidity Table**

The Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods is given below. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

**As at March 31, 2018**

[ Rs. In Lakhs ]

Financial Liabilities	Less than 1 year	2-5 years	5 years and above
Non-current financial liabilities			
Borrowings <sup>^</sup>	204.59	1 003.51	252.46
	<b>204.59</b>	<b>1 003.51</b>	<b>252.46</b>
Current financial liabilities			
Borrowings from Banks	—	—	—
Trade payables	667.17	—	—
	<b>667.17</b>	—	—
Total financial liabilities	<b>871.76</b>	<b>1 003.51</b>	<b>252.46</b>

<sup>^</sup> Borrowings are disclosed net of processing charges.

**As at March 31, 2017**

[ Rs. In Lakhs ]

Financial Liabilities	Less than 1 year	2-5 years	5 years and above
Non-current financial liabilities			
Borrowings <sup>^</sup>	70.46	—	—
	<b>70.46</b>	—	—
Current financial liabilities			
Borrowings from Banks	59.89	—	—
Trade payables	953.01	—	—
	<b>1012.90</b>	—	—
Total financial liabilities	<b>1083.26</b>	—	—

<sup>^</sup> Borrowings are disclosed net of processing charges.

**As at March 31, 2016**
**[ Rs. In Lakhs ]**

<b>Financial Liabilities</b>	<b>Less than 1 year</b>	<b>2-5 years</b>	<b>5 years and above</b>
Non-current financial liabilities			
Borrowings <sup>^</sup>	135.20	72.39	—
	<b>135.20</b>	<b>72.39</b>	<b>—</b>
Current financial liabilities			
Borrowings from Banks	56.27	—	—
Trade payables	749.25	—	—
	<b>805.22</b>	<b>—</b>	<b>—</b>
<b>Total financial liabilities</b>	<b>940.22</b>	<b>72.39</b>	<b>—</b>

<sup>^</sup> Borrowings are disclosed net of processing charges.

**(c) Market Risk**

Market risk is the risk arising from changes in market prices – such as foreign exchange rates and interest rates – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of the investments. Thus, the exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency.

**(i) Currency Risk**

The Company is exposed to currency risk on account of foreign currency transactions including recognized assets and liabilities denominated in a currency that is not the Company's functional currency (''), primarily in respect of US\$, and Euro. The Company ensures that the net exposure is kept to an acceptable level and is remain a net foreign exchange earner.

**(ii) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates and investments

Most of the Company's borrowings are on a floating rate of interest. The Company has exposure to interest rate risk, arising principally on changes in Marginal Cost of Funds based Lending Rate (MCLR). The Company uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like short term credit lines besides internal accruals.

The exposures of the Company's financial assets / liabilities at the end of the reporting period are as follows:



[ Rs. In Lakhs ]

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Fixed rate borrowings	1 439.69	130.22	263.00
	1 439.69	130.22	263.00

**Interest rate risk sensitivity:**

The below mentioned sensitivity analysis is based on the exposure to interest rates for floating rate borrowings. For this it is assumed that the amount of the floating rate liability outstanding at the end of the reporting period was outstanding for the whole year. If interest rate had been 50 basis points higher or lower, other variables being held constant, following is the impact on profit.

[ Rs. In Lakhs ]

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Impact on profit – increase in 50 basis points	1.97	0.73
Impact on profit – decrease in 50 basis points	(1.97)	(0.73)

**Note: 43 First time adoption of IND AS**

The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2016 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain mandatory exceptions under Ind AS 101 and certain optional exemptions permitted under Ind AS 101 availed by the Company as detailed below:

**1 Mandatory exceptions to retrospective application of other Ind AS****(a) Estimates**

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with Previous GAAP (after adjustments to reflect any differences in accounting policies) unless there is an objective evidence that those estimates were in error. The company has not made any changes to estimates made in accordance with Previous GAAP.

**(b) Ind AS 109 - Financial Instruments (Derecognition of previously recognized Financial Assets/ Financial Liabilities)**

An entity shall apply the derecognition requirements in Ind AS 109 prospectively for the transactions occurring on or after date of transition to Ind AS.

The Company has applied the derecognition requirements prospectively.

**(c) Ind AS 109 "Financial Instruments" (Classification and Measurement of Financial Assets/ Financial Liabilities)**

Classification and measurement of Financial Assets shall be made on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

The Company has evaluated the facts and circumstances existing on the date of transition to Ind AS for the purpose of classification and measurement of Financial Assets and accordingly has classified and measured financial assets on the date of transition.

**(d) Ind AS 109 "Financial Instruments" (Impairment of Financial Assets): Impairment requirements under Ind AS 109 should be applied retrospectively based on reasonable and supportable information that is available on the date of transition without undue cost or effort**

The Company has not recognised any impairment of financial asset during the year.

**2 Optional exemptions****(a) Deemed cost for property and plant and equipment.**

Ind AS 101 permits a first-time adopter to opt to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities.

Accordingly, the Company has opted to measure all of its property, plant and equipment at their previous GAAP carrying value.

**Note: 43 First time adoption of IND AS.. Continued...**  
**Reconciliation of equity as on April 1, 2016**

				[ Rs. in Lakhs ]
Particulars	Notes	Amount as per IGAAP*	Effects of transition to Ind AS	Amount as per Ind AS
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, Plant and Equipment	1	1 552.06	1.11	1 553.17
Capital work-in progress		24.43	0.00	24.43
Financial Assets				
Investments		0.04	0.00	0.04
Other Financial Assets		406.25	0.00	406.25
Other non current assets		0.00	0.00	0.00
		<b>1 982.78</b>	<b>1.11</b>	<b>1 983.89</b>
<b>Current assets</b>				
Inventories		174.77	0.00	174.77
Financial assets				
Trade Receivables		34.60	0.00	34.60
Cash and Cash Equivalents		59.81	0.00	59.81
Other Bank Balances		67.50	0.00	67.50
Other Financial Assets	2	65.90	51.32	117.22
Current Tax Assets (Net)		189.84	0.00	189.84
Other Current Assets		76.06	0.00	76.06
		<b>668.48</b>	<b>51.32</b>	<b>719.80</b>
Assets classified as held for sale		255.97	0.00	255.97
		<b>924.45</b>	<b>51.32</b>	<b>975.77</b>
<b>TOTAL ASSETS</b>		<b>2 907.23</b>	<b>52.43</b>	<b>2 959.66</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share Capital		385.41	0.00	385.41
Other Equity	1 to 4	1 207.68	21.81	1 229.49
		<b>1 593.09</b>	<b>21.81</b>	<b>1 614.90</b>
<b>Liabilities</b>				
<b>Non-current Liabilities</b>				
Financial Liabilities				
Borrowings	3	72.39	( 0.13)	72.26
Provisions		11.33	0.00	11.33
Deferred Tax liabilities(Net)	4	116.48	5.99	122.47
Other Non-current Liabilities	2	0.00	21.94	21.94
		<b>200.20</b>	<b>27.80</b>	<b>228.00</b>
<b>Current liabilities</b>				
<b>Financial Liabilities</b>				
Borrowings		56.27	0.00	56.27
Trade Payables		749.25	0.00	749.25
Other Financial Liabilities	3	135.20	( 0.73)	134.47
Current tax liabilities		0.35	0.00	0.35
Other Current liabilities	2	168.86	3.55	172.41
Provisions		4.01	0.00	4.01
		<b>1 113.94</b>	<b>2.82</b>	<b>1 116.76</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2 907.23</b>	<b>52.43</b>	<b>2 959.66</b>

\* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

- 1 The amount of capital subsidy deducted from the Cost of assets is restated and considered as deferred revenue.
- 2 The amount of Capital Subsidy and Revenue Subsidy recognised on accrual basis.
- 3 Processing fees on borrowings adjusted against the outstanding balance of such borrowing.
- 4 Recognised deferred tax on aforesaid adjustments.



**Note: 43 First time adoption of IND AS.. Continued...**  
**Reconciliation of equity as on March 31, 2017**

				[ Rs. In Lakhs ]
Particulars	Notes	Amount as per IGAAP*	Effects of transition to Ind AS	Amount as per Ind AS
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, Plant and Equipment	1	1 467.34	21.94	1 489.28
Capital work-in progress		5.42	0.00	5.42
Financial Assets				
Investments		0.00	0.00	0.00
Other Financial Assets		93.05	0.00	93.05
Other non current assets		149.39	0.00	149.39
		<b>1 715.20</b>	<b>21.94</b>	<b>1 737.14</b>
<b>Current assets</b>				
Inventories		146.51	0.00	146.51
Financial assets				
Trade Receivables		102.55	0.00	102.55
Cash and Cash Equivalents		111.17	0.00	111.17
Other Bank Balances		214.70	0.00	214.70
Other Financial Assets	2	92.10	1.57	93.67
Current Tax Assets (Net)		183.65	0.00	183.65
Other Current Assets		83.12	0.00	83.12
		<b>933.80</b>	<b>1.57</b>	<b>935.37</b>
Assets classified as held for sale		272.66	0.00	272.66
		<b>1 206.46</b>	<b>1.57</b>	<b>1 208.03</b>
<b>TOTAL ASSETS</b>		<b>2 921.66</b>	<b>23.51</b>	<b>2 945.17</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share Capital		385.41	0.00	385.41
Other Equity	1 to 4	1 271.16	1.18	1 272.34
		<b>1 656.57</b>	<b>1.18</b>	<b>1 657.75</b>
<b>Liabilities</b>				
<b>Non-current Liabilities</b>				
Financial Liabilities				
Borrowings		0.00	0.00	0.00
Provisions		17.03	0.00	17.03
Deferred Tax liabilities(Net)	4	133.50	0.52	134.02
Other Non-current Liabilities	2	( 0.01)	18.72	18.71
		<b>150.52</b>	<b>19.24</b>	<b>169.76</b>
<b>Current liabilities</b>				
<b>Financial Liabilities</b>				
Borrowings		59.89	0.00	59.89
Trade Payables		953.01	0.00	953.01
Other Financial Liabilities	3	70.72	( 0.14)	70.58
Current tax liabilities		0.35	0.00	0.35
Other Current liabilities	2	22.13	3.23	25.36
Provisions		8.47	0.00	8.47
		<b>1 114.57</b>	<b>3.09</b>	<b>1 117.66</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2 921.66</b>	<b>23.51</b>	<b>2 945.17</b>

\* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

1 The amount of capital subsidy deducted from the Cost of assets is restated and considered as deferred revenue.

2 The amount of Capital Subsidy and Revenue Subsidy recognised on accrual basis.

3 Processing fees on borrowings adjusted against the outstanding balance of such borrowing.

4 Recognised deferred tax on aforesaid adjustments.

Note: 43 First time adoption of IND AS.. Continued...

Reconciliation of total comprehensive income for the period March 31, 2017

				[ Rs. In Lakhs ]
Particulars	Notes	Amount as per IGAAP*	Effects of transition to Ind AS	Amount as per Ind AS
<b>INCOME</b>				
Revenue from Operations		4 178.05	0.00	4 178.05
Other Income	1 & 4	89.86	( 21.82)	68.04
<b>TOTAL INCOME</b>		<b>4 267.91</b>	<b>( 21.82)</b>	<b>4 246.09</b>
<b>EXPENSES</b>				
Cost of Material Consumed		1 715.37	0.00	1 715.37
Purchase of stock in trade		6.73	0.00	6.73
Changes in inventories		( 0.24)	0.00	( 0.24)
Operating Expenses		1 543.28	0.00	1 543.28
Employee benefits expense	2	436.24	( 6.38)	429.86
Finance Cost	3	16.13	0.73	16.86
Depreciation and Amortization	4	203.16	3.55	206.71
Other Expenses		234.49	0.00	234.49
<b>TOTAL EXPENSES</b>		<b>4 155.16</b>	<b>( 2.10)</b>	<b>4 153.06</b>
<b>Profit before exceptional items and tax</b>		<b>112.75</b>	<b>( 19.72)</b>	<b>93.03</b>
Exceptional Items		0.00	0.00	0.00
<b>Profit Before Tax</b>		<b>112.75</b>	<b>( 19.72)</b>	<b>93.03</b>
Tax expense				
Current tax		32.25	0.00	32.25
Deferred tax		17.01	( 3.49)	13.52
<b>TOTAL TAX EXPENSE</b>		<b>49.26</b>	<b>( 3.49)</b>	<b>45.77</b>
<b>Profit for the year from continuing operations</b>		<b>63.49</b>	<b>( 16.23)</b>	<b>47.26</b>
<b>Other comprehensive income</b>				
<b>Items that will not be reclassified to profit or loss</b>				
<b>Remeasurement of the defined benefit plans</b>	2	0.00	( 6.38)	( 6.38)
Tax relating to remeasurement of the defined benefit plans		0.00	1.97	1.97
		<b>0.00</b>	<b>( 4.41)</b>	<b>( 4.41)</b>
<b>Total comprehensive income for the year, net of tax</b>		<b>63.49</b>	<b>( 20.64)</b>	<b>42.85</b>

\* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

1 Revenue subsidy recognized on accrual basis in year of accrual and hence withdrawn.

2 Reclassification of Employee benefits expenses to Other Comprehensive Income.

3 Amortisation of Loan Processing fees.

4 Consequential effect of recognition of Capital Subsidy as deferred revenue resulting into increase in depreciation of relevant assets.



## Equity Reconciliation

[ Rs. In Lakhs ]

Particulars	As at March 31, 2017	As at April 1, 2016
<b>Total equity (Shareholders' funds) under previous GAAP</b>	<b>1 656.57</b>	<b>1 593.09</b>
"Ind AS adjustments:"		
Effect of amortised cost of financial liabilities	0.36	0.86
Effect of capital and revenue subsidy	1.57	26.94
Deferred Tax adjustments	( 0.75)	( 5.99)
	<b>1.18</b>	<b>21.81</b>
<b>Total Equity as per Ind AS</b>	<b>1 657.75</b>	<b>1 614.90</b>

## Note 44:

## (a) Due to Micro, Small and Medium Enterprise

[ Rs. In Lakhs ]

Sr. No.	Particulars	2017-2018	2016-2017
1	Principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	NIL	NIL
2	The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	NIL	NIL
3	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	NIL	NIL
4	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	NIL	NIL
5	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	NIL	NIL

The company has initiated the process of obtaining confirmation from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006). The above mentioned information has been compiled to the extent of responses received by the company from its suppliers with regard to their registration under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006).

- (b) The company has circulated letters of Balance Confirmation to Sundry Debtors, Sundry Creditors and the parties to whom loans and advances have been granted. Confirmations were received in some cases.

**Note 45: Additional Information pursuant to provision of Para 5(8) of Part-II o Schedule-III of the Companies Act, 2013**

**(a) Value of Imports on CIF basis**

[ Rs. In Lakhs ]

Sr. No.	Particulars	2017-2018	2016-2017
1.	Stores	44.06	105.33
2.	Capital Goods	388.66	—
		<b>432.72</b>	<b>105.33</b>

**(b) Expenditure in Foreign Currency**

[Amount in Rs.]

Sr. No.	Particulars	2017-2018	2016-2017
1.	Cost of Store Purchase	—	10.27

**(c) Consumption of Raw Materials and Spare Parts**

Sr. No.	Particulars	2017-2018 Value (Rs. In Lakhs)	%	2016-2017 Value (Rs. In Lakhs)	%
1.	<b>Raw materials:</b>				
	Indigenous	—	—	504.09	100
	Imported	—	—	—	—
2.	<b>Stores and Spare parts:</b>				
	Indigenous	106.57	67.82	110.06	47.03
	Imported	50.56	32.18	123.94	52.97

**Note 46: Statement of Management**

- (a) The non current financial assets, current financial assets and other current assets are good and recoverable and are approximately of the values, if realized in the ordinary courses of business unless and to the extent stated otherwise in the Accounts. Provision for all known liabilities is adequate and not in excess of amount reasonably necessary. There are no contingent liabilities except those stated in the notes.
- (b) Balance Sheet, Statement of Profit and Loss, cash flow statement and change in equity read together with Notes to the accounts thereon, are drawn up so as to disclose the information required under the Companies Act, 2013 as well as give a true and fair view of the statement of affairs of the Company as at the end of the year and financial performance of the Company for the year under review.



**Note 47:** The figures for the previous year have been regrouped / reclassified, wherever necessary, to make them comparable with the figures for the current year.

**FOR ASHOK K. BHATT & Co.**  
[Firm Registration No. 100657W]  
Chartered Accountants

**Ashok K. Bhatt**  
*Proprietor*  
Mem. No. 36439

**FOR AND ON BEHALF OF THE BOARD**

**SUNIL R. AGARWAL**  
*Chairman & Managing Director*  
Din No. 00265303

**YASH S. AGARWAL**  
*Director*  
Din No. 02170408

**DILIP P. NIRMAL**  
*Chief Financial Officer*

**PRATIKA P. BOTHRA**  
*Company Secretary*

Place: Ahmedabad  
Date: 28<sup>th</sup> May, 2018

Place: Ahmedabad  
Date: 28<sup>th</sup> May, 2017

# RAGHUVIR SYNTHETICS LIMITED

CIN : L17119GJ1982PLC005424

Regd. Office : Rakhial Road, Rakhial, Ahmedabad-380 023.

PHONE : 079-22910963-1015-1902 E-mail : raghuvirad1@sancharnet.in

## PROXY FORM

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

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

Registered address: .....

E-mail ID: .....

Folio No. /Client ID: .....

DP ID: .....

I/We, being the member(s) holding ..... Shares 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: .....

or failing him

As my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 36th Annual General Meeting of the Company, to be held on 24th September, 2018 at 12.30 p.m. at Rakhial Road, Rakhial, Ahmedabad-380023 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions	Please Indicate (Assent or Dissent)
<b>ORDINARY BUSINESS</b>	
1 ADOPTION OF AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018. (ORDINARY RESOLUTION)	
2 TO RE-APPOINT MR. HARDIK SUNIL AGARWAL (DIN: 03546802) AS A DIRECTOR OF THE COMPANY WHO RETIRES BY ROTATION. (ORDINARY RESOLUTION)	
3 RATIFICATION OF APPOINTMENT OF M/S. ASHOK K. BHATT & CO., CHARTERED ACCOUNTANTS, AS STATUTORY AUDITORS OF THE COMPANY TILL CONCLUSION OF 37 <sup>TH</sup> ANNUAL GENERAL MEETING OF THE COMPANY (ORDINARY RESOLUTION)	
<b>SPECIAL BUSINESS</b>	
4. APPROVAL OF ESTIMATED MATERIAL RELATED PARTY TRANSACTIONS FOR THE YEAR 2018-19 WITH RAGHUVIR EXIM LTD. (ORDINARY RESOLUTION)	

Signed this ..... day of ..... 2018.

Signature of shareholder(s)

Signature of Proxy holder(s)

Affix  
Revenue  
Stamp of not  
less than  
Rs. 1/-

Notes: (1) For the resolutions, Explanatory Statement and Notes, please refer to the Notice of the 36<sup>th</sup> Annual General Meeting. (2) 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. (3) A Proxy need not be a member of the Company. (4) It is optional to indicate your preference. If you leave 'for', 'against' or 'abstain' column blank against any or all of the resolutions, your proxy will be entitled to vote in any manner as he/she may deem appropriate.



# RAGHUVIR SYNTHETICS LIMITED

CIN : L17119GJ1982PLC005424

Regd. Office : Rakhial Road, Rakhial, Ahmedabad-380 023.

PHONE : 079-22910963-1015-1902

E-mail : raghuvirad1@sancharnet.in

## ATTENDANCE SLIP

This attendance slip duly filled in is to be handed over at the entrance of the meeting hall.

For Demat Shares

For Physical Shares

DP ID :	Regd. Folio No. :
Client ID :	No. of Shares held :

Full name of the member attending : .....

Name of Proxy .....

(To be filled in if Proxy Form has been duly deposited with the Company) :

I hereby record my presence at the 36<sup>th</sup> Annual General Meeting of the Company being held on 24th September, 2018 at 12.30 p.m. at Rakhial Road, Rakhial, Ahmedabad.

Member's / Proxy's Signature

(To be signed at the time of handing over this slip)

# RAGHUVIR SYNTHETICS LIMITED

CIN: L17119GJ1982PLC005424

Registered office: Rakhial Road, Rakhial, Ahmedabad-380023, GUJARAT

TEL NO.: 079-22910963-1015-1902

Web: [www.raghuvir.com](http://www.raghuvir.com), E-mail: [raghuvirad1@sancharnet.in](mailto:raghuvirad1@sancharnet.in)

Sr. No.

1. Name of the sole/first named member: \_\_\_\_\_
2. Address of sole/first named member: \_\_\_\_\_
3. Name (s) of joint member(s) if any: \_\_\_\_\_
4. Registered folio No. /DP ID No. /Client ID NO.: \_\_\_\_\_
5. Number of shares held: \_\_\_\_\_

Dear Member,

## Subject: - Voting through Electronic means

Pursuant to provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the Company is pleased to offer e-voting facility to the members of the Company to cast their votes electronically as an alternative to participate at the 36<sup>th</sup> Annual general meeting of the member to be held on 24<sup>th</sup> September, 2018 at 12.30 P.M. by electronic means (remote e-voting). The Company has engaged the service of Central Depository Services (India) Limited (CDSL) to provide e-voting facilities. The e-voting facility is available at the link <https://www.evotingindia.com>:

The Electronic voting particulars are set out below:

EVSN (E-voting Sequence number)	# Default PAN
180820029	

# Members who have updated their PAN with the Company, Depository Participant and/or Registrar Transfer Agent shall use their PAN while rest members who have not updated the PAN details with the company, Depository participant and/or Registered Transfer Agent shall follow the step 6 as mentioned in the e-voting instruction of the Notice of 36<sup>th</sup> AGM of the company

The remote e-voting facility will be available during the following voting period:

Commencement of E-voting	From 9.00 A.M. on 21 <sup>st</sup> September, 2018
End of e-voting	Upto 5.00 P.M. on 23 <sup>rd</sup> September, 2018

The remote e-voting shall not be allowed beyond 5.00 P.M on 23<sup>rd</sup> September, 2018. During the e-voting period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date may cast their votes electronically. The cut-off date for the purpose of remote e-voting is 17<sup>th</sup> September, 2018.

Please note the instruction printed in the notice before exercising the vote.

These details and instruction form integral part of the Notice for the Annual General Meeting to be held on 24<sup>th</sup> September, 2018.