

# RISHAB SPECIAL YARNS LIMITED

## 26<sup>th</sup> Annual Report 2013-14

**BORD OF DIRECTORS :**

SHRI AMITABH HIRAWAT  
SHRI CHANDRA MOHAN KHANDELWAL  
SHRI PRADEEP LOIWAL  
SHRI KAMAL KISHORE KALANI

**AUDITORS :**

JAIN SHRIMAL & CO.  
CHARTERED ACCOUNTANTS

**REGISTERED OFFICE :**

2070, RASTA BARA GANGORE  
JAIPUR - 302 003  
Tel. & Fax No. : 0141-2575213  
Email : [rsy ltd@gmail.com](mailto:rsy ltd@gmail.com)  
Website : [www.rishabspecial.com](http://www.rishabspecial.com)  
CIN : L17114RJ1987PLC004067

## NOTICE

Notice is hereby given that the Twenty Sixth Annual General Meeting of the Members of **RISHAB SPECIAL YARNS LIMITED** will be held at Regd. Office at 2070, Rasta Bara Gangore, Johari Bazar, Jaipur - 302003 on **Friday, 28<sup>th</sup> November, 2014 at 12.00 Noon.** to transact the following business:

### **ORDINARY BUSINESS:**

1. To consider, approve and adopt the Audited Balance Sheet as at **March 31, 2014** and the Profit and Loss Account for the year ended **March 31, 2014** and the Report of the Board of Directors and Auditors thereon.
2. To appoint Director in place of Shri Chandra Mohan Khandelwal, (holding DIN 00420235), who retiring by rotation in accordance with sec. 152 of the companies Act, 2013 and being eligible offers himself for Reappointment.
3. To appoint Auditor and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT,** pursuant to Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 and pursuant to the recommendation made by the Audit Committee of the Board, the retiring Statutory Auditor M/s. Jain Shrimal & Co., Chartered Accountants, having firm registration No. 001704C Allotted by The Institute of Chartered Accountants of India (ICAI) be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this 26<sup>th</sup> Annual General Meeting for term of consecutive three years till conclusion of the 29<sup>th</sup> Annual General Meeting (subject to ratification of the appointment by the members at every Annual General Meeting held after this Annual General Meeting) and that the Board be and is hereby authorized to fix such remuneration as may be determined by the Audit Committee in consultation with the Auditors, in addition to reimbursement of all out-of-pocket expenses as may be incurred in connection with the audit of the accounts of the Company.”

### **SPECIAL BUSINESS:**

4. To appoint Shri Kamal Kishore Kalani , (holding DIN 02275473) as an Independent Director and to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Kamal Kishore Kalani , (holding DIN 02275473), has submitted a declaration that he meets the criteria for Independent Director pursuant to section 149(6) of the Act, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years with effect from 26<sup>th</sup> this AGM up to 31<sup>st</sup> AGM.”

5. To appoint Shri Pradeep Kumar Loiwal, (holding DIN 00403719) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Pradeep Kumar Loiwal, (holding DIN 00403719), has submitted a declaration that he meets the criteria for Independent Director pursuant to section 149(6) of the Act, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years with effect from 26<sup>th</sup> AGM 2014 up to the 31<sup>st</sup> AGM.”

**6. To consider & if thought fit, to pass with or without modification the following resolution as an Special Resolution:**

**RESOLVED THAT** pursuant to the provisions of Section 180 (1) ( c ) of the Companies Act, 2013 and other applicable provisions, if any, (including any statutory modification or re-enactment thereof, for the time being in force) consent of the shareholders be and is hereby accorded to the Board of Directors of the company to hypothecate, mortgage, create charge or lien and/or other encumbrances, in such form and manner and with such ranking as the Board of Directors of the company may considered fit, on all or any of the moveable and/or immovable assets/properties of the company and/or whole or substantially the whole of undertaking of the company both present and future, in favour of the any lenders for securing of any sum of money (whether in foreign currency and/or in Indian currency) borrowed or to be borrowed by the Company/Group Companies/ Associate entities upto an aggregate of limit of Rs. 100.00 Crores (Rupees One Hundred Crores Only) together with interest as agreed, additional interest in case of default, accumulated interest, liquidated damages and all other costs, charges and expenses and all other monies payable by the Company in terms of respective loan agreement(s) or any other document entered / to be entered into between the Company and the lenders.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to finalize the terms and conditions and execute such agreements, deeds, documents, instruments and writing, promissory notes, deposit receipts etc, for creating the aforesaid hypothecation, mortgage and/or charge and/or other encumbrances, if any, by the company and to any other amendments thereto from time to time as they may think fit for the aforesaid purpose.

**RESOLVED FURTHER THAT** any one Director of the company be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this Resolution and to execute, sign and file necessary documents/ e-forms with the concerned Registrar of Companies.”

**7. To consider & if thought fit, to pass with or without modification the following resolution as an Special Resolution:**

**RESOLVED THAT** pursuant to the provisions of Section 180 (1)(c) of the Companies Act, 2013 and other applicable provisions, if any, (including any statutory modification or re-enactment thereof, for the time being in force) consent of shareholders of the company be and is hereby accorded to the Board of Directors of the company to borrow, from time to time at the discretion of the Board for the business purpose, any sum or sums of money in any form whether in Indian or foreign currency or by way of debentures/bonds etc., whether secured or unsecured, from any Bank(s)/Financial Institution(s) or other institutions/, firms, Body Corporate(s) or any other person(s), notwithstanding that the money or monies to be borrowed together with the monies already borrowed by the company, (apart from temporary loans obtained/to be obtained from the Company’s bankers in the ordinary course of the business) over and above the aggregate of the paid up share capital and free reserves of the company, provided that, the sum(s) to be borrowed together with already borrowed sum(s), in aggregate, at any time shall not exceed Rs 100.00 Crores (Rupees One Hundred Crores only).

**RESOLVED FURTHER THAT** the Board of Directors of the company be and is hereby empowered and authorised to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, securities or otherwise as they may, in their absolute discretion, think fit.

**RESOLVED FURTHER THAT** any one Director of the Company be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this Resolution and to execute, sign and file necessary documents/ e-forms with the concerned Registrar of Companies.

**8. Issue of Equity Shares on preferential basis to Non – Promoters of the company**

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

**“RESOLVED THAT** pursuant to Section 62 and all other applicable provisions, if any, of the Companies Act, 2013 and Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any statutory modification thereto or re-enactment thereof for the time being in force) and pursuant to the provisions of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“**SEBI Regulations**”) as in force and subject to all other applicable rules, regulations, guidelines, notifications and circulars of the Securities and Exchange Board of India (“**SEBI**”), the applicable provisions of Foreign Exchange Management Act, 1999 (“**FEMA**”), rules, regulations, guidelines, notifications and circulars issued under FEMA and provisions of the Memorandum and Articles of Association of the Company and the Listing Agreements entered into by the Company with Stock Exchange where the shares of the Company are listed and subject to requisite approvals, consents, permissions and/or sanctions of SEBI, the Stock Exchange, Reserve Bank of India

("RBI") and all other authorities as may be required, whether in India or outside India, (hereinafter collectively referred to as "Appropriate Authorities"), and subject to such conditions as may be prescribed by any of them while granting any such approval, consent, permission, and/or sanction (hereinafter referred to as "Requisite Approvals"), which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution), the Board be and is hereby authorized at its absolute discretion to create, offer, issue and allot, upto 14,35,000 Equity shares of Rs. 10/- (Rupees Ten only) each fully paid up, in one or more tranches on preferential basis, to the Investors, who are Non Promoters, for cash at a price which shall not be lower than the price determined in accordance with the provisions of Chapter VII of the SEBI (ICDR) Regulations, the details are of which are as under.

S.No.	Name of the Investors	No of shares to be allotted
1.	Klassik vinyl Products Private Limited	9,95,000
2.	Hem Financial Services Limited	4,40,000
	Total	14,35,000

**RESOLVED FURTHER THAT:**

The relevant date for the purpose of issue of Equity Shares as per Chapter VII of the SEBI (ICDR) Regulations, 2009, as amended upto date, for determination of the applicable price of equity shares is 29<sup>th</sup> October, 2014, i.e. the day 30 days prior to the date of Annual General Meeting to be held, in terms of Section 62 of the Companies Act, 2013, to consider the proposed issue."

- A. The Offer, Issue and Allotment of the aforesaid Equity Shares shall be made at such time or times as the Board may in its absolute discretion decide.
- B. The allotment of Equity Shares is proposed to be completed within a maximum period of 15 days from the date of passing of the resolution at the Annual General Meeting. In case the allotment on preferential basis is pending on account of pendency of any approval for such allotment by any regulatory authority including Stock Exchange where the shares of the Company are listed or the Central Government then the allotment shall be completed within 15 days from the date of receipt of such approval.
- C. The Equity shares to be allotted to the Non-Promoters on a preferential basis as set out in the resolution shall be locked in for a period of one year as per requirements of SEBI (ICDR) Regulations.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to issue and allot such number of shares as may be required or as may be necessary in accordance with the terms of the offer, and all such equity shares shall be ranking *pari passu* and *inter-se* with the existing equity shares of the Company in all respects including dividend.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution and matters flowing from, connected with and incidental to any of the matters mentioned in the aforesaid resolution, the Board be and is hereby authorized on behalf of the Company to take all actions and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient to the issue or allotment, listing thereof with stock exchange(s) and to resolve and settle all questions and difficulties that may arise in the proposed issue, allotment, utilization of the issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board may in its absolute discretion deem fit, without being required to seek any further consent or approval of the shareholders or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

**RESOLVED FURTHER THAT** the Board be authorized to delegate all or any of the powers conferred by this resolution on it, to any Committee or Sub-Committee of Directors or the Chairperson or any other Director(s) or Officer(s) of the Company to give effect to the aforesaid resolution, with the power to such Committee/sub-Committee of the Board to further delegate all or any of its powers/duties to any of its members."

**9. To consider & if thought fit, to pass with or without modification the following resolution as an Special Resolution:**

To adopt new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company;

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

FOR AND ON BEHALF OF THE BOARD

(AMITABH HIRAWAT)  
MANAGING DIRECTOR (DIN 00349697)

**Registered Office :**

2070, Rasta Bara Ganagore,  
Jaipur - 302003 CIN : L17114 RJ1987 PLC004067  
Dated : 3/11/2014

**NOTE :-**

1. A Member entitled to attend and vote at this Annual General Meeting is entitled to appoint a proxy to attend and vote, instead of himself/herself. A proxy need not be a Member of the Company. A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10 (ten) percent of the total share capital of the Company carrying voting rights. A member holding more than 10 (ten) percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person cannot act as a proxy for any other person or shareholder.
2. The instrument of proxy in order (duly completed & signed) to be effective must reach at the Registered Office of the Company not less than 48 hours before the commencement of meeting.
3. Proxies submitted on behalf of the Companies, Societies etc., must be supported by an appropriate resolution/authority authorizing their representative to attend and vote at the Annual General Meeting.
4. A proxy shall not vote except on a poll. A proxy form is appended with the admission slip.
5. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
6. Member seeking any clarification on account of the company are requested to send their query in writing to the company at registered office addressing to Managing Director or through e-mail at [rsyltd@gmail.com](mailto:rsyltd@gmail.com). The query must reach to the company either by mail or e-mail at least seven working days before the date of AGM (excluding the date of AGM).
7. The Register of Members and Share Transfer Books of the Company will remain closed from Monday 24th November, 2014 to Friday 28th November, 2014 (both days inclusive)
8. As a measure of economy, copies of the Annual Report will not be distributed at the Meeting Members are, therefore, requested to bring the copies of Annual Report.
9. Pursuant to Section 72 of the Companies Act, 2013, shareholders holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Transfer Agent. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository.
10. Members are requested to send all their communications pertaining to shares & notify change in their address/mandate/bank details to The Registrar & Share Transfer Agent, M/s. System Suport Services. to facilitate better servicing.
11. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to The Registrar & Share Transfer Agent, M/s. System Suport Services, for their doing the needful.

12. In furtherance of the Green Initiative and Section 101 of the Companies Act, 2013 read with Rule 18(3) (i) of the Companies (Management & Administration) Rules, 2014 and Rule 11 of the Companies (Accounts) Rules, 2014, the Company urges the Members to register their email address with the Company and / or its Registrar and Share Transfer Agent, M/s. System Support Services, for receiving the Annual Report and Accounts, Notices etc. in electronic mode. The Form for such registration is being attached with the Annual Report. In future all the Annual Report and Accounts, Notices and other communications etc. will be sent in electronic mode to the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member requests for a physical copy of the same. Positive consent letter is attached to the Notice being sent to the Members for giving consent to receive documents in electronic mode.
13. In future electronic copy of the Notice of General Meetings of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form will be sent to the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member requests for a physical copy of the same.
14. Members are advised that it is mandatory to furnish copy of PAN Card both side signed as self attested in the following cases:
  - (i) Transferees' PAN Cards for transfer of shares,
  - (ii) Legal heirs' PAN Cards for transmission of shares,
  - (iii) Surviving joint holders' PAN Cards for deletion of name of deceased Shareholder and
  - (iv) Joint holders' PAN Cards for transposition of shares.

Members may also note that the Notice of the Annual General Meeting and the Annual Report 2013-2014 will also be available on the Company's website <http://www.rishabspecial.com> for being downloaded. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days till the date of the meeting. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id : [rsvlttd@gmail.com](mailto:rsvlttd@gmail.com)

15. Messrs Jain Shrima & Co., Chartered Accountants, the Statutory Auditors of the company, have certified that the said preferential issue is in accordance with the requirements contained in SEBI (Issue of Capital and Disclosures Requirements) Regulations, 2009.
16. As required under clause 49 (vi) of the Listing Agreement, brief resume including experience, other Directorship and Committee membership of the person proposed for reappointment as director is given below :

	<b>SHRI KAMAL KISHORE KALANI</b>	<b>SHRI PRADEEP KUMAR LOIWAL</b>	<b>SHRI CHANDRA MOHAN KHANDELWAL</b>
Date of Birth	09.07.1962	12.06.1957	14-11-1956
Date of Appointment	20.07.2011	14.12.2006	11-07-2011
Education	B.Com., F.C.A.	B.E.	B.Com., L.L.B.
Experience	27 Years in Profession	35 Years in Business and Industry	30 Years in Business
Other Directorship	Nil	Thar Akshay Urja Pvt. Ltd.	Shree Shine Glass Stones Pvt. Ltd., Shree Jai Glass Co. Pvt. Ltd.
Committee membership	2	3	Nil
Committee Chairmanship	1	Nil	Nil
Shareholding in RSYL on 31 <sup>st</sup> March, 2014	Nil	Nil	47810

17. Process and manner for members opting for E-voting.

- I. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide Members holding shares either in physical form or in dematerialized form the facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL).
- II. Similarly, members opting to vote physically can do the same by remaining present at the meeting and should exercise the option for e-voting. However, in case Members cast their vote exercising both the options, i.e. physically and e-voting, then votes casted through e-voting shall be only taken into consideration and treated valid whereas votes casted physically at the meeting shall be treated as invalid.

III. The instructions for e-voting are as under:

- (i) The e-voting period begins on the **“Saturday, 22.11.2014” from 9.30 A.M. and ends on the “Monday” 24.11.2014 till 6.00 P.M.** During this period, share, holding shares either in physical form or in dematerialized form, as on **Cut-Off Date (Record Date) of 7th November** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period
- (iii) Click on “Shareholders” tab.
- (iv) Now, select the “Rishab Social Yarns Limited.” from the drop down menu and click on “SUBMIT”
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) 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.
- (viii) If you are a first time user follow the steps given below:

**For Members holding shares in Demat Form and Physical Form**

- |              |                                                                                                                                                                                                                                                                                                                       |
|--------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| PAN          | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)Members who have not updated their PAN with the Company /Depository Participant are requested to use the first three letters of their name and the 7 charaters folio. |
| DOB #        | Enter the Date of Birth as recorded in your demat account maintained with the DP registered with CDSL. Physical shareholders and demat shareholders with NSDL DP will enter date of Birth as <b>01/01/1990</b>                                                                                                        |
| Dividend     | Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said                                                                                                                                                                                                              |
| Bank Details | demat account or folio. Please enter the D.O.B. or Dividend Bank Details in order to login. If the details are not recorded                                                                                                                                                                                           |
| #            | with the depository or company please enter the member id/folio number in the Dividend Bank details field.                                                                                                                                                                                                            |

# Please enter any one of the details in order to login.

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the relevant EVSN for “Rishab Special Yarns Limited.” on which you choose to vote.
- (xiii) On the voting page, you will see “Resolution Description” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Institutional Shareholders
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
  - 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 should be mailed to [helpdesk.evoting@cdsiindia.com](mailto:helpdesk.evoting@cdsiindia.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.
- (xx) 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).
18. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on **Cut-Off Date (Record Date) of Friday, 7th November 2014**.
19. Mr. Pradeep Pincha, A Practicing Company Secretary, FCS No. 5369 and C.P. Membership No. 4426 has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
20. 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 favour or against, if any, forthwith to the Chairman of the Company.
21. The Results shall be declared on or after the Annual General Meeting (AGM) of the Company. This Notice as well as the Results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL within two (2) days of passing of the resolutions at the Annual General Meeting (AGM) of the Company on 28<sup>th</sup> November, 2014 and communicated to the Stock Exchange(s).

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

PURSUANT TO SECTION 102 OF THE COMPANIES Act, 2013 ('The ACT'), the following explanatory statements sets out all material facts relating to the business mentioned under items No. 3 to 9 of the accompanying notice dated 3<sup>rd</sup> November, 2014.

##### **To Resolution No. 3.**

The statutory Auditors, M/s. Jain Shrimal & Company, retiring at this 26<sup>th</sup> AGM have expressed their willingness to be re-appointed as the auditors of the Company.

The Audit Committee has considered the qualifications and experience of the auditors and has recommended their appointment. The Board of Directors has also considered the matter and recommends the passing of the Ordinary Resolution appointing M/s. Jain Shrimals & Co., Chartered Accountants, as statutory auditors of the company to hold office from the conclusion of this 26<sup>th</sup> Annual General Meeting for term of consecutive three years till conclusion of the 29<sup>th</sup> Annual General Meeting (subject to ratification of the appointment by the members at every Annual General Meeting held after this Annual General Meeting)

A written consent has been received from the auditor together with a certificate that the appointment, if made, shall be in accordance with the conditions specified in Rule 4 of the Companies (Audit and Auditors) Rules, 2014.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item No. 3 of the Notice.



**To Resolution No. 4.**

Shri Kamal Kishore Kalani , (holding DIN 02275473) has been Non-Executive Independent Director of the Company and has held the positions as such from 20.07.2011.

As per the provisions of Section 149 of the Act which has come into force with effect from 1st April, 2014, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation.

The Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director and thereafter the matter was placed before the Nomination & Remuneration Committee, which commends & approved his appointment as Independent Director.

In the opinion of the Board, Shri Kamal Kishore Kalani , (holding DIN 02275473) is independent of the management and fulfills the conditions for appointment as Independent Director as specified in the Act, the Listing Agreement and the Rules made there under. Further, it is proposed to appoint Shri Kamal Kishore Kalani , (holding DIN 02275473) as Independent Director under Section 149 of the Act and Clause 49 of the Listing Agreement to hold office for five consecutive years for a term up to 31<sup>st</sup> AGM.

Shri Kamal Kishore Kalani , (holding DIN 02275473) is not disqualified from being appointed as Director in terms of Section 164 of the Act and he has given his consent to act as Director. The Company has also received declarations from Shri Kamal Kishore Kalani , (holding DIN 02275473) that he meets with the criteria of independence as prescribed both under Section 149(6) of the Act and under Clause 49 of the Listing Agreement.

The terms and conditions of appointment of Shri Kamal Kishore Kalani , (holding DIN 02275473), pursuant to the provisions of Schedule IV of the Act, shall be open for inspection at the Registered Office of the Company by any Member during normal business hours on any working day of the Company.

The Company and Shri Kamal Kishore Kalani , (holding DIN 02275473) shall abide by the provisions specified in Schedule IV of the Act, and shall be governed and guided by the guidelines of professional conduct, role and functions, duties, manner of appointment, reappointment, resignation or removal, separate meetings and evaluation mechanism as provided therein.

Shri Kamal Kishore Kalani , (holding DIN 02275473) is interested and concerned in the Resolution mentioned at Item No.4 of the Notice. Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company/ their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out at item No 4.

**To Resolution No. 5.**

Shri Pradeep Kumar Loiwal , (holding DIN 00403719) has been Non-Executive Independent Director of the Company and has held the positions as such from 26.12.2005.

As per the provisions of Section 149 of the Act which has come into force with effect from 1st April, 2014, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation.

The Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director and thereafter the matter was placed before the Nomination & Remuneration Committee, which commends & approved his appointment as Independent Director.

In the opinion of the Board, Shri Pradeep Kumar Loiwal, (holding DIN 00403719) is independent of the management and fulfills the conditions for appointment as Independent Director as specified in the Act, the Listing Agreement and the Rules made there under. Further, it is proposed to appoint Shri Pradeep Kumar Loiwal, (holding DIN 02275473) as Independent Director under Section 149 of the Act and Clause 49 of the Listing Agreement to hold office for five consecutive years for a term up to 31<sup>st</sup> AGM.

Shri Pradeep Kumar Loiwal, (holding DIN 00403719) is not disqualified from being appointed as Director in terms of Section 164 of the Act and he has given his consent to act as Director. The Company has also received declarations from Shri Pradeep Kumar Loiwal, (holding DIN 00403719) that he meets with the criteria of independence as prescribed both under Section 149(6) of the Act and under Clause 49 of the Listing Agreement.

The terms and conditions of appointment of Shri Pradeep Kumar Loiwal, (holding DIN 00403719), pursuant to the provisions of Schedule IV of the Act, shall be open for inspection at the Registered Office of the Company by any Member during normal business hours on any working day of the Company.

The Company and Shri Pradeep Kumar Loiwal, (holding DIN 00403719) shall abide by the provisions specified in Schedule IV of the Act, and shall be governed and guided by the guidelines of professional conduct, role and

functions, duties, manner of appointment, reappointment, resignation or removal, separate meetings and evaluation mechanism as provided therein.

Shri Pradeep Kumar Loiwal, (holding DIN 00403719) is interested and concerned in the Resolution mentioned at Item No.5 of the Notice. Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company/ their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out at item No 5.

**To Resolution No. 6:**

The Chairman informed that in terms of the provisions of section 180 (1) ( c ) of the Companies Act, 2013, to hypothecate, mortgage and/or create charge on all or any of the movable and or immovable properties both present and future of the whole or substantially the whole of undertaking or the undertakings of the company for securing any loan obtained or as may be obtained from any Banks or Financial Institutions or person or person, prior consent of the members of the Company are required in general meeting by way of Special Resolution.

Therefore the Board of Directors recommends the resolution for the approval of the shareholders in General Meeting by way of special resolution.

None of the directors and/or any relatives of the Directors/key managerial personnel may be considered as concerned or interested in this resolution.

**To Resolution No. 7:**

The Board of Directors of the Company envisages requirements of funds in future and as per the provisions of Section 180 (1)(c) of Companies Act, 2013 corresponding to section 293(1)(d) of the Companies Act, 1956, the Board can borrow money together with the monies already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) in aggregate, up to the amount, for the time being, of the paid-up capital and free reserves of the company.

Hence, in view of requirement of fund in future it is proposed to empower and authorize the Board of Directors of the Company to borrow money from any Bank(s), Financial Institutions (FIs,) Bodies Corporate or Business Associates or other any person or entity etc., in excess of paid up capital and free reserves of the Company for the purposes of business activities of the Company.

As per Section 180 (1) (c) of Companies Act 2013 corresponding to section 293(1)(d) of the Companies Act, 1956), approval of the members is sought by way of an special resolution.

Therefore the Board of Directors recommends the resolution for the approval of the shareholders in General Meeting by way of special resolution.

None of the directors and/or any relatives of the Directors/key managerial personnel may be considered as concerned or interested in this resolution.

**To Resolution No. 8**

A. In terms of section 102 of the Companies Act, 2013 and Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("ICDR Regulation") and any other applicable law, the Explanatory Statement set out all the material facts relating to the special business mentioned in the accompanying notice dated 3rd November, 2014.

The Board of Directors in its meeting held on Monday, the 3<sup>rd</sup> day of November, 2014 discussed the future plans of the Company and its existing requirement for funds. In view of the foregoing, the Board considered the best way to raise the funds required to finance the operations of the Company is by way of issuance of shares on the preferential basis. Based on the above discussions, the Board resolved to issue, offer and allot upto 14,35,000 Equity Shares of Rs.10/- each on preferential basis. The pricing of the Equity Shares to be allotted on preferential basis to the Non Promoters shall not be lower than the price determined in accordance with the SEBI (ICDR) Regulations, 2009.

Pursuant to provisions of Section 62 of the Companies Act, 2013, any offer or issue of shares of the Company to persons other than the existing holders of the equity shares of a Company requires prior approval of the Shareholders in general meeting by way of a Special Resolution. The Listing Agreement executed by the Company with the Stock Exchange also provide that the Company shall, in the first instance, offer all securities for subscription on proportionate basis to the Shareholders unless the Shareholders in a general meeting decide otherwise.

B. The details of the issue and other particulars as required in terms of Regulation 73 (1) of SEBI (ICDR) Regulations, 2009 and the following disclosures pursuant to Rule 13 (2) (d) of the Companies (Share capital and Debenture) Rules, 2014 in relation to the resolution for the proposed preferential issue are given as under:

(i) The Objects of the Preferential Issue:

The funds to be raised from the proposed issue of Equity Shares will be utilized for a combination of part funding of the retirement of debts, support growth plans of the Company, long-term working capital and general corporate purposes.

- (ii) The intention of the promoters / directors / key management persons to subscribe to the Preferential Issue: None of the promoters / directors / key managerial person intends to subscribe to the Preferential Issue of Equity Shares.
- (iii) Pricing of Securities to be issued: The issue of Equity Shares on preferential basis to the Non Promoters of the Company will be in such manner and on such price, terms and conditions as may be determined by the Board in accordance with the provisions of Chapter VII of SEBI (ICDR) Regulations, 2009. The Equity Shares allotted pursuant to the above Resolution shall rank *pari-passu* in all respects with the existing Equity Shares of the Company.
- (iv) Relevant Date: The Relevant Date for the purpose of determining the pricing of shares in accordance with Chapter VII of SEBI (ICDR) Regulations, 2009 is Wednesday the 29<sup>th</sup> October, 2014. [i.e. 30 days prior to the date of the Annual General Meeting]
- (v) Particulars of Subscribers to Equity Shares
- (a) The Company proposes to issue Equity Shares by way of preferential issue to the non-promoters as per the details given herein below:

Name of the Proposed Subscribers	Pre Preferential Issue		New Allotment	Post Preferential Issue	
	No. of Shares held	% of Holding	No. of Shares	No. of Shares held	% of Holding
Klassik vinyl Products Private Limited	0	0.00	9,95,000	9,95,000	19.92
Hem Financial Services Limited	0	0.00	4,40,000	4,40,000	8.81
<b>GRAND TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>14,35,000</b>	<b>14,35,000</b>	<b>28.73</b>

**Notes:**

1. The natural persons who are the ultimate beneficial owners of the shares proposed to be allotted to M/s Klassik Vinyl Products Private Limited are Aseem Properties Private Limited, Kalpataru Energy (India) Private Limited, Kalpataru Viniyog Private Limited and MPM Holding Private Limited and the directors of the company are Mr. Shyam N Agarwal, Mr. Sharad V Bhansali and Mr. Suresh K Mehta.
  - (a) The natural persons who are the ultimate beneficial owners of M/s Aseem Properties Private Limited are Mr.Mofatraj P Munot, Mr. Parag M Munot, Ms. Monica P Munot, Ms. Sudha R Golechha and Ms.Sunita V Choraria and the directors of the said company are Mr. Mofatraj P Munot, Mr. Parag M Munot and Mr. Imtiaz I Kanga.
  - (b) The natural persons who are the ultimate beneficial owners of M/s Kalpataru Energy (India) Private Limited are Mr.Mofatraj P Munot, Mr. Parag M Munot, Ms. Monica P Munot, Ms. Sudha R Golechha and Ms.Sunita V Choraria and the directors of the said company are Mr. Mofatraj P Munot, Mr. Parag M Munot, Mr. Sandip Sharma and Mr. Imtiaz I Kanga.
  - (c) The natural persons who are the ultimate beneficial owners of M/s Kalpataru Viniyog Private Limited are Mr.Mofatraj P Munot, Mr. Parag M Munot, Ms. Monica P Munot, Ms. Sudha R Golechha and Ms.Sunita V Choraria and the directors of the said company are Mr. Mofatraj P Munot, Mr. Parag M Munot, Ms. Monica P Munot, Mr. Imtiaz I Kanga and Mr. Pravindra S Kataria.
  - (d) The natural persons who are the ultimate beneficial owners of M/s MPM Holding Private Limited are Mr. Mofatraj P Munot, Mr. Parag M Munot, M/S. Shouri Invt. & Trdg. Co. Pvt Limited and Mrigashish Invt.& Trdg. Co. Pvt. Limited and the directors of the said company are Mr. Mofatraj P Munot and Mr. Parag M Munot.
    - (i) The natural persons who are the ultimate beneficial owners of M/s Shouri Invt. & Trdg. Co. Pvt Limited are Mr. Mofatraj P Munot, Mr. Parag/Monica P Munot, Ms Monica/Parag M. Munot, Mr. Mofatraj P Munot as Trustee for Sudha Trust, Mr. Mofatraj P Munot as Trustee for Sunita Trust, and

Mr. Mofatraj P Munot as Trustee for Sharadchandrika Munot Family Trust, and the directors of the said company are Mr. Mofatraj P Munot, Mr. Parag M Munot, Ms. Monica P Munot and Mr. Imtiaz I Kanga.

- (ii) The natural persons who are the ultimate beneficial owners of M/s Mrigashsish Invt. & Trdg. Co. Pvt. Limited are Mr. Mofatraj P Munot, Mr. Parag/Monica P Munot and Ms Monica/Parag M Munot, Mr. M. P. Munot as Trustee for Sudha Trust, Mr. M. P. Munot as Trustee for Sunita Trust, and Mr. Mofatraj P Munot as Trustee for Sharadchandrika Munot Family Trust, and the directors of the said company are Mr. Mofatraj P Munot, Mr. Parag M Munot and Mr. Imtiaz I Kanga

2. The natural persons who are the ultimate beneficial owners of the shares proposed to be allotted to M/s Hem financial Services Limited are Hemchand Jain, Indu Jain, H. C. Jain HUF, Prateek Jain, Garima Jain, Gaurav Jain and other small shareholders and the directors of the company are Mr. Hemchand Jain, Ms. Indu Jain, Mr. Gaurav Jain and Mr. Prateek Jain.

**(vi) Shareholding Pattern Pre and Post Preferential Issue:**

TABLE Category of Shareholders	A		B	
	Pre Allotment		Post Allotment	
	Total No. of Shares	% of Total Voting Right	Total No. of Shares	% of Total Voting Right
Promoters/Promoter's Group	1574970	44.23	1574970	31.53
Banks, FIs, Insurance Companies, FIIs etc.	0	0.00	0	0.00
Body Corporate	17600	0.49	1452600	29.08
Individual	1966730	55.24	1966730	39.37
NRI	1400	0.04	1400	0.02
<b>Total</b>	<b>3560700</b>	<b>100.00</b>	<b>4995700</b>	<b>100.00</b>

- (vii) **Change in Management:** The issue of Equity shares will not result in any change in the management or control of the Company.
- (viii) **Lock in of Equity Shares :** The Equity shares to be allotted to the Non-Promoters on a preferential basis as set out in the resolution shall be locked in for a period of one year as per requirements of SEBI (ICDR) Regulations.
- (ix) **Proposed time within which the allotment shall be completed :** As required under the SEBI (ICDR) Regulations, 2009, the Company shall complete the allotment(s) of Equity shares as aforesaid on or before the expiry of 15 days from the date of passing of this resolution by the shareholders granting consent for preferential issue or in the event allotment of Equity shares would require any approval(s) from any regulatory authority or the Central Government, within 15 (fifteen) days from the date of such approval(s), as the case may be.
- (x) **The Company hereby undertakes that:**
- (a) It would re-compute the price of the Securities specified above in terms of the provisions of the SEBI (ICDR) Regulations, 2009 where it is required to do so.
- (b) If the amount payable on account of re-computation of price is not paid within the time stipulated in the SEBI (ICDR) Regulations, 2009, the above specified securities shall continue to be locked in till the time such amount is paid by allottees.

**(xi) Others:**

The certificate of the Statutory Auditors to the effect that the present preferential issue is being made in accordance with the requirements contained in Chapter VII of the SEBI (ICDR) Regulations, 2009 shall be open for inspection at the Registered Office of the Company on all working days except Saturday, Sundays and Public holidays between 11.00 a.m. to 1.00 p.m. till the date of Annual General Meeting.

As it is proposed to issue Equity shares on preferential basis, special resolution is required to be approved by members pursuant to the provisions of Section 62 of the Companies Act, 2013 and Chapter VII of the SEBI (ICDR) Regulations, 2009 and other applicable provisions (if any).

Your directors recommend the Special Resolution as set out in the notice for your approval.

None of the Directors and Managers of the Company and Key Managerial Personnel and their relatives is concerned in any way or interested in the resolution except for their shareholding in the Company.

**To Resolution No. 9.**

The existing AoA are based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the Act. The Act is now largely in force. With the coming into force of the Act several regulations of the existing AoA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing AoA by a new set of Articles. The new AoA to be substituted in place of the existing AoA are based on Table 'F' of the Act which sets out the model articles of association for a company limited by shares. Shareholder's attention is invited to certain salient provisions in the new draft AoA of the Company viz:

1. Company's lien now extends also to bonuses declared from time to time in respect of shares over which lien exists;
2. the nominee(s) of a deceased sole member are recognized as having title to the deceased's interest in the shares;
3. new provisions regarding application of funds from reserve accounts when amounts in reserve accounts are to be capitalized;
4. new provisions relating to appointment of chief executive officer and chief financial officer, in addition to manager and company secretary;
5. existing articles have been streamlined and aligned with the Act;
6. the statutory provisions of the Act which permit a company to do some acts "if so authorized by its articles" or provisions which require a company to do acts in a prescribed manner "unless the articles otherwise provide" have been specifically included; and
7. provisions of the existing AoA which are already part of statute in the Act have not been reproduced in the new draft AoA as they would only lead to duplication - their non-inclusion makes the new AoA crisp, concise and clear and aids ease of reading and understanding.

The proposed new draft AoA is being uploaded on the Company's website for perusal by the shareholders. The Board commends the Special Resolution set out at Item No.6 of the Notice for approval by the shareholders.

None of the Directors / Key Managerial Personnel of the Company / their relatives are in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 6 of the Notice.

**By Order of the Board**

**Registered Office :**

2070, Rasta Bara Ganagore,

Jaipur - 302003 CIN : L17114RJ 1987PLC 004067 Web Site [www.rishabspecial.com](http://www.rishabspecial.com)

Dated : 03/11/2014 Tel. & Fax No. 0141-2573213



**(AMITABH HIRAWAT)**  
**MANAGING DIRECTOR**

**(DIN 00349697)**

## DIRECTORS' REPORT

TO

The Members of

RISHAB SPECIAL YARNS LIMITED

JAIPUR

The Board of Directors here with presents the Twenty Sixth Annual Report together with Audited Statement of Accounts of the Company for the year ended on 31st March, 2014.

### FINANCIAL RESULTS

	Amount in rupees	
	2014	2013
Net Sales/ Income From Operations	-	-
Other Income	220732	594931
Profit/(Loss) before depreciation, finance cost, exceptional items & taxes.	(210826)	(102503)
Less: Finance Cost	2811	1192
Profit/(Loss) before depreciation, exceptional items & taxes.	(208015)	(103695)
Less : Depreciation	-	-
Profit/(Loss) before exceptional items & taxes	(208015)	(103695)
Exceptional items : Profit on sale of land & building	-	4559379
Profit/(Loss) before tax	(208015)	4455684
Provision for Taxation	-	-
Profit/ (Loss) after tax	(208015)	4455684
Balance Brought forward from the last year	(106052127)	(110507811)
Balance Carried to Balance Sheet	(106260142)	(106052127)

**PERFORMANCE** : Due to financial constraints, manufacturing activities stand discontinued. During the year under review company has incurred a loss of Rs. 2.08 lakhs from non operating expenses, the company has now been able to pay off all its secured lenders and can now look forward to a new beginning. The management is examining various options to gainfully utilize factory assets at Abu Road.

**FUTURE PROSPECTS** : The company is continuously examining the possibility of starting some business to utilize the existing assets gainfully. The proposed activities shall be finalized and implemented based on final view of board and availability of funds. Also, company is considering reviving of the activity of texturing of polyester yarn (part of existing business) in view of changes in indirect tax structure. As soon as the management is able to finalize any business plans, it shall keep the valued shareholders informed through available mode of communications.

**CORPORATE GOVERNANCE** : The company has complied with all the mandatory requirements of the Corporate Governance specified under clause 49 of the listing agreement. As required by the said clause a separate report on corporate governance forms part of the Annual Report as Annexure - I. A report from the Statutory Auditors of the Company regarding compliance of conditions of corporate governance is part of this report as Annexure - II.

**MANAGEMENT DISCUSSION & ANALYSIS** : This has been included as a separate Annexure - III to this Report.

**DIVIDEND** : In view of the current year operational loss and carried forward losses, your directors are unable to declare any dividend.

**FIXED DEPOSITS** : The company has not accepted any fixed deposit during the year from the public.

**DEPOSITORY SYSTEM** : The company's shares can now be traded in electronic form. The company has entered into an agreement with CDSL to act as depository and for dematerialization of shares. CDSL has issued ISIN INE351DO1013 and activated the same as on 25<sup>th</sup> August, 2014. The shareholders are requested to convert their physical holding to dematerialization.

**DIRECTORS :** Shri Chandra Mohan Khandelwal (holding DIN. 00420235) Directors of the Company retire by rotation pursuant to Section 152 of the Companies Act, 2013 being eligible offers himself for re-appointment and. Shri Kamal Kishore Kalani (holding DIN. 02275473) and Shri Pradeep Kumar Loiwal (holding DIN 00403719) being eligible offer themselves for reappointment.

**AUDITORS :** M/s Jain Shrimal & Co. Chartered Accountants, Jaipur retire at the ensuing Annual General Meeting and being eligible for re-appointment have given their consent for re-appointment. Your Directors recommend their appointment.

**ENVIRONMENT :** M/s. Rishab Special Yarns Ltd. is committed to minimize the environmental impact of its operations on its products by adopting sustainable practices and continuous improvements in environmental performance.

#### **DIRECTORS RESPONSIBILITY STATEMENT**

**In compliance of section 217 (2AA) of the Companies Act, 1956, your directors confirm that :**

1. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
2. The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent as to give a true and fair view of the state of the affairs of the company at the end of financial year and of the loss of the company for that period.
3. The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. The directors had prepared the annual accounts based on their decision to stop operation at its Abu Road plant.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO :** Information in accordance with Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in Report of Board of Directors) Rules, 1988 are set out in Annexure-IV forming part of the Report.

**EMPLOYEES :** None of the employees of the company is in receipt of remuneration of Rs. 60,00,000/- or more per annum, if employed for whole of the year or of Rs. 5,00,000/- or more per month, if employed for part of the year.

**ACKNOWLEDGEMENT :** The Board gratefully acknowledges the co-operation and support given by the Shareholders, Banks, Financial Institutions and others.

**For & on behalf of the Board of Directors**



(Amitabh Hirawat)

**Managing Director and Chairman  
(DIN 00349697)**

Jaipur

Date : 03/11/2014

## ANNEXURE - I

**CORPORATE GOVERNANCE REPORT :** Corporate Governance Report as required by clause 49 of Listing Agreement..

**Company's Philosophy on Corporate Governance :** Company's philosophy in relation to Corporate Governance is to ensure transparency in all its operations, make disclosures and comply with various laws and regulations. Emphasis therefore is on adding value to its shareholders, investors, employees, suppliers, customers and the community at large.

**Declaration for Compliance with Code of Conduct :** Pursuant to clause 49 1 (D) of the Listing Agreement with the Stock Exchanges, it is hereby declared that all Board Members and senior Management team of the Company have affirmed compliance with the company's code of conduct for the financial year ended 31st March, 2014.

**CEO Certification :** In terms of clause 49 of the Listing Agreement, the Certification by the Managing Director on the financial statements and internal control relating to financial reporting has been obtained and is part of this report as Annexure - (V).

**Board of Directors :** The Board of Directors consists of 4 directors [One Managing Director and Three Non Executive Directors out of which two are independent Directors]. During the year Board Meetings were held on 30<sup>th</sup> May 2013, 14<sup>th</sup> August 2013, 02<sup>nd</sup> September 2013, 14<sup>th</sup> November 2013, 13<sup>th</sup> February 2014. The Board was presented with the relevant and necessary information at its meetings. The attendance of each Director at the Board Meeting during the year and at the last Annual General Meeting and Extra Ordinary General Meeting and also the other Companies and Committees where he is a director/member is tabulated below:

Committee Member/Chairmanship Name of Directors	Category	Attendance Particulars			No of other Directorship and	
		Board Meeting	Last AGM/ EOGM	Other Directorship	Committee Membership	Committee Chairmanship
Sh. Amitabh Hirawat	Managing Director & Promoter	5	Yes	3	1	
Sh. Chandra Mohan Khandelwal	Non Executive Director & Promter	5	Yes	1	2	1
Sh. Pradeep Loiwal	Non Executive Independent Director	5	Yes	1	3	
Sh. Kamal Kishore Kalani	Non Executive	5	Yes		1	1

**Audit Committee :** The audit committee functions in accordance with the terms of reference set out under Clause 49 of the Listing Agreement and provisions of section 292 A of Companies Act, 1956. Apart from considering un-audited and/or audited financial results for the relevant quarter, half year and the year for adoption/approval by the board. The committee focuses its attention on key areas impacting the overall performance of the company, financial reporting system, internal control and procedure and ensuing compliance with regulatory guidelines. The composition of the audit committee and details of meeting attended by members thereof are as follows:

Name of Directors	Category of Directorship & Designation	Qualifications	No. of Meeting Attended
Sh. Chandra Mohan Khandelwal	Non Executive Member of the Committee	B.Com., LLB.	4
Sh. Pradeep kumar Loiwal	Independent, Non executive member of the committee	B.E.	4
Sh. Kamal Kishore Kalani	Independent, Non executive Chairman of the committee	B.Com., F.C.A.	4

During the year under review, the audit committee met 4 times on 30.05.2013, 14.08.2013, 14.11.2013 and 13.02.2014. Its meetings were also attended by the Managing Director and the Statutory Auditors.

The Chairman of the audit committee along with other members attended the last Annual General Meeting of the company held on 28<sup>th</sup> September, 2013.

**Nomination/Remuneration Committee :** The company had constituted a remuneration committee consisting of Shri Chandra Mohan Khandelwal, Shri Kamal Kishore Kalani and Shri Pradeep Kumar Loiwal as members of the Committee.



The Company does not pay any remuneration to the Non-Executive Directors of the Company. The Company has not issued stock options to any of its Director. The Company has not paid any remuneration to the Managing Director of the company.

**Share holding of the Directors in the company as on 31st March, 2014**

Name of Directors	No. of Equity Shares Held
Shri Amitabh Hirawat	324800
Shri Chandra Mohan Khandelwal	47810
Shri Pradeep Loiwal	Nil
Shri Kamal Kishore Kalani	Nil

**Stake Holders/Investors Relationship Committee :** The stake holders/investors relationship committee comprised of Shri Chandra Mohan Khandelwal as Chairman of the committee and other members viz. Shri Pradeep Loiwal and Shri Amitabh Hirawat (Managing Director of the Company). The committee's objective is to attend to investor's complaints pertaining to transfer/transmission of shares, non receipt of dividend, share certificates and other related matters.

Besides seeking general information pertaining to status of Company, listing of shares of the Company, Price of the Shares quoted at Stock Exchanges, reasons of non trading of Company's Shares, position of dematerialisation of company shares, No other complaints were received. The information asked were provided to the satisfaction of the shareholders and no complaint was pending as on 31.03.2014.

During the year 8 meetings of share transfer committee/investor's grievance committee were held on 20.05.2013, 26.04.2013, 25.07.2013, 06.08.2013, 31.08.2013, 14.11.2013, 28.12.2013 and 11.03.2014 and 1300 shares of 13 share holders were transferred and one duplicate share certificate was issued.

**Compliance Officer : Amitabh Hirawat - Managing Director (DIN 00349697)**

**General Body Meetings :-** Details of the last three Annual General Meetings are as under :

AGM/EOGM	Date	Time	Venue	No. of Special Resolution passed
23rd AGM	11.07.2011	12 Noon	2070, Rasta Bara Gangore, Jaipur-302003	1 No.
24th AGM	28.09.2012	12 Noon	2070, Rasta Bara Gangore, Jaipur-302003	2 Nos.
25th AGM	28.09.2013	2 Noon	2070, Rasta Bara Gangore, Jaipur-302003	-

**Disclosures :** Transactions with related parties are disclosed in note no. '2' at point 08 on "Related Party Disclosures" annexed to the financial statements for the year. Adequate care was taken to ensure that the potential conflict of interest did not harm the interests of the company at large.

There were no instances of material non-compliance and no major strictures or penalties imposed on the company either by SEBI, Stock Exchange or any statutory authorities on any matter related to capital markets during the last three years. An amount of Rs. 1,00,562/- was paid to DSE out of which Rs. 84270/- including service tax was towards listing fees, Rs. 8427/- including service tax towards reinstatement fees and Rs. 7865/- including service tax was towards processing fees of reinstatement and capital confirmation certificate, and Rs. 102358/- was paid to Jaipur Stock Exchange towards settlement of outstanding listing fees upto the year 2013-14 after waiver of Rs. 25,200/- i.e. 20% on total outstanding listing fees as one time settlement of outstanding dues, during the last year.

**WHISTLE BLOWER POLICY :** Rishab Special Yarns Limited (RSYL) has formulated a Whistle Blower Policy. In terms of this policy, employees of RSYL are free to raise issues, if any, on breach of any law, statute or regulations by the company and report them to the Audit Committee through specified channels. This mechanism has been communicated to all employees.

All the mandatory requirements of Corporate Governance have been complied with and company is also in process of adoption of non mandatory requirements.

**Means of Communication:** During the year quarterly, half yearly and yearly financial results of the company were submitted to the stock exchanges soon after the Board Meeting approved these and were also published in two newspapers-Money Makers (English) & Dainik Mahalaxmi Bhagyodaya (Hindi) and uploaded on the company's website at [www.rishabspecial.com](http://www.rishabspecial.com).

The Management's Discussion and Analysis of Operating Results and Financial Condition based on financial statements for the year forms part of the Annual Report for the year.

**General Shareholders' Information:****26<sup>th</sup> Annual General Meeting**

Date & Time	:	28 <sup>th</sup> November, 2014 at 12 : 00 Noon
Venue	:	2070, Rasta Bara Gangore, Jaipur-302 003
<b>Financial Calendar for the year 2014 - 2015</b>		
Financial Year	:	1st April 2014 to 31st March, 2015
First Quarter Results	:	14 <sup>th</sup> August, 2014
Second Quarter Results	:	Second Week of November, 2014
Third Quarter Results	:	Second Week of February, 2015
Yearly results (Audited)	:	Last Week of May, 2015
Date of Book Closure	:	24 <sup>th</sup> November to 28 <sup>th</sup> November, 2014 (Both days inclusive)

**Due to operational loss during the year, no dividend is proposed.**

**List of Stock Exchanges:**

The Bombay Stock Exchange Ltd., Mumbai

The Delhi Stock Exchange Ltd., New Delhi

Jaipur Stock Exchange Limited, Jaipur

The company had paid Annual Listing fees of the Bombay Stock Exchange, Mumbai upto 2014-15, Jaipur Stock Exchange Ltd and Delhi Stock Exchange Ltd. up to 2013-14.

Scrip ID is : RISHYRN and Scrip Code is : 514177, CDSL has allotted ISIN : INE 351D01013

**Market Price Data :** The Company's 200 shares were traded at Bombay Stock Exchange as on 24.11.2011 at an weighted average rate of Rs. 10.07 per share. There was no other trading of Company's shares during the year. No trading was done in other Stock Exchanges during the year. Performance in comparison to other index is not possible because no major trading has been done during the year.

**Registrar and Transfer Agents :** Presently there is in house Share Transfer System at the Registered office 2070, Rasta Bara Gangore, Jaipur-302 003. The company has appointed System Support Services 209, Shivai industrial Estate, Near Logitech Park, 89, Andheri Kuria Road, Saki Naka, Andheri (E), Mumbai, as Share Transfer Agents and has applied to CDSL for enabling dematerialisation of its shares. The CDSL has informed vide it's letter no. CDSL/SAVC/VJ/EQ/11319 dated August 25, 2014 that ISIN(s) for the Company allotted is INE351D01013 activated from 25 August 2014 and the Company's investors can now avail the depository services with any of the Depository Participants registered with CDSL which are spread over the length and breadth of our country. Now investors are advised to send their shares for dematerialization through any of the Depository which is registered with the CDSL.

**Share Transfer System:** Share transfers are generally completed within fifteen days of receiving the valid share transfer document.

**Shareholders of Rishab Special Yarns Limited with more than one percent holding at 31st March, 2014 are as under :**

<b>Name of Shareholders</b>	<b>No. of Shares</b>	<b>% of Total no. of Shares</b>
Amitabh Hirawat	324800	9.12
Nathmall Hirawat	305360	8.58
Chnadra Mohna Khandelwal	47810	1.34
Amitbah Hirawat (Karta)	48000	1.35
Shashank Hirawat	46900	1.32
Arti Hirawat	39000	1.10
Aditi Hirawat	40000	1.12
Ashwin Hirawat	41100	1.15
Shakti Vijay Steel Transforms Pvt. Ltd.	239300	6.72
Trepechy Textile Ltd.	320200	8.99
Trepechy Trading Pvt. Ltd.	90000	2.53

**Distribution of Shareholding as at 31st March, 2014**

Shareholding		Shareholders		Shares Held	
From	To	Number	% of Total	No. of Shares	% of Total
1	500	13546	98.145	1633020	45.862
501	5,000	234	1.696	295710	8.305
5001	10,000	7	0.051	53600	1.506
10,001	& above	13	0.094	1570670	44.111
	Total	13800	100.00	3560700	100.00

**Disclosure with respect to shares lying in suspense account:-**

Particular	Shareholders	Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	Nil	Nil
Number of shareholders who approached Company Rishab Special Yarns Limited for Rishab Special Yarns Limited for transfer of shares from suspense account during the year	Nil	Nil
Number of shareholders to whom shares were transferred from suspense account during the year		
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year		

**Shareholding Pattern as on 31<sup>st</sup> March, 2014:-**

Category	No of share holders		Voting Strength %		No. of Ordinary Shares	
	31.03.14	31.03.13	31.03.14	31.03.13	31.03.14	31.03.13
<b>A. Share holding of Promoters and Promoters group I. Indian</b>						
(a) Individuals/HUF	12	12	25.92	25.92	922970	922970
(b) Bodies corporate	4	4	18.31	18.31	652000	652000
2. Foreign Promoters	nil	nil	nil	nil	nil	Nil
3. Person Acting in concert	nil	nil	nil	Nil	Nil	Nil
<b>Total A</b>	<b>16</b>	<b>16</b>	<b>44.23</b>	<b>44.23</b>	<b>1574970</b>	<b>1574970</b>
<b>B. Public Share holding</b>						
1. Non-resident Indians	3	3	0.04	0.04	1400	1400
2. Bodies Corporate	22	22	0.48	0.44	17100	17100
3. Individual share holders						
(a) holding nominal share capital upto Rs. 1 Lakh	13758	13756	54.82	54.82	1952030	1952030
(b) holding nominal share capital in excess of Rs. 1 lakh	1	1	0.43	0.43	15200	15200
<b>Total B</b>	<b>13784</b>	<b>13782</b>	<b>55.77</b>	<b>55.77</b>	<b>1985730</b>	<b>1985730</b>
<b>Total A + B</b>	<b>13800</b>	<b>13798</b>	<b>100.00</b>	<b>100.00</b>	<b>3560700</b>	<b>3560700</b>

**Physical / Eletronic share holding pattern :** Your company's 100% shares are in physical form and can now be dematerialize with CDSL. The CDSL has informed vide it's letter no. CDSL/SAVC/VJ/EQ/11319 dated August 25, 2014 that ISIN(s) for the Company allotted is INE351D01013 activated from 25 August 2014 and the Company's investors can now avail the depository services with any of the Depository Participants registered with CDSL which are spread over the length and breadth of our country. Now investors are advised to send their shares for dematerialization through there any of the Depository who is registered with the CDSL.

**Note: Promoters have not Pledged any of their shareholding.**

**Plant Location :**

E-38 & 39, Ambaji Industrial Area, Abu Road

The company had stopped production of Synthetic Yarn at all Units during 2004-05 and is in process of evaluating reviving the business.

**Address for Correspondence :**

Rishab Special Yarns Limited

2070, Rasta Bara Gangore, Jaipur-302003

CIN : L17114 RJ1987 PLC 004067



# Jain Shrimal & Co.

Chartered Accountants

62, Gangwal Park, M. D. Road, Jaipur-302004  
Phone: 0141-2613966 Website: www.jainshrimal.com

**Annexure –II :**

## **AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

**To the shareholders of Rishab Special Yarns Limited**

We have examined the compliance of conditions of Corporate Governance by Rishab Special Yarns Limited for the year ended on 31st March, 2014 as stipulated in Clause 49 of the Listing Agreement of the Company with Stock Exchanges in India.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of corporate Governance as stipulated in the above mentioned listing agreements, which were required to be complied with up to 31st March, 2014.

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

**FOR JAIN SHRIMAL & CO.**

**Chartered Accountants**

**FRN 001704C**

  
**(S. K. Jain)**

**PARTNER**

**(M.No. 010145)**



**PLACE: JAIPUR**

**DATED: 03/11/2014**

# **RISHAB SPECIAL YARNS LTD**

**REGD.OFFICE:2070 RASTA BARA GANGORE, JAIPUR-302003**  
**Email:rsyltd@gmail.com, Phone no-0141-2575213, CIN : L17114RJ1987PLC004067**  
**Visit us at [www.rishabspecial.com](http://www.rishabspecial.com)**

## **DECLARATION FOR COMPLIANCE WITH CODE OF CONDUCT**

**To the members of RISHAB SPECIAL YARNS LIMITED**

Pursuant to clause 49 I(D) of the Listing Agreement with the Stock Exchanges, I hereby declare that all Board Members and senior management personnel of the Company have affirmed compliance with the Company's Code of Conduct as applicable to them.

**PLACE: JAIPUR**  
**DATED: 03/11/2014**

**Amitabh Hirawat**

  
Managing Director  
(DIN 003496697)

### Annexure -III :

#### REPORT ON MANAGEMENT DISCUSSION AND ANALYSIS

The Company is today in a transformation stage where it needs to determine its future course of action. Historically the company was involved in manufacturing and processing of Polyester Filament Yarn. It was forced to stop operations due to financial losses arising from a number of factors including locational disadvantage.

**Industry Structure and Development :-** The industry segment in which your company was operating is primarily located in Silvaasa and Daman, Union Territories, enjoying exceptional Tax Incentives and low Power Tariff. It is difficult to overcome the inherent locational disadvantage in absence of other factors, strong enough to counter the same. Of late some yarn consuming centers have grown significantly and could be considered as possible locations due to logistical advantage.

#### **Opportunity and Threat :-**

**Opportunity:** The company sees a possible opportunity of entering new businesses and is examining various business opportunities like , Granite cutting and polishing, PET Bottle recycling, polypropylene recycling and manufacturing of other plastics or synthetic products to utilize the existing land and building at Abu Road, gainfully. Recently the Commercial Taxes changes have been made by Government of Rajasthan in its budget presented in July 2014. The changes have now made consumption of PTY manufactured in state competitive vis-à-vis yarn procured from outside of state. The same has opened a window for reviving the business activity of texturing of polyester yarn (part of existing business) at either at the existing location or a new location identified by the management which has become a major center for consumption of textured yarn and where demand is being presently met from supplies coming from Silvaasa is still under consideration but is being deferred till GST regime become applicable.

**Threat:** Apart from slow down in overall economy of the world in general and of India in particular entering new business at this stage is risky and in absence of definitive introduction of GST regime, the viability of yarn manufacturing business shall depend on the Companies capacity to procure raw material at competitive cost..

**Segment-wise or product wise performance:-** Due to suspension of operations there is nothing to report on segment-wise performance.

**Outlook:-** The outlook of the company shall depend on it's ability to raise finances for its future planning. We are hopeful of starting a profitable activity and gainfully utilize available assets of the company during the period ahead..

**Risk and concerns:-** The risk shall be duly evaluated before finalizing business activity.

**Internal Control systems and their adequacy:-** The company has adequate control systems commensurate with its size of business activity.

**Discussion on financial performance with respect to operational performance:** The company has now been able to pay off its secured lenders. The company having discontinued its earlier operations now look forward to utilize its assets gainfully and is examining various options to do so.

**Material Development in Human Resources/Industrial front:-** Company continues to have good record of industrial relation.

### ANNEXURE - IV :

STATEMENT PURSUANT TO SECTION 217 (1) (E) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) Rules, 1988.

#### **A. CONSERVATION OF ENERGY :**

As all manufacturing operations of company remain suspended, the power consumption pertains to general lighting and office requirement only.

#### **B. TECHNOLOGY ABSORPTIONS:**

Due to discontinuation of manufacturing activity, no change in technology was adopted.

#### **C. FOREIGN EXCHANGE EARNING AND OUTGO :**

Particular	( Rupees)	
	2014	2013
Earning	Nil	Nil
Outgo		
Expenditure in Foreign Currency	Nil	Nil

Annexure - V

## RISHAB SPECIAL YARNS LTD

REGD.OFFICE:2070 RASTA BARA GANGORE, JAIPUR-302003  
Email:rsyltd@gmail.com, Phone no-0141-2575213, CIN : L17114RJ1987PLC004067  
Visit us at [www.rishabspecial.com](http://www.rishabspecial.com)

### CHIEF EXECUTIVE OFFICER (CEO) CERTIFICATION

I, the undersigned, in my capacity as Chief Executive Officer of Rishab Special Yarns Limited ("the company") to the best of my knowledge and belief certify that :

- (a) I have reviewed the financial statements and cash flow statement for the year ended 31-03-2014 and based on my knowledge and belief, it is stated that:
- (i) These Statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading.
  - (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) It is further stated that to the best of my knowledge and belief, there are no transactions entered in to by the company during the year, which are fraudulent. I hereby declare that all the members of the Board of Directors and Management Committee have confirmed compliance with the code of conduct as adopted by the company.
- (c) I am responsible for establishing and managing internal controls and evaluating the effectiveness of the same over the final reporting of the company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) I have indicated, wherever applicable, to the Auditors and Audit Committee:
- (i) Significant changes, if any, in the internal control over financial reporting during the year;
  - (ii) Significant changes, if any, in the accounting policies made during the year and ;
  - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the company's internal system over financial reporting.

PLACE : JAIPUR  
DATE : 03/11/2014

AMITABH HIRAWAT



MANAGING DIRECTOR (C.E.O.)  
(DIN 00349697)

Note: Company presently has no C.F.O.



**Jain Shrimal & Co.**  
**Chartered Accountants**  
62, Gangwal Park, M. D. Road, Jaipur-302004  
Phone: 0141-2613966

**INDEPENDENT AUDITOR'S REPORT**

**The Members**  
**Rishab Special Yarns Limited**  
**Jaipur**

**Report on the Financial Statements**

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

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

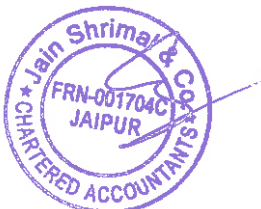
Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956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

**Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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





## Opinion

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

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

## Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

As required by section 227(3) of the Act, we report that:

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



Place: Jaipur  
Dated: 30.05.2014

For Jain Shrimal & Co.  
Chartered Accountants  
(FRN. 001704C)

(S.K.Jain)

Partner

M. No. 10145

**RE: RISHAB SPECIAL YARNS LIMITED, JAIPUR**

**ANNEXURE TO THE AUDITORS' REPORT**

Statement on the Matters Specified in paragraph 4 & 5 of Companies (Auditors Report) order 2003 as referred to in our Report of even date under the heading "Report on Other Legal & Regulatory requirements:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of the Tangible Assets.  
  
(b) As explained to us, the Tangible Assets have been physically verified by the management during the year at regular intervals, which in our opinion is reasonable having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.  
  
(c) *The company has decided to discontinue the manufacturing operations due to non viability and has disposed off its entire Tangible Assets except major part of Land & Building and some Furniture. Accordingly, the going concern status of the company has affected.*
2. The Company did not have any inventory during whole of the year under audit.
3. (a) The company has not granted unsecured loans during the year to the persons specified under section 301 of The Companies Act 1956.  
  
(d) The company has taken interest-free unsecured loans, repayable on demand, from three parties covered in the register maintained under section 301 of the Companies Act, 2013. The maximum amount involved during the year was Rs. 1, 96, 80,000/- and the year-end balance of loans taken from such parties was Rs. 1, 76, 27,951 /-. As the loans are interest free and repayable on demand, sub clause (f) and (g) are not applicable.
4. In our opinion and according to the information and explanations give to us, there are adequate internal control procedures commensurate with the size of the company and nature of its business with regard to purchase and also for the sale of goods and services. During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal controls.
5. As explained to us, there has not been any transaction required to be entered in the register maintained under section 301 of the Companies Act, 1956 aggregating during the year to Rs. 5,00,000/- or more in respect of each such party.
6. In our opinion and according to the information and explanations given to us, the company has not accepted deposits from the public. Hence the provisions of Section 58A and 58AA or any other relevant provisions of the Companies Act, 2013 and the Rules framed there under are not applicable.
7. As explained to us, in view of no business activities being carried on by the company, no internal audit was carried out.
8. As explained to us, there was no manufacturing activity during the year, as such the clause regarding maintenance of cost records U/s 209(1)(d) of the Companies Act, 1956 is not applicable.
9. a. The company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other statutory dues with appropriate authorities, wherever applicable to it.  
  
b. According to the information and explanations given to us, as at 31<sup>st</sup> March, 2014, except a sum of Rs. 14623/- in respect of Sales Tax, no undisputed amounts payable in respect of income tax, wealth tax, service tax, sales tax, custom duty, excise duty and cess were in arrears for a period exceeding six months from the date they become payable.



- c. As per records of the company and in accordance with the information and explanations given to us, there are no dues of income tax, custom duty, wealth tax, which have not been deposited on account of any dispute. However, in the case of excise duty and cess the particulars on account of dispute are reported herein below:

Name of Statute	Nature of Dues	Period to which the amount relates	Amount (Rupees in Lakh)	Forum
Excise & Customs	Excise Duty (NCCD)	2002-2003	83.36	The Commissioner – (Appeals), Customs, Excise & Service Tax
Textile Committee	Textile Committee Cess	1989-1997	8.27	Rajasthan High Court

10. The accumulated losses of the company at the end of the financial year are more than 50% of its net worth and though the company has not incurred cash losses during the year immediately preceding financial year, it has incurred cash losses during the year under report.
11. During the year the company has not availed any loan from financial institutions. There are no dues of Financial Institutions, Banks & Debenture Holders.
12. The company has not granted any loans and/or advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the company is not a chit fund or a nidhi/mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
14. During the year, the company has not done any dealing / trading in shares, debentures and other securities.
15. According to the information and explanations given to us, the company has not given guarantees for loans taken by others from banks or financial institutions.
16. During the year the company has not taken any term loan.
17. According to the information and explanations given to us and an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investments.
18. During the year, the company has not made any preferential allotment of shares to the parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. The company has not issued any debentures.
20. During the year, the company has not raised any money by public issue.
21. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.



Place: Jaipur  
Dated : 30.05.2014

For Jain Shrimal & CO.  
Chartered Accountants  
(FRN.001704C)

*S.K. Jain*  
[S.K. Jain]  
Partner

(M. No. 010145)

**RISHAB SPECIAL YARNS LIMITED, JAIPUR**  
**BALANCE SHEET AS AT 31ST MARCH 2014**

( Amount in Rs.)

Particulars	Note No.	As at 31st March,2014	As at 31st March,2013
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share capital	3	35,716,000	35,716,000
Reserves and surplus	4	(49,857,507)	(49,649,492)
<b>Non-Current Liabilities</b>			
Long Term Borrowings	5	16,585,360	16,585,360
Long Term Provisions	6	427,681	427,681
<b>Current Liabilities</b>			
Short-term borrowings	7	1,447,951	3,500,000
Trade Payables	8	923,995	1,125,758
Other current liabilities	9	463,378	1,099,732
		<b>5,706,858</b>	<b>8,805,039</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Tangible Assets	10	2,598,783	2,598,783
<b>Long-Term Loans &amp; Advances</b>	11	25,500	25,500
<b>Current Assets</b>			
Short Term Loans & Advances	12	1,136,154	2,500,000
Cash and cash equivalents	13	36,282	1,784,854
Other Current Assets	14	1,910,139	1,895,902
		<b>5,706,858</b>	<b>8,805,039</b>
<b>SIGNIFICANT ACCOUNTING POLICIES &amp; NOTES ON ACCOUNTS</b>	1 & 2		

In terms of our report of even date

For Jain Shrimal & Co.

Chartered Accountants

(FRN 001704C)



( S. K. Jain )

Partner

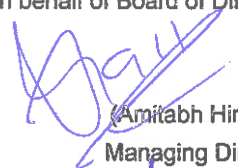
M.No. 10145

Place :Jaipur

Dated:30.05.2014



For and on behalf of Board of Directors



(Amitabh Hirawat)

Managing Director



(Chandra Mohan Khandelwal)

Director


**RISHAB SPECIAL YARNS LIMITED JAIPUR**

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

( Amount in Rs.)

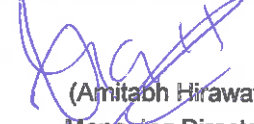

Particulars	Note No.	For the year	
		2013-14	2012-13
<b>REVENUE</b>			
Total		-	-
<b>EXPENSES</b>			
Total		-	-
Profit (Loss) before Exceptional items & Tax		-	-
Exceptional Items ( Profit On Sale of Fixed Assets )	15	-	4,559,379
Profit (Loss) before Tax		-	4,559,379
Less: Provision for Tax		-	-
Profit / ( Loss ) for the period from Continuing Operations		-	-
Profit / ( Loss ) for the period from Discontinuing Operations	16	(193,015)	(103,695)
Tax Expenses of Discontinuing Operations		15,000	-
Profit/ (Loss) from Discontinuing Operatios after Tax		(208,015)	(103,695)
Profit/ (Loss) for the period		(208,015)	4,455,684
Earning per share ( Basic & Diluted ) (Face value of Rs.10/- each)		(0.06)	1.25
<b>SIGNIFICANT ACCOUNTING POLICIES &amp; NOTES ON ACCOUNTS</b>			

In terms of our report of even date  
For Jain Shrimal & Co.  
Chartered Accountants  
(FRN 001704C)

  
( S. K. Jain )  
Partner  
M.No. 10145  
Place :Jaipur  
Dated:30.05.2014



For and on behalf of Board of Directors

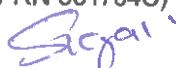
  
(Amitabh Hirawat)  
Managing Director  
  
(Chandra Mohan Khandelwal)  
Director

**RISHAB SPECIAL YARNS LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2014**

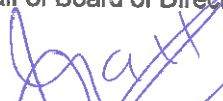

PARTICULARS	( Amount in Rs.)	
	YEAR ENDED 31.03.2014	YEAR ENDED 31.03.2013
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) Before Tax & Extraordinary Items	(208015)	(103695)
<b>Adjustment for:-</b>		
Interest Received	(172732)	(93750)
Rent Received	(48000)	(31500)
Depreciation	0	0
<b>Operating Profit Before Working Capital Changes</b>	<u>(428747)</u>	<u>(228945)</u>
Decrease (Increase ) in Sundry Debtors	0	0
Decrease (Increase ) in Other Current Assets	(14237)	5604
Increase (Decrease ) In Other Current liabilities	(636354)	370707
Increase (Decrease ) In Short Term Borrowings	(2052049)	909168
Increase (Decrease ) In Trade Payables	(201763)	(395830)
	<u>(2904403)</u>	<u>889649</u>
<b>Cash Generated from Operating Activities</b>	<u>(3333150)</u>	<u>660704</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Increase in Short Term Loan & Advances	1363846	(2500000)
Net Realisation from Fixed Assets	0	6796515
Interest Received	172732	93750
Rent Received	48000	31500
<b>Net Cash in the Investing Activities</b>	<u>1584578</u>	<u>4421765</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase in Share Capital	0	18500
Increase/(Decrease) in Secured Loans	0	0
Increase/(Decrease) in Unsecured Loans	0	(3400000)
	<u>0</u>	<u>(3381500)</u>
<b>Net Changes in Cash and Cash Equivalents (A+B+C)</b>	<b>(1748572)</b>	<b>1700968</b>
Cash and Cash Equivalents as at 1st April 2013	1784854	83886
Cash and Cash Equivalents as at 31st March 2014	36282	1784854

In terms of our report of even date  
For Jain Shrimal & Co.  
Chartered Accountants  
(FRN 001704C)

  
( S. K. JAIN )  
Partner  
M.No. 10145  
Place :Jaipur  
Dated:30.05.2014



For and on behalf of Board of Directors

  
(Amitabh Hirawat)  
Managing Director  
  
(Chandra Mohan Khandelwal)  
Director

**RISHAB SPECIAL YARNS LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS**

**1. CORPORATE INFORMATION:**

M/s Rishab Special Yarns Limited was incorporated under Companies Act, 1956 ( No. 1 of 1956) on 17.08.1987 as a public Limited company with its registered office at 2070, Rasta Bara Gangore, Jaipur -302017, to carry on the business of manufacturing, processing, texturising, twisting, doubling, processing, packing, colouring, dyeing, printing, bleaching, , finishing, crimping, lenitting of polyester filament yarn, and all other types of yarns and fibres.

The company raised capital by public issue in February 1992 and the issue was oversubscribed by 11 times. The basis of allotment was finalized on 10.04.1992 and company raised a total sum of Rs.290.43 lakhs through this Initial public offer.

Due to incurrance of continuous losses year after year as per decision taken in its Board Meeting held on 29.10.2005 the company discontinued its business operations. Subsequently the company is trying to revive the business and evaluating various options to utilize its available assets gainfully.

**2. SIGNIFICANT ACCOUNTING POLICIES:**

**i. Basis of Accounting**

The financial statements are prepared under the historical cost convention on accrual basis and are generally in accordance with the requirements of the Companies Act, 1956. The accounting policies not specifically mentioned are consistent with generally accepted accounting principles.

**ii. Revenue Recognition**

The company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis.

**iii. Investments**

Investments are stated at cost.

**iv. Tangible Assets**

Tangible Assets are stated at cost less depreciation. Cost of acquisition, fabrication or construction is inclusive of freight, duties and other incidental expenses during construction period but excludes the modvat credit available on the capital goods.

**v. Impairment of Assets**

Impairment loss is provided when carrying amount of assets exceeds recoverable value. Excess of carrying amount over recoverable value is charged to Profit & Loss Account. Recoverable value is the higher of an asset's net selling price or its value in use.

**vi. Depreciation**

The Company is providing depreciation on straight line method as per rates given in Schedule XIV of the Companies Act, 1956 on *pro rata* basis for the period of use.

**vii. Valuation of Inventory**

Inventories are valued at the lower of cost and estimated realizable value. Cost of Inventories is computed on weighted average / FIFO basis. Finished goods and work-in-progress include costs of conversion and other costs incurred in bringing the inventories to their present location and condition. However the Company did not hold any inventories during the current year.

**viii. Retirement Benefits**

Liability in respect of gratuity is calculated by management and provided in books accordingly.



#### ix. Taxes on Income

Current tax is provided after allowing exemptions and deductions under the Income Tax Act, 1961. Deferred Tax is recognized subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and is capable of reversal in one or more subsequent period. Where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Other deferred tax assets are recognized only if there is reasonable certainty of realization in future.

#### NOTES ON ACCOUNTS

##### 1. Contingent Liabilities – Not Provided For

S. No.	Particulars	Amount (Rs. in Lacs) 31.03.2014	Amount (Rs. in Lacs) 31.03.2013
a)	In respect of Cess demanded by Textile Committee under the Textile Committee (Cess) Rules, 1975, for the period from 1989 to 1997, against which company has filed writ petition at Raj. High Court for holding the levy of Cess and for setting aside the demand (Rs. 400000/- deposited under protest & Rs. 426749/- retained as security against the demand by The Office of NHA land acquisition, Abu Road which is included in Deposits under the head Current Assets.)	8.27	8.27
b)	In respect of Excise Duty (NCCD) and Penalty demanded by Excise Department for clearances during March, 2003, against which the company has filed appeal with Hon'ble Tribunal Excise Custom & Service Tax, New Delhi which in its order remanded the matter to The Commissioner (Appeals) Customs, Excise & Service Tax for hearing on merits (Rs. 801632/- Deposited included in Deposits under the head Current Assets.)	83.36	83.36

2. Figures of the previous year have been regrouped and rearranged to correspond to current year's classification.

##### 3. Provision for Current and Deferred Tax

No provision for tax for the year has been made in view of current year's loss and in view of uncertainty of future business deferred tax assets has not been recognized.

##### 4. Due to Micro, Small & Medium Enterprises

To the extent of information available with management, there are no SSI units to whom Company owes money for more than 30 days.

The Company has not received any communication from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act have not been given.

5. In the opinion of management, loans and advances and other assets are approximately of the value stated, if realized in the ordinary course of business unless and otherwise stated. The provisions of all liabilities are adequate and not in excess of the amount reasonably necessary.

6. Additional information pursuant to the provisions of paragraphs 3 and 4 of Part II of Schedule VI of the Companies Act, 1956 is not applicable.





7. **Disclosure as required by “Accounting Standard 24: Discontinuing Operations” and “Accounting Standard 28: Impairment of Assets”**

The company was incurring heavy losses in textile business. Under the circumstances the Board of directors in their meeting held on 29.10.2005 decided to discontinue the business operations of the company and to sell the company’s machinery & equipments and surplus land to repay the liabilities of the company. The company has sold entire Tangible Assets except major part of land & building and some part of furniture & fixtures.

8. **Disclosure as required by Accounting Standard – 18 on “Related Party Disclosures” issued by the Institute of Chartered Accountants of India are as follows:**

a. Relationship

i. Key Management Personnel & their relatives

Mr. Amitabh Hirawat – Managing Director

Smt. Padam Devi Hirawat

ii. Enterprises owned or significantly influenced by key management personnel or their relatives where transactions have taken place:

Trepechy Trading Pvt. Ltd.

Shashwin Textiles Ltd.

Trepechy Textiles Pvt. Ltd,

**Note:** Related party relationship is as identified by the company & relied upon by the Auditors.

b. Transactions carried out with related parties referred in A above, in ordinary course of business:

**RELATED PARTIES**

Nature of Transactions	Referred in a(i) above	Referred in a(ii) above
Finance	697951	=
Amount Repaid	2750000	=
Amount Taken		
Outstanding		
Payable	-	=
Receivable	-	=
Unsecured Loans	15137951	2490000

**RISHAB SPECIAL YARNS LIMITED JAIPUR**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH,2014**

**NOTE 3 :SHARE CAPITAL**

( Amount in Rs.)

Particulars	As at 31st March 2014	As at 31st March 2013
Authorised :		
60,00,000 Equity Shares of Rs 10/- each	60,000,000	60,000,000
Issued, Subscribed & Paid up:		
35,60,700 Equity Shares of Rs 10/- each fully paid up	35,607,000	35,607,000
Add: Shares Forfeited	109,000	109,000
<b>Total</b>	<b>35,716,000</b>	<b>35,716,000</b>

(i) The Company has only one class of Equity shares having a par value of Rs 10/-. Each holder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amounts in proportion to their shareholding.

(ii) Reconciliation of the number of shares outstanding

Particulars	As at 31st March 2014	As at 31st March 2013
Number of Shares outstanding at the beginning of the year	3,560,700	3,560,700
Add: Shares Issued during the year	-	-
Number of Shares outstanding at the end of the year	3,560,700	3,560,700

(iii) Shareholders holding more than 5 percent shares specifying the number of shares held

Name of Shareholder	As at 31st March 2014		As at 31st March 2013	
	No. of Shares held	% of Holding	No. of Shares	% of Holding
1. Shri Nath Mai Hirawat	305,360	8.58	305,360	8.58
2. Shri Amitabh Hirawat	324,800	9.12	324,800	9.12
3. M/s Shakti Vijay Steels Pvt. Ltd.	239,300	6.72	239,300	6.72
4. M/s Trepechy Textiles Limited	320,200	8.99	320,200	8.99
<b>Total</b>	<b>1,189,660</b>		<b>1,189,660</b>	

**Note 4: Reserves & Surplus**

( Amount in Rs.)

Particulars	As at 31st March 2014	As at 31st March 2013
(a) Capital Reserve	42,451,051	42,451,051
(b) General Reserve	13,951,584	13,951,584
(c) Surplus ( Deficit) in Statement of Profit & Loss		
As per last Balance Sheet	(106,052,127)	(110,507,811)
Add: Net Profit( Loss ) after tax transferred from Statement of Profit & Loss	(208,015)	4,455,684.00
<b>Total</b>	<b>(49,857,507)</b>	<b>(49,649,492)</b>



**Note 5: Long Term Borrowings**

( Amount in Rs.)

Particulars	As at 31st March 2014	As at 31st March 2013
<b>(UNSECURED)</b>		
Loans from Directors	1,500,000.00	1,500,000.00
Loans from Related Parties	14,680,000.00	14,680,000.00
Loans from Others	405,360.00	405,360.00
<b>Total</b>	<b>16,585,360.00</b>	<b>16,585,360.00</b>

The Long Term Borrowing will be payable after 12 months.

**Note 6: Long Term Provisions**

( Amount in Rs.)

Particulars	As at 31st March 2014	As at 31st March 2013
Provision for Gratuity	427,681	427,681
<b>Total</b>	<b>427,681</b>	<b>427,681</b>

**Note 7: Short Term Borrowings**

( Amount in Rs.)

Particulars	As at 31st March 2014	As at 31st March 2013
<b>(UNSECURED)</b>		
Loans from Directors	1,447,951	3,500,000.00
<b>Total</b>	<b>1,447,951</b>	<b>3,500,000</b>

**Note 8: Trade Payables**

( Amount in Rs.)

Particulars	As at 31st March 2014	As at 31st March 2013
For Goods	457,035	457,035
For Services	466,960	668,723
<b>Total</b>	<b>923,995</b>	<b>1,125,758</b>

**Note 9: Other Current Liabilities**

( Amount in Rs.)

Particulars	As at 31st March 2014	As at 31st March 2013
Outstanding Expenses	3,129	8,990
Statutory Liabilities	14,623	29,623
Other Liabilities	445,626	1,061,119
<b>Total</b>	<b>463,378</b>	<b>1,099,732</b>

**Note 11: Long Term Loans & Advances**

( Amount in Rs.)

Particulars	As at 31st March 2014	As at 31st March 2013
<b>(Unsecured but Considered good)</b>		
Deposits With Govt. Deptt.	25,500	25,500
<b>Total</b>	<b>25,500</b>	<b>25,500</b>

**Note 12: Short Term Loans & Advances**

Particulars	As at 31st March 2014	As at 31st March 2013
<b>(Unsecured but Considered good)</b>		
Loans & Advances to body corporates	1,136,154	2,500,000
<b>Total</b>	<b>1,136,154</b>	<b>2,500,000</b>



Note10: TANGIBLE FIXED ASSTES

Particulars	GROSS BLOCK			DEPRECIATION			IMPAIRMENT LOSS			NET BLOCK	
	As at 01.04.2013	Additions	Deductions	As at 31.03.2014	As at 01.04.2013	During the year	As at 31.03.2014	As at 01.04.2013	During the year	As at 31.03.2014	As at 31.03.2013
Lease Hold Land	240056.00			240056.00	0.00	0.00	0.00	0.00	0.00	240056.00	240056.00
Building	14922815.00	0.00	0.00	14922815.00	6500637.00	0.00	6500637.00	6072062.00	0.00	2350116.00	2350116.00
Furniture & Fixtures	18000.00			18000.00	7388.00	0.00	7388.00	2000.00	0.00	2000.00	8611.00
<b>TOTAL</b>	<b>15,180,871.00</b>	<b>0.00</b>	<b>0.00</b>	<b>15180871.00</b>	<b>6508026.00</b>	<b>0.00</b>	<b>6508026.00</b>	<b>6074062.00</b>	<b>0.00</b>	<b>2598783.00</b>	<b>2598783.00</b>
Previous Year	17,418,007.00	0	2237136.00	15180871.00	6508026.00	0.00	6508026.00	6074062.00	0.00	2598783.00	2598783.00



**Note 13: Cash and Cash Equivalents**

( Amount in Rs.)

Particulars	As at 31st March 2014	As at 31st March 2013
Cash in hand	34,589	16,231
Balance with Banks in Current Accounts	1,693	1,768,623
<b>Total</b>	<b>36,282</b>	<b>1,784,854</b>

**Note 14: Other Current Assets**

( Amount in Rs.)

Particulars	As at 31st March 2014	As at 31st March 2013
(Unsecured but considered good )		
Deposits with Govt. Deptt.	1,678,688.00	1,678,688.00
Advances To Staff	25,888	25,888
Advances recoverable in cash or in kind or for value to be received	61,000	61,891
Income Tax Refundable A. Y.2008-09	118,185	118,185
Income Tax Refundable A. Y.20013-14	11,250	11,250
Advance Income Tax A.Y. 2014-15	15,128	-
	<b>1,910,139</b>	<b>1,895,902</b>

**Note15: Exceptional Items**

( Amount in Rs.)

Particulars	For the year 2013-14	For the year 2012-13
Surplus on Sale Of Land & Building	-	4,709,379
Less: Brokerage Paid	-	150,000
		<b>4,559,379</b>



**Note16: Profit / Loss from Discontinuing Operations**

(Amount in Rs.)

Particulars	For the year 2013-14	For the year 2012-13
<b>Income:</b>		
Rental Income	48,000	31,500
Interest Received	172,732	93,750
Sundry Balances Written Back	-	454,448
Prior Period Adjustments (Net)	-	15,233
	<u>220,732</u>	<u>594,931</u>
<b>Expenses:</b>		
Administrative Expenses:		
Auditors' Remuneration		
For Audit Fees	5,618	5,618
For Certification Fee	-	3,372
Filing Fees	5,618	8,990
Legal & Professional Expenses	1,500	4,000
Rates & Taxes	85,578	69,680
Electricity & Water Charges	42,133	216,908
Travelling Expenses	36,184	13,755
Postage & Telephone Expenses	3,002	14,275
Advertisement Expenses	64,305	104,923
Printing & Stationery	49,393	90,504
Depository & Application Expenses	41,550	95,695
Stock Exchange Listing Fee	43,821	40,450
Bank Charges	36,517	36,954
Interest Paid On TDS	411	1,192.00
Sundry Balances Written Off	2,400	-
Miscellaneous Expenses	1,123	-
	212	1,300
	<u>413,747</u>	<u>698,626</u>
<b>Profit / Loss from Discontinuing Operations</b>	<u>(193,015)</u>	<u>(103,695)</u>



**Note 17 : Related Parties Disclosures:**

**A. Relationship**

(I) Key Management Personnel & their relatives

Mr. Amitabh Hirawat – Managing Director  
Smt. Padam Devi Hirawat

(ii) Enterprises owned or significantly influenced by key management personnel or their relatives where transactions have taken place:

M/sTrepechy Trading Pvt.Ltd.

**B. Transactions carried out during the year & their disclosures**

	2013-14	2012-13
<b>Finance</b>		
(i) Repayment of Unsecured Loans		
Mr.Amitabh Hirawat	2,750,000	4,700,000
M/s Shashwin Textiles Limited	-	490,000
(ii) Unsecured Loan taken		
Mr.Amitabh Hirawat	697,951	2,209,169


**C. Balances Outstanding:**

Unsecured Loans

Mr.Amitabh Hirawat	2,947,951	5,000,000
Smt. Padam Devi Hirawat	12,190,000	12,190,000
M/sTrepechy Trading Pvt.Ltd.	2,490,000	2,490,000



in terms of our report of even date

For Jain Shrimal & Co.  
Chartered Accountants  
(FRN 001704C)

  
( S. K. JAIN )  
Partner  
M.No. 10145  
Place :Jaipur  
Dated:30.05.2014



For and on behalf of Board of Directors

  
(Amitabh Hirawat)  
Managing Director  
  
(Chandra Mohan Khandeewal)  
Director

**RISHAB SPECIAL YARN LIMITED**  
**REGD.OFFICE:2070 RASTA BARA GANGORE, JAIPUR-302003**  
**Email:rsyltd@gmail.com, Phone & Fax no-0141-2575213, CIN : L17114RJ1987PLC004067**  
**Visit us at [www.rishabspecial.com](http://www.rishabspecial.com)**

Members Folio No./Client ID :

DP ID :

No. of Shares held :

**FORM NO. MGT – 11**  
**PROXY FORM**

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

Name of the Member: .....

Registered Address: .....

Email ID: .....

Folio No./Client ID : .....

DP ID: .....

I/We being the member/ members of.....having the 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 vote for me/us on my/our behalf at the 26<sup>th</sup> Annual General Meeting of the Company to be held on Friday, the 28<sup>th</sup> November 2014 at 12.00 noon, at registered office of the company or any adjournment thereof in respect of such resolutions as are indicated below:

1. Consider and adopt the audited Balance Sheet as at 31<sup>st</sup> March, 2014 and the Statement of Profit and Loss for the Year ended on that date alongwith the Directors Report and Auditor's Report
2. Re-appointment of Mr. Chandra Mohan Khandelwal, (holding DIN 00420235) who retires by rotation.
3. Appointment of Auditors and fixing their remuneration.
4. Appointment of Shri Kamal Kishore Kalani (holding DIN 02275473) as Independent Director.
5. Appointment of Shri Pradeep Kumar Loiwal (holding DIN 00403719) as Independent Director.
6. Approval for power of charge creation to the Board under section 180 of the Companies Act, 2013.
7. Approval for borrowing Power to the Board under section 180 of the Companies Act, 2013.
8. Issue of Equity Shares on Preferential Basis..
9. Adoption of new Articles of Association of the Company.

Affix  
Revenue  
Stamp here

Signed on the ..... day of ..... 2014.

Signature of Shareholder.....

Signature of Proxy Holer(s)

**NOTES :**

1. The proxy must be deposited at the Registered Office of the Company at 2070, Rasta Bara Gangore, Jaipur-302 003 not less than 48 hours before the time for holding the meeting.
2. This form is to be used in favour of / Against the resolution. Unless otherwise directed, the Proxy will vote as he thinks fit.  
\*Strike out whichever is not applicable.



RISHAB SPECIAL YARN LIMITED

**REGD.OFFICE:2070 RASTA BARA GANGORE, JAIPUR-302003**

**Email:rsyltd@gmail.com, Phone no-0141-2575213, CIN : L17114RJ1987PLC004067**

**Visit us at [www.rishabspecial.com](http://www.rishabspecial.com)**

Members Folio No./Client ID :
DP ID :
No. of Shares held :

### ATTENDANCE SLIP

We hereby record my/our presence at the Twenty Sixth Annual General Meeting of the Company held at 2070, Rasta Bara Gangore, Jaipur-302 003 on Friday, 28<sup>th</sup> November 2014 at 12.00 Noon.

NAME OF THE SHAREHOLDER (IN BLOCK LETTERS) :
SIGNATURE OF THE SHAREHOLDER /PROXY :
NAME OF THE PROXY (IN BLOCK LETTERS) :
SIGNATURE OF THE PROXY :

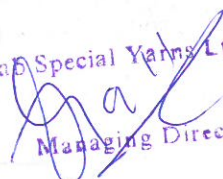
#### NOTES :

1. You are requested to sign and hand over this at the entrance.
2. If you intend to appoint a proxy to attend the meeting instead of yourself, the proxy must be deposited at the Registered Office of the Company at 2070, Rasta Bara Gangore, Jaipur-302 003, not less than 48 hours before the time of holding the meeting.
3. If you are attending the meeting in person or by proxy, your copy of the Balance Sheet may please be brought by you/your proxy for reference at the meeting.

## FORM A

FORMAT COVERING LETTER OF THE ANNUAL REPORT TO BE  
FILED WITH THE STOCK EXCHANGE

1	NAME OF THE COMPANY	RISHAB SPECIAL YARNS LIMITED
2	ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED	31 <sup>ST</sup> MARCH 2014
3.	TYPE OF AUDIT OBSERVATION	UN-QUALIFIED
4.	FREQUENCY OF OBSERVATION	N.A.
5.	TO BE SIGNED BY	
	CEO/MANAGING DIRECTOR	SHRI AMITABH HIRAWAT
	AUDITOR OF THE COMPANY	SHRI S. K. JAIN, PARTNER JAIN SHRIMAL & CO., CHARTERED ACCOUNTANT
	DIRECTOR OF THE COMPANY	SHRI CHANDRA MAOHAN KHANDELWAL

For Rishab Special Yarns Ltd.  
  
 Managing Director