



RISHI TECHTEX LIMITED

30TH

ANNUAL REPORT
2013-2014

BOARD OF DIRECTORS

Mr. H.B. Patel - **Chairman**
Mr. P.J. Patel - **Director**
Mr. A.N. Nopany - **Director**
Mr. Abhishek Patel - **Whole-Time Director**

COMPANY SECRETARY

Mr. Vasant Goray (Retired on 31.05.14)
Ms. Nidhi Shah (Appointed from 01.06.14)

AUDITORS

Alladi Krishnan & Kumar
4, Marshal, Mogal Lane,
Mahim, Mumbai - 400016.

BANKERS

Canara Bank,
Tamarind Lane Branch,
Crossly House, Fort,
Mumbai - 400001.

REGISTRAR AND TRANSFER AGENTS

Adroit Corporate Services Pvt. Ltd.,
19/20, Jaferbhoy Industrial Estate,
1st Floor, Makwana Road,
Marol Naka, Andheri (E),
Mumbai – 400059.

REGISTERED OFFICE

612, Veena Killedar Industrial Estate,
10/14, Pais Street, Byculla (W),
Mumbai – 400011.

WORKS

Causeway Road
Village Kachigam, Taluka Daman
Union Territory of Daman & Diu.

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RISHI TECHEX LIMITED

CIN: L28129MH1984PLC032008

Regd. Office: 612, Veena Killedar Industrial Estate, 10-14 Pais Street, Byculla (W), Mumbai - 400 011.

Tel No. 022-23075677/23074585 | Fax No. 022-23080022 | Email : info@rishitechtext.com,

Website:www.rishitechtext.com

NOTICE

Notice is hereby given that the 30th Annual General Meeting of Rishi Techtex Limited (CIN - L28129MH1984PLC032008) will be held on Tuesday, the 30th day of September, 2014 at 12.30 p.m. at Indian Merchants' Chamber, Khilachand Conference Room, 2nd floor, IMC Marg, Churchgate, Mumbai 400020 to transact the following business.

AS ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March 2014 and the Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint Auditors 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 read with Companies (Audit and Auditors) Rules 2014 and other provisions as may be applicable, if any, the Company hereby approves the appointment of M/s. Alladi Krishnan & Kumar, having Firm's Registration No. 100282W, as the Statutory Auditors of the Company from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting on such remuneration as may be decided by the Board of Directors in consultation with the Auditors”.

AS SPECIAL BUSINESS

3. To appoint Mr. Arvind Nopany (DIN: 00148521) as an Independent Director and in this regard, to consider and if thought fit, to pass with or without modifications the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to Section 149, 152 of the Companies Act, 2013 and such other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV of the said Act, the Company hereby approves the appointment of Mr. Arvind Nopany (DIN: 00148521), Director of the Company, as an Independent Director of the Company for a term of five (5) years, to hold office upto the conclusion of the 35th Annual General Meeting”

4. To appoint Mr. Pranav Patel (DIN: 00171387) as an Independent Director and in this regard, to consider and if thought fit, to pass with or without modifications the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to Section 149, 152 of the Companies Act, 2013 and such other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV of the said Act, the Company hereby approves the appointment of Mr. Pranav Patel (DIN: 00171387), Director of the Company, as an Independent Director of the Company for a term of five (5) years, to hold office upto the conclusion of the 35th Annual General Meeting”

5. To appoint Mr. Abhishekh Patel (DIN: 05183410) as Managing Director and in this regard, to consider and if thought fit, to pass with or without modifications the following Resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of sections 196, 197 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial

Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for time being in force), the Company hereby approves the appointment of Mr. Abhishek Patel (DIN: 05183410) as Managing Director of the Company, subject to retire by rotation for a period of Three Years from 1st of November, 2014, on remuneration and Perquisites not exceeding the maximum limits specified in Schedule V and on such other terms and conditions and as set out in the Draft of the Agreement to be entered into between the Company and Mr. Abhishek Patel, placed before this Meeting and initialed by the Chairman for identification and the Board of Directors (hereinafter referred to as the "Board", which term shall be deemed to include any Committee of Directors for the time being authorised by the Board of Directors to exercise the powers conferred on the Board by this resolution) be and is hereby authorised, with the acceptance of Mr. Abhishek Patel and with the consent of Central Govt., or any other authorities, where necessary, to vary or increase or enhance the Scope of the Remuneration or Perquisites as and when deem fit."

"RESOLVED FURTHER THAT the Company Secretary be and is hereby authorised to do all such Acts, Deeds, Matters and things as may be considered necessary, proper and expedient to give effect to this resolution."

"RESOLVED FURTHER THAT in the event of loss or inadequacy of profits Mr. Abhishek Patel will be paid Remuneration to the extent provided in Schedule V of the Companies Act, 2013."

6. To borrow and raise money and to mortgage or create charge on the properties of the Company and in this regard to consider and if thought fit, to pass with or without modifications the following Resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 180 (1) (c) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to such approval(s) of appropriate authorities, as may be necessary, consent of the

members of the Company be and is hereby accorded to the Board of Directors of the company (hereinafter referred to as the "Board", which term shall be deemed to include any Committee of Directors for the time being authorised by the Board of Directors to exercise the powers conferred on the Board by this resolution), to borrow and raise such sum or sums of money in any manner from time to time, from any one or more Banks, Individuals, Persons, Firms, Bodies Corporate, Financial Institutions, Mutual Funds, Foreign Banks, Foreign Financial Institutions, Foreign Institutional Investors, Overseas Corporate Bodies, Overseas Mutual Funds, Trusts, Institutions, bodies, entities, or persons, whether incorporated or not and whether Indian or foreign, and whether by way of cash credit, term loans, advances, deposits, loans, ICD or bill discounting. Deferred payment credit/ guarantees, issue of Securities, Bonds or other debt instruments, external commercial borrowings or by way of any other permitted mode of borrowings, whether convertible or not; and whether unsecured or secured by mortgage, charge, hypothecation, lien, pledge, or any other kind of security created on the assets and/or properties of the Company, its subsidiaries, Joint Ventures, Associates, or of any other person(s) or individual(s); whether immovable or movable, tangible or intangible, or stock-in-trade (including raw materials, spare parts and components, in stock or in transit and work-in-progress), or by any kind of guarantees and all or any of the undertakings of the Company, notwithstanding that the moneys to be borrowed, together with the moneys already borrowed by the Company and outstanding at any time shall not exceed the sum of Rs.20 Crores (Rupees Twenty Crores Only), exclusive of interest and other charges on such borrowings."

"RESOLVED FURTHER THAT consent and authority be and is hereby given to the Board to do all such acts, deeds, matters and things as it may at its discretion deem fit and proper including, if and when necessary, creation of such mortgage(s) and / or charge(s) in respect of the Securities or on the whole or substantially the



whole of all or any of the undertaking(s) of the Company as contemplated by Section 180 (1)(a) of the Companies Act, 2013 in connection therewith and to execute all requisite documents or writings for giving effect to this Resolution.”

7. To Accept Unsecured Deposits from its members and in this regard to consider and if thought fit, to pass with or without modifications the following Resolution as an **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 and other applicable provisions, if any, and subject to such conditions, approvals, permissions, as may be necessary, consent of the members of the Company be and is hereby accorded to invite / accept / renew from time to time unsecured deposits from the members of the Company upto permissible limits as prescribed under Companies (Acceptance of Deposits) Rules, 2014.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, Mr. Harshad Patel, Director or Mr. Abhishek Patel, Whole-Time Director of the Company be and is hereby authorised to do such acts, deeds, things and matters as the Board of Directors may in its absolute discretion consider necessary or appropriate for such invitation / acceptance / renewal of Deposits by the Company”.

Registered Office:

612, Veena Killedar Industrial Estate,
10-14, Pais Street, Byculla (W), Mumbai - 400011

Dated : 29th May, 2014

8. To approve the appointment and remuneration of the Cost Auditors for financial year ending March 31, 2015 and in this regard to consider and if thought fit, to pass with or without modifications the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of section 148 of the Companies Act, 2013, read with section 233B of the Companies Act, 1956 and Central Government order No.52/26/CAB/2010 issued dated 24.01.2012, directing the audit of the company's cost accounts relating to Plastic Industry covered under Chapter Heading NO.39 of the Central Excise Tariff Act, 1985 for the year ended 2014-15, M/s P K Chatterjee & Associates, Cost Accountants, Surat be and is hereby appointed as Cost Auditors to conduct the audit of the cost accounts of the company in respect of manufacturing of plastic woven sacks & shade nets at the Unit of the Company situated at Survey No. 381, Causeway Road, Village Kachigam, Taluka- Daman, Union Territory of Daman & Diu for the financial year 2014-15 at a remuneration of Rs.50,000/-including all things.”

“**RESOLVED FURTHER THAT** Mr. Abhishek Patel, Whole-Time Director or Mr. Harshad Patel, Director of the Company be and are hereby severally authorised to make an application to central government in Form 23C and to comply with all other formalities in this regard.”

**By Order of the Board
For Rishi Techtext Ltd.**

**Vasant Goray
Company Secretary**

NOTES:

A. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.

B. The instrument appointing Proxy as per the format included in the Annual Report should be returned to the Registered Office of the Company not less than FORTY-EIGHT HOURS before the time for holding the Meeting.

C. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company may appoint a single person as proxy and such person shall not act as a proxy for any other person or a Member. Proxies submitted on behalf of limited companies, societies, partnership firms, etc. must be supported by appropriate resolution/ authority, as applicable.

D. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") in respect of the Special business to be transacted at the Meeting is annexed hereto.

E. Particulars required for appointment/ Reappointment of Directors pursuant to clause 49 of the Listing Agreement:

Mr. Arvind Nopany aged 49 years is a commerce graduate with a degree in Management. He is the Managing Director of Garrison Polysacks Pvt. Ltd. and has over 25 years of experience in Business. He is not holding any shares in the Company.

Mr. Pranav Patel aged 45 years is a Commerce Graduate with over 24 years business experience. He has been acting as Director since September, 2001. He is presently the Managing Director of M.P. Dychem Industries Pvt. Ltd. He holds 1767 shares in the Company.

F. The Register of Members and Share Transfer Books of the Company will remain closed from 26.9.2014 to 30.9.2014 (both days inclusive).

G. Members/ proxies should bring the attendance slips duly filled in for attending the meeting.

H. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board resolution authorising their representative to attend and vote on their behalf at the Meeting.

I. Voting through electronic means (E-Voting):

1. In accordance with the applicable provisions of Listing Agreement and Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014 (the Rules), the Company is pleased to provide facility to its members, to cast their vote electronically for all the resolutions proposed at the 30th Annual General Meeting of the Company. The Company has appointed Central Depository Services (India) Ltd. (CDSL) to provide e-voting facility to its members.

2. The voting right of shareholders shall be in proportion to one vote per fully paid equity share of the Company held by them as on the cut off date August 22, 2014.

3. The voting period begins on Tuesday, September 23, 2014 at 9.00 a.m. and ends at on Thursday, September 25, 2014 at 6.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of August 22, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

4. V. Sundaram & Co. has been appointed by the Board of Directors of the Company, as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner

5. The Procedure and Instructions for e-voting are as under:

i) Log on to the e-voting website www.evotingindia.com, during the voting period

ii) Click on "Shareholders" tab.



- iii) Now, select the “RISHI TECHEX LIMITED” from the drop down menu and click on “SUBMIT”.
- iv) 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.
- v) Next enter the Image Verification as displayed and Click on Login.
- vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vii) 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 two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

#Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter **the number of shares held by you as on the cut off date** in the **Dividend Bank details field**.

- viii) After entering these details appropriately, click on “SUBMIT” tab.
 - take utmost care to keep your password confidential.
- ix) Members holding shares in physical form will then reach directly 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
 - x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - xi) Click on the EVSN for the relevant <Rishi Techtex Limited> on which you choose to vote.
 - xii) 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.

- xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xiv) 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.
- xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same and send the scan copy of Board Resolution/POA to vsundaramfcs1@hotmail.com
- xviii) **In case of members receiving the physical copy:**
- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on September 23, 2014 at 9.00 a.m. and ends at on September 25, 2014 at 6.00 p.m. During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of August 22, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- xix) 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.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
- xx) The results of e-voting shall be declared on or after the AGM of the Company. The results declared along with the Scrutinizer’s Report shall be available on the Company’s website within two (2) days of passing of the resolution at the AGM of the Company and communicated to the stock exchanges.

Registered Office:

612, Veena Killedar Industrial Estate,
10-14, Pais Street, Byculla (W), Mumbai - 400011

**By Order of the Board
For Rishi Techtex Ltd.**

Dated : 29th May, 2014

**Vasant Goray
Company Secretary**



ANNEXURE

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

Item No. 3 & 4:

Pursuant to Sections 149, 152, Schedule IV of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. Arvind Nopany and Mr. Pranav Patel, being Independent Directors of the Company, are being appointed for a term of 5 years, upto the conclusion of the 35th Annual General Meeting and during this term they shall not be liable to retire by rotation.

The Company has received declarations from both the Independent Directors stating that they meet with the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013.

The Company has also received notice pursuant to Section 160 of the Companies Act, 2013 from members proposing the candidature for appointment of aforesaid Independent Directors. In the opinion of the Board also they fulfill the conditions specified in the said Act for appointment as independent Directors.

The Board recommends the Ordinary Resolutions as set out at item nos. 3 & 4 of the Notice for approval of the Members.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Independent Directors for their respective appointment, are in any way concerned or interested, financially or otherwise, in these Resolutions.

Item No.5 (As per Schedule V of the Companies Act, 2013)

1. General Information:

Rishi Techtex Ltd formerly known as Rishi Packers Limited was incorporated on 7.2.1984. It is mainly engaged in the manufacture of Woven Sacks and Shade Nets. The Company has achieved net sales of Rs.4331.17 Lacs during the year as compared to Rs.3553.03 Lacs in the previous year. The Company has earned a profit of Rs.126.82 Lacs in the year as compared to a loss of Rs. 96.17 lacs in the previous year. The company has no foreign investment or collaboration.

2. Information about the appointee:

Mr. Abhishek Patel was appointed as Whole-Time Director in the AGM held on 20th November, 2012

subject to the provisions of sections 269,198,309 and Schedule XIII of the Companies Act 1956. However, after the Companies Act, 2013 coming into force it is proposed to appoint of Mr. Abhishek Patel as Managing Director of the Company under the new provisions of Companies Act, 2013, for a period of Three Years from 1st of November, 2014 subject to retire by rotation.

Mr. Abhishek Patel is 28 years of age and is a Commerce Graduate from University of Mumbai and also holds a Bachelor's degree in Economics and Management from London School of Economics and Political Science. He has five years of business experience. Being a young personality with five years of experience, the Board felt that it is advisable to appoint him as Managing director of the Company who will manage the business efficiently and take it forward on a proper growth path.

Further it is proposed to pay remuneration and Perquisites not exceeding the maximum limits specified in Schedule V and on such other terms and conditions and as set out in the Draft of the Agreement to be entered into between the Company and Mr. Abhishek Patel. The draft Agreement contains interalia, the following terms and conditions:

Period	Three years with effect from 1 st November, 2014
Salary per month	Not exceeding Rs.3,50,000/-
Commission	Not exceeding 1% of Net profits
Perquisites	Perquisites will be limited to an amount equal to salary
Housing	House rent allowance up to 50% of salary. In case of rented accommodation, rent up to 50% of Salary will be paid to the Managerial Person
Expenses on Gas Electricity, water Furnishing	Not exceeding 10% of salary (valued as per and Income Tax Rules)
Leave	One month for every eleven months of service.

	Leave accumulated and not availed can be encashed at the end of each year or at the end of tenure.
Medical Reimbursement	Reimbursement of expenses incurred for self and family.
Leave travel concession	Plane fare for self and family once in a year to any place within the country.
Personal Accident Insurance	Personal Accident Insurance for an amount, the annual premium of which does not exceed Rs.10000/-
Provident Fund	a) Company's contribution towards PF – not exceeding 12% of salary. b) Company's contribution towards Superannuation fund as per the rules of the Company.
Gratuity	One months' salary for each completed year of service.
Car	Free use of Company maintained car with chauffeur.
Telephone	Free Mobile phone and basic telephone facility at home.

Family means the Spouse, the dependent children and dependent parents of the Managerial person.

Contribution towards PF, Gratuity and Superannuation fund and encashment of Leave will not be included in the Computation of ceiling on perquisites to the extent these either singly or taken together are not taxable under the Income Tax Act.

Mr. Abhishek Patel is the son of Chairman of the Company, i.e. Mr. Harshad Patel.

3. Other information:

During the year the company has achieved profit of Rs.126.82 lacs which is inadequate to pay the present remuneration as per provisions of section 197. Therefore, the remuneration is proposed as per section II of part II of schedule V. The lower profits are mainly due to increase in cost of raw material which could not immediately be passed on to the customers. In addition

instability of currency rates also caused large fluctuations on raw material prices which has an adverse effect on profitability. However steps have been taken for improvement by revising the prices on both export and domestic front to improve the profitability.

4. Disclosures:

The Disclosures prescribed under Part IV of section II of Schedule V are mentioned in the Board of Director's report under the heading "Corporate Governance", attached to the financial statement

5. The Special Resolutions contained in item no. 5 of the Notice seeks to approve the appointment of the Managing Director on remuneration and terms as set out in the draft of the proposed Agreement between the Company and Mr. Abhishek Patel, a copy of which will be available for inspection at the registered office of the Company on any working day up to the date of Annual General Meeting between 11 a.m and 1 p.m excluding Saturdays, Sundays and Holidays.
6. The above shall be treated as abstract of the draft Agreement entered between the Company and the Mr. Abhishek Patel pursuant to Section 190 of the Companies Act, 2013.
7. In case of absence or inadequacy of profits in any financial year, the remuneration stated above subject to limits specified in Schedule V will be paid as Minimum Remuneration to the Managing Director.
8. The Board recommends his appointment. No Director or Key Managerial Personnel or their relatives other than Mr. Abhishek Patel and his father Mr. Harshad Patel are interested in the Resolution.

Item no. 6

The Members of the Company at their Extra-Ordinary General Meeting held on 20th November 1992, had inter alia, passed an ordinary resolution pursuant to Section 293 (1) (d) and 293 (1) (a) of the Companies Act, 1956 (the Act), authorising the Board of Directors of the Company to borrow funds/money in excess of the aggregate of the paid-up capital of the Company and its free reserves (not including the temporary loans obtained from the bankers in the ordinary course of business), subject to the maximum limit of Rs.20 crores and to create mortgage/charge on the properties of the Company.



Further as per Section 180 (1) (c) and 180 (1) (a) of the Companies Act, 2013 it is stipulated that prior approval of the member is to be obtained by way of Special Resolution for exercising the specified powers of the Board relating to borrowing of funds and creation of mortgage/charge.

Therefore the said Special Resolution is proposed for the approval of members under item no. 6 of the Notice to give effect to the revised provisions under the Companies Act, 2013.

The Board of Directors recommends the Special Resolution set out in item no. 6 of the Notice for approval of the Members, as they feel the same to be in the interest of the Company.

No Director or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in the said resolution, except to the extent of their respective shareholding in the Company.

Item No. 7

The members are hereby apprised that the Company had been accepting deposits from its shareholders, employees and other sections of public as was permissible under the provisions of Companies Act, 1956 read with the corresponding Companies (Acceptance of Deposits) Rules, 1975, earlier in force.

However, with the commencement of Companies Act, 2013 the deposits are now governed by the provisions of Sections 73 to 76 of the Companies Act, 2013 read with Companies (Acceptance of deposits) Rules, 2014 and approval of shareholders is therefore required for inviting/ accepting/ renewing deposits.

The Company upon obtaining approval of the shareholders will proceed to comply with the requirements stipulated under Section 73 of the Companies Act, 2013 and other applicable provisions read with the Companies (Acceptance of Deposits) Rules, 2014, before inviting / accepting / renewing deposits.

The Board of Directors recommends the Special Resolution set out in item no. 7 of the Notice for approval of the Members, as they feel the same to be in the interest of the Company.

Registered Office:

612, Veena Killedar Industrial Estate,
10-14, Pais Street, Byculla (W), Mumbai - 400011

Dated : 29th May, 2014

The Board of Directors at its meeting held on May 29, 2014, has subject to approval of members, approved the acceptance/renew of unsecured deposits. The Board has also approved the circular for acceptance/renew of unsecured deposits and the same has been duly signed by majority of the Directors present at the Meeting. The Board of your Company recommend the resolution as set out in the accompanying notice for the approval of the members of the Company.

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

The draft circular for acceptance/renew of unsecured deposits has been duly annexed to the notice for circulation to its members in prescribed form. (Annexure A)

Item No. 8

The Board of Directors, on the recommendation of Audit Committee has approved the appointment and remuneration of Rs. 50,000/- of the Cost Auditor M/s. Pranab Chatterjee & Co. to conduct the audit of the cost records of the Company for financial year ending March 31, 2015.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 8 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending march 31, 2015.

The Board of Directors recommends an Ordinary Resolution set out in item no. 8 of the Notice for approval of the Member.

No Director or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in the said resolution.

**By Order of the Board
For Rishi Techtex Ltd.**

**Vasant Goray
Company Secretary**

ANNEXURE A

DRAFT CIRCULAR OR CIRCULAR IN THE FORM OF ADVERTISEMENT INVITING UNSECURED DEPOSITS

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

1. GENERAL INFORMATION

- a. Name, address, website and other contact details of the company;

Rishi Techtex Limited,
Registered Office: 612, Veena Killedar Industrial Estate, 10-14 Pais Street,
Byculla (West), Mumbai- 400011
Website: www.rishitechtex.com
Tel. No. 022-23075677/23074585
Fax No. 022-23080022

- b. Date of incorporation of the company - **February 7, 1984**

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

Nature of Business: The Company is engaged in manufacture of HDPE/PP, Paper Laminated Bags and Shade nets.

Units: Village Kachigam, Taluka Daman, Union Territory of Daman And Diu.

The Company has no subsidiaries.

- d. Brief particulars of the management of the company;

The Company is being managed by Whole-Time Director under the superintendence, control and direction of the Board of Directors.

- e. Names, addresses, DIN and occupations of the directors;

Name of Directors	Address of Directors	DIN	Occupation
Mr. Harshhad Patel	8-B, Suvas Apartment, 68F, Neapeansea Road, Mumbai- 400006	00164228	Business
Mr. Abhishek Patel	8- B, Suvas Apartment, 68F, Neapeansea Road, Mumbai- 400006	05183410	Whole-Time Director
Mr. Pranav J. Patel	Flat No. 1001-1002 Premium Tower II, Shalimar Township, A. B. Road, Indore 452001- Madhya Pradesh	00171387	Business
Mr. Arvindkumar Nopany	11-A, Nilamber-1, Sayed Vasam Road, Nr. Vasam Octori Naka, Baroda 390015	00148521	Business

- f. Management's perception of risk factors;

Cost of Raw Material: The cost of Energy and Oil is increasing causing the waves in standard pricing.

Interest Rate: High Rate of Interest rate is adversely affecting the earnings of the Company.

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

- i) statutory dues; **Nil**
 ii) debentures and interest thereon - **Nil**



iii) loan from any bank or financial institution and interest thereon. **Nil**

2. PARTICULARS OF THE DEPOSIT SCHEME

- a. Date of passing of board resolution : **May 29, 2014**
- b. Date of passing of resolution in the general meeting authorizing the invitation of such deposits: **September 30, 2014**
- c. Type of deposits: **Unsecured**
- d. Amount which the company can raise by way of deposits as per the Act and the rules made thereunder:
 - a. 10% of the aggregate of the paid up share capital and free reserves (Under Rule 3(1)(a)) – **123.92 lacs**
Such Deposits are not repayable earlier than three months from the date of deposit or renewal
 - b. 25% of the aggregate of the paid-up share capital and free reserves (under Rule 3(3)) – **309.79 lacs**

The aggregate of deposits actually held on the last day of the immediately preceding financial year – **Rs. 67.09/- Lacs**

The date of issue of the Circular or advertisement – **The effective date of issue of circular will be the date of dispatch of the circular to the members after the AGM**

Amount of deposit proposed to be raised - **25% of the aggregate of the paid-up share capital and free reserves i.e. 309.79 lacs**

Amount of deposit repayable within the next twelve months – **Rupees 31.02Lacs only**

- e. Terms of raising of deposits:
 - Duration – **Three years**
 - Rate of interest – **12.00%** (Subject to changes from time to time)
 - Mode of payment and repayment - **By Cheque or any other mode except Cash**
- f. Proposed time schedule mentioning the date of opening of the Scheme and the time period for which the circular or advertisement is valid - **The Scheme will be opened after filing the circular with ROC after the AGM and the circular will be valid till 30.09.2015**
- g. Reasons or objects of raising the deposits – The monies received as deposits will be utilised for the operations of the Company
- h. Credit rating obtained; Name of the Credit Rating Agencies, Rating obtained, Meaning of the rating obtained, Date on which rating was obtained – **Not Applicable being Unsecured Deposits from members.**
- i. Extent of deposit insurance; Name of the Insurance Company, terms of the insurance coverage, duration of coverage, extent of coverage, procedure for claim in case of default etc. – **Will be taken before 31.3.2015**
- j. Short particulars of the charge created or to be created for securing such deposits - **Not Applicable being Unsecured Deposits**
- k. Any financial or other material interest of the directors, promoters or key managerial personnel in such deposits and the effect of such interest in so far as it is different from the interests of other persons - **Nil**

3. DETAILS OF ANY OUTSTANDING DEPOSITS

- a. Amount Outstanding – **Rs. 67.09 Lacs**
- b. Date of acceptance –**Between November 2013 to March 2014**
- c. Total amount accepted – **Rs. 67.09 Lacs**
- d. Rate of interest – **12.5%**
- e. Total number of depositors - **42**
- f. Default, if any, in repayment of deposits and payment of interest thereon, if any, including number of depositors, amount and duration of default involved **Nil**
- g. Any waiver by the depositors, of interest accrued on deposits. - **Nil**

4. FINANCIAL POSITION OF THE COMPANY

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

(Rs. In lacs)

Accounting Year	Profit Before Tax	Profit After Tax
Year ended 31.3.2012	105.51	105.51
Year ended 31.3.2013	(96.17)	(96.17)
Year ended 31.3.2014	126.82	126.82

- b. Dividends declared by the company in respect of the said three financial years; interest coverage ratio for last three years (Cash profit after tax plus interest paid or interest paid)

Accounting Year	Dividend on Equity Shares
Year ended 31.3.2012	Nil
Year ended 31.3.2013	Nil
Year ended 31.3.2014	Nil

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

(Rs. In lacs)

	As at 31.3.2012	As at 31.3.2013	As at 31.3.2014
Liabilities			
Share Capital	552.20	552.20	552.20
Reserves & Surplus	684.14	609.18	736.00
Secured Loans	846.56	1069.25	1086.12
Unsecured Loans	90.58	85.23	272.10
Current Liabilities & Provisions	1157.31	1315.60	1185.81
	3330.79	3631.46	3832.23
Assets			
Fixed Assets	1301.36	1390.15	1336.13
Investment	89.93	88.92	97.44
Current Assets	1929.57	2105.61	2363.81
Loans & Advance	9.93	46.78	34.85
	3330.79	3631.46	3832.23



RISHI TECHTEX LIMITED

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

(Rs. In lacs)

	As at 31.3.2012	As at 31.3.2013	As at 31.3.2014
Net profit before tax & extraordinary items	105.51	(96.17)	126.82
Adjustment for	217.77	256.52	267.59
	323.28	160.35	394.41
a) Operating profit before working capital change	266.00	59.59	176.72
b) Cash flow from Investing Activities	(265.44)	(155.59)	(37.53)
c) Cash Flow from Financing Activities	25.01	114.40	(174.64)
Net increase in cash & Cash equivalents (a+b+c)	25.57	18.40	(35.45)
Opening Balance cash & Cash equivalents	88.52	114.09	132.49
Closing Balance cash & Cash equivalents	114.09	132.49	97.04

- b. Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company - **No change in accounting policies in the last three years.**

5. A DECLARATION BY THE DIRECTORS THAT-

- the company has not defaulted in the repayment of deposits accepted either before or after the commencement of the Act or payment of interest there on;
- the board of directors have satisfied themselves fully with respect to the affairs and prospects of the company and that they are of the opinion that having regard to the estimated future financial position of the company, the company will be able to meet its liabilities as and when they become due and that the company will not become insolvent within a period of one year from the date of issue of the circular or advertisement;
- the company has complied with the provisions of the Act and the rules made thereunder;
- the compliance with the Act and the rules does not imply that repayment of deposits is guaranteed by the Central Government;
- the deposits accepted by the company before the commencement of the Act have been repaid (or will be repaid along with interest on or before 31.3.2015 or such date as may be specified by the Govt. and until they are repaid, they shall be treated as unsecured and ranking pari passu with other unsecured liabilities).
- In case of any adverse change in credit rating, depositors will be given a chance to withdraw deposits without any penalty.
- the deposits shall be used only for the purposes indicated in the Circular or circular in the form of advertisement;
- the deposits accepted by the company (other than the secured deposits, if any, aggregate amount of which to be indicated) are unsecured and rank pari passu with other unsecured liabilities of the company.

By Order of the Board of Directors

For Rishi Techtex Ltd.

Harshad B. Patel

(Chairman)

Place : Mumbai

Dated : 29th May, 2014

1. Mr. Harshad Patel :
2. Mr. Abhishek Patel :
3. Mr. Pranav Patel :
4. Mr. Arvid Nopany :

DIRECTORS' REPORT

FINANCIAL RESULTS

	Rs. in Lacs	
	2013-14	2012-13
Total Income	4392.13	3604.15
Earning before Interest & Depreciation	455.37	211.47
Interest	184.56	188.71
Depreciation	143.99	118.93
Profit before Tax	126.82	(96.17)
Provision for Tax	Nil	Nil
Profit after Tax	126.82	(96.17)

OPERATING RESULTS

During the year your Company earned total Income of Rs.4392.13 lacs as compared to Rs.3604.15 lacs earned in the previous year showing an increase of 21.86%. The operations during the year have resulted in a profit of Rs.126.82 Lacs as compared to loss of Rs.96.17 Lacs suffered in the previous year.

EXPANSION PLAN

The Company initiated a Modernisation plan in September 2013. We have replaced our old 50 looms by new 30 looms. The new looms will give us the same production which 50 old looms were giving, but by replacing the old looms we were able to reduce the running cost of labour and power and has provided space for further expansion/modernization.

CURRENT YEAR

Sales for the first two months of the current year amounted to Rs.862.00 Lacs as compared to Rs. 576.56 Lacs achieved in the same period in the previous year. With revision in prices the Directors feel that the margins will improve leading to positive results.

DIVIDEND

On account of losses suffered by the Company, the Directors express their inability to declare dividend.

INSURANCE

All the properties of the Company have been adequately insured against fire, riot, earthquake, and various other risks.

FIXED DEPOSITS

During the period under report, the Company has neither accepted any further Deposits neither refunded, so the total deposits outstanding at the end of the year amounts to Rs.67.09 lacs.

DIRECTORS

Mr. Abhishek Patel is presently working as Whole-Time Director of the Company. It is proposed to appoint him as a Managing Director of the Company for three years with effect from 1st November 2014.

Mr. Arvind Nopany and Mr. Pranav Patel, Independent Directors of the Company are being proposed to be appointed as Independent Directors of the Company for the period of five years in terms of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, at the ensuing Annual General Meeting of the Company.

Appropriate resolutions for the appointment/re-appointment of Director are being placed for your approval at the ensuing Annual General Meeting.

DIRECTORS RESPONSIBILITY STATEMENT

Your Directors hereby Report:

- (A) That in the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departure, if any.
- (B) That the directors have selected such Accounting Policies and applied them consistently and made



judgement and estimates that are reasonable and prudent so as to give a true and fair view of the State of Affairs of the Company as at 31st March, 2014.

(C) That the Directors have taken the proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities.

(D) That the Directors have prepared the Accounts on a going concern basis.

MANAGEMENT DISCUSSION AND ANALYSIS

The management discussion and analysis on the operations of the Company is provided in a separate section and forms a part of this report.

CORPORATE GOVERNANCE REPORT

Report on Corporate Governance and Certificate of the Auditors of your Company regarding compliance of the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock exchanges, are enclosed.

PARTICULARS OF EMPLOYEES

During the year under report, no employees have drawn remuneration in excess of the limits laid down under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) (Amendment) Rules, 2011

THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988

The information required to be disclosed is set out in Annexure

AUDITORS

M/s. Alladi Krishnan & Kumar, Chartered Accountants, Statutory Auditors of the Company retire and offer themselves for re-appointment.

The Company has obtained the requisite certificate required under section 224 of the Companies Act, 1956 to the effect that their re-appointment, if made, will be in conformity with limits specified in the said section.

APPRECIATIONS

The Directors place on record their appreciation of the efficient and loyal services rendered by the Staff and workmen as also help and guidance received from Canara Bank.

**By Order of the Board of Directors
For Rishi Techtex Ltd.**

Place : Mumbai
Dated : 29th May, 2014

Harshad B. Patel
(Chairman)

ANNEXURE

THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS RULES, 1988)

A. CONSERVATION OF ENERGY

The new Raschel Knitting Machines to be installed are more efficient, will consume less electricity as compared to earlier machines and are faster and will reduce wastage. The form 'A' prescribed under the rules is not applicable to the Company.

B. TECHNOLOGY ABSORPTION

The company has been constantly improving the quality of the products to suit the requirements of customers. No specific amount is earmarked for

R&D. The Company has installed new machines as well as modified existing machines to improve the quality of its products.

TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION

The Company has not imported any technology.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The earning in foreign exchange on Export of bags and fabrics amounts to Rs.961.38 lacs. Expenditure in foreign currency on account of Travelling Rs.2.60 lacs and there was no Import of Capital Goods.



CORPORATE GOVERNANCE REPORT

STATEMENT ON COMPANY’S PHILOSOPHY ON CODE OF GOVERNANCE

The Company’s Philosophy on Corporate Governance aims at attaining the highest level of Professionalism, honesty and integrity, besides transparency and accountability towards its stakeholders including shareholders, employees, the government and lenders.

The Company has fully complied with the requirements of Corporate Governance under the revised clause 49 of the listing agreement.

BOARD OF DIRECTORS (As on 31.03.2014)

The Company has four Directors. There is no Nominee Director on the Board. There are two Promoter Directors and two independent Directors on the Board.

No Director of the Company is either member of more than ten committees and/or Chairman of more than five committees across all Companies in which he is Director and necessary disclosures to this effect has been received by the Company from all the Directors.

During the year, in all four Board Meetings were held i.e. on 30th May, 2013, 12th August, 2013, 13th November, 2013 and 13th February, 2014. The time gap between any two meetings was not more than 4 months.

The details of Directors and their attendance record at Board Meetings held during the year, at last Annual General Meeting and number of other directorships and chairmanships/memberships of committees is given below:

Name	Category	Other Director Ships in public Co's	Committee Memberships/ Chairmanships (including RTL)#	Attendance At Board Meetings	Attendance atAGM	Share holding of Non executive Directors
Mr. H.B.Patel	Promoter/ Executive	1	2	5	Yes	N.A.
Mr. A.N.Nopany	Non-Promoter/Independent	Nil	3	5	No	Nil
Mr. P.J.Patel	Non-Promoter/Independent	Nil	3	5	No	1767
Mr. Abhishek Patel	Promoter/ Executive	Nil	Nil	5	Yes	N.A.

While considering the memberships/chairmanships only Audit Committee and Shareholders and Investor Grievance Committee are considered.

Code of Conduct:

The Board has laid down a Code of Conduct for all Board members and senior management personnel of the Company, which has been posted on the website of the Company www.rishitechtext.com.

All Board members and senior management personnel have affirmed compliance with the code for the year ended on March 31, 2014. Declaration to this effect signed by the Whole-Time Director of the Company for the year ended on March 31, 2014 has been included elsewhere in this report.

COMMITTEES:

1) Remuneration Committee

Remuneration Committee approves the remuneration payable to the Whole-Time Director and senior executives.

The Whole-Time Director is paid remuneration. Other Directors are paid sitting fees of Rs. 500/ per Board Meeting.

Whole-Time Directors Remuneration (As prescribe by Schedule V of the Companies Act 2013)

Period	Three years from 1.11.2014
Salary	Not Exceeding Rs.3,50,000 per month
Commission	Not exceeding 1% of Net profits
Perquisites	Perquisites will be limited to an amount equal to salary
HRA	50% of salary per month

Besides the above, the Whole-Time Director is entitled to perquisites such as PF, Gratuity, Medical, LTA, Telephone, Car, Accident Insurance.

Non-Executive Directors are paid Rs.500/- per Board Meeting attended.

No stock options has been issued to any Directors.

Total Remuneration received by Mr. Abhishek Patel, Whole-Time Director of the Company during the year 2013-14 amounts to Rs.18.78 lacs.

2) Audit Committee

The Audit Committee consists of three Directors, Mr. Pranav. J. Patel, Mr. Arvind N. Nopany and Mr. Harshad Patel out of which two are independent Directors.

The terms of reference to the Committee broadly are as under:

- 1 Reviewing the quarterly and annual financial statements before submission to the Board.
- 2 Recommending to the Board the appointment, reappointment of the statutory auditors and fixing their remuneration.
- 3 Reviewing the internal control system and internal audit function.
- 4 Discussing with internal auditors failure in internal control system and recommending measures for improvement.
- 5 Discussing with statutory auditors about the nature and scope of audit and post audit discussions on any area of concern.
- 6 To look into any defaults in payment to depositors, shareholders and creditors.

The Committee met on 30th May, 2013, to consider the Annual Accounts for the year ended 31.03.2013, on 12th August, 2013 to consider quarterly unaudited results for the quarter ended 30.06.2013, on 13th November, 2013 to consider the quarterly unaudited results for the quarter ended 30.09.2013 and on 13th February, 2014 to consider the quarterly unaudited results for the quarter ended 31.12.2013.

3) Shareholders/Investors Grievance Committee

The Committee consists of two independent Directors, Mr. Arvind N. Nopany and Mr. Pranav Patel. The Committee has been constituted to look into redressal of shareholders complaints and correspondence with SEBI and the Stock Exchange.

There are no complaints pending with the company.

4) Finance Committee

The Company has a Finance Committee comprising of three Directors viz. Mr. Harshad Patel, Mr. Abhishek Patel and Mr. Arvind Nopany for looking after the matters pertaining to expansion and finance of the Company.

During the year, the Committee met on 30.10.2013 to consider finance proposals.

General Meetings

27th AGM - Tuesday, 30.08.2011 at 11.30 a.m. – H. T. Parekh Conference Room, 4th Floor, IMC, Churchgate, Mumbai - 400020

28th AGM - Thursday, 29.11.2012 at 11.30 a.m. H. T. Parekh Conference Room, 4th Floor, IMC, Churchgate, Mumbai - 400020

28th Adjourned AGM
Monday, 17.06.2013 at 11.30 a.m. – H. T. Parekh Conference Room, 4th Floor, IMC, Churchgate, Mumbai - 400020

29th AGM – Friday, 23.08.2013 at 11.30 a.m. – H. T. Parekh Conference Room, 4th Floor, IMC, Churchgate, Mumbai - 400020

30th AGM – Tuesday, 30.09.2014 at 12.30 p.m. – Khilachand Conference Room, 2nd Floor, IMC, Churchgate, Mumbai - 400020



Special Resolutions

In the 27th Annual General Meeting, no Special Resolutions were passed.

In the 28th Annual General Meeting, Special Resolution was passed for Appointment of and payment of Remuneration to Mr. Abhishak Patel, the Whole-time Director.

In the 28th Adjourned Annual General Meeting, no special resolution was passed.

In the 29th Annual General Meeting, no Special Resolutions were passed.

Postal Ballot

During the year, no postal Ballot Resolution was passed.

Disclosures

There are no transactions of material nature with the Promoters, the Directors or the Management, their Subsidiaries or relatives, etc. that had any potential conflict with the interest of the Company at large.

There were no cases of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or by any statutory authority, on any matter relating to Capital market.

The Company follows Accounting Standards issued by the Institute of Chartered Accountants of India and in the preparation of financial statements, the company has not adopted a treatment different from that prescribed in any Accounting Standard.

The Managing Director and the Finance Officer have certified to the Board in accordance with clause 49(V) of the Listing Agreement pertaining to CEO/CFO certification for the financial year ended 31.3.2014.

A certificate from the Auditors of the Company regarding compliance of Corporate Governance clause 49 of listing Agreement is annexed herewith.

A Management Discussion and Analysis report forming part of this Directors' report is attached herewith.

Means of Communication

The Company has been publishing the Unaudited Quarterly and Audited Annual results in Free Press Journal and Navshakti.

The Company has been displaying the Quarterly and Half Yearly Results on the website of the Company viz. www.rishitechtext.com.

General Shareholder Information

30th Annual General Meeting

Date : September 30, 2014

Time : 12.30 p.m.

Venue : Khilachand Conference Room, 2nd Floor, IMC, Churchgate, Mumbai- 400020

Financial Calendar

Publication of Unaudited Results

Quarter Ending

June, 30 th 2014	45 days from the end of quarter
September, 30 th 2014	45 days from the end of quarter
December, 31 st 2014	45 days from the end of quarter
March 31 st 2015	45 days from the end of quarter or 60 days from the end of quarter in case of Audited Results.

Book Closure Date

26.9.2014 to 30.9.2014 (both days inclusive)

Listing on Stock Exchange

The shares of the Company are listed on the Bombay Stock Exchange

Stock Code

Physical Segment 523021
CDSL/NSDL ISIN NO INE989D01010

Stock Market Data

The High and Low of share price of the Company during each month in the last financial year at the Stock Exchange, Mumbai and performance in comparison to BSE Sensex.

Month	BSE SENSEX			
	High	Low	High	Low
April 13	9.20	9.20	19622.68	18144.22
May 13	-	-	20443.62	19451.26
June 13	9.66	9.20	19860.19	18467.16
July 13	-	-	20351.06	19126.82
August 13	9.20	9.20	19569.20	17448.71
September 13	-	-	20739.69	18166.17
October 13	8.75	8.75	21205.44	19264.72
November 13	-	-	21321.53	20137.67
December 13	-	-	21483.74	20568.70
January 14	8.70	8.70	21409.66	20343.78
February 14	9.13	7.99	21140.51	19963.12
March 14	8.05	8.05	22467.21	20920.98

Outstanding GDRs/ADRs/Warrants:

The Company has not issued any GDRs/ADRs/Warrants during the year.

Compliance Officer

Mr. Vasant Goray, the Company Secretary has resigned with effect from 31.05.2014.

Ms. Nidhi Shah, Company Secretary is the Compliance officer of the Company w.e.f. 01.06.2014.

Registrar and Transfer Agents

Adroit Corporate Services Private Limited
19/20, Jaferbhoy Industrial Estate, 1st Floor,
Makwana Road, Marol Naka, Mumbai 400059
Phone No. 42270400 Fax No. 28503748

Share Transfer System

The Share Transfers are handled by Transfer Committee.

The Company's equity shares are compulsorily traded in dematerialized form as per the SEBI guidelines.

Physical share transfers are registered and returned within a period of 15 days from the date of receipt, if the documents are correct and valid in all respects. A letter is sent to the shareholder giving him an option to receive shares in the physical mode or in the dematerialized mode. A period of 30 days is given to the shareholder for sending his intimation. The shareholder then receives the shares in the form he exercises his option.

Pursuant to clause 47 (c) of the listing Agreement, certificates, on half yearly basis have been issued by a company secretary in practice for due compliance of share transfer formalities by the Company. Certificates have also been received from a company secretary in practice for timely dematerialization of the shares of the Company and for conducting a secretarial audit on a quarterly basis for reconciliation of the share capital of the Company.

As on 31st March, 2014, 4915038 equity shares out of 5522000 equity shares representing 89.01% of the total paid – up Capital of the Company are held in dematerialised form.

Shareholding Pattern as at March 31, 2014.

Category	No. of Shares Held	% to Paid up Capital
Promoters	16,31,800	29.56
Banks/Financial Institutions	3,42,000	6.19
Bodies Corporate	8,92,599	16.17
Non Resident Indians	44,612	0.81
Public	26,10,989	47.28
Total	55,22,000	100.00

Distribution of Shareholdings

No. of Shares	Nos. of Shareholders	% to Total	No. of Shares	% to Total
Up to 500	3,278	88.43	4,53,527	8.21
501-1,000	220	5.93	1,78,633	3.22
1,001-2,000	86	2.32	1,28,978	2.34
2,001-3,000	32	0.86	81,598	1.48
3,001-4,000	13	0.35	43,704	0.79
4,001-5,000	10	0.27	47,859	0.87
5,001-10,000	26	0.67	1,94,045	3.51
Above 10,000	43	1.16	43,93,656	79.57
Total	3,707	100.00	55,22,000	100.00

Plant Location

Survey No. 381, Causeway Road, Village Kachigam, Taluka Daman, Union Territory of Daman & Diu.

Address for Correspondence

The Compliance Officer,
Rishi Techtex Ltd.,
(Formerly known as Rishi Packers Limited)
612, Veena Killedar Industrial Estate,
10-14, Pais Street, Byculla (W), Mumbai 400011
Tel. No. 022-23075677/23074585
Email: info@rishitechtext.com

DECLARATION OF THE WHOLE-TIME DIRECTOR

This is to certify that the Company has laid down Code of Conduct for all Board members and Senior Management of the Company.

Further certified that the Members of the Board of Directors and Senior Management personnel have affirmed having complied with the Code applicable to them during the year ended March 31, 2014.

By Order of the Board

Place: Mumbai
Date: 29th May, 2014

Abhishek Patel
Whole-Time Director

AUDITORS CERTIFICATE

The Shareholders of
Rishi Techtex Ltd.,
Mumbai 400011

We have reviewed the records and documents concerning implementation of corporate governance procedure set by the Company during the financial year ended 31st March 2014 and furnished to us for our review.

Compliance of conditions of corporate governance is the responsibility of the 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 opinion on the financial statements of the Company.

We have conducted our review on the basis of the relevant records and documents maintained by the Company and furnished to us for review and the

information and explanations given to us by the Company.

Based on such a review, in our opinion, the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement entered into with the Stock Exchange.

We have been explained that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Company.

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

For ALLADI KRISHNAN & KUMAR
Chartered Accountants
(Firm's Registration No. 100282W)

Mumbai
Date: 29th May, 2014

AJIT DATAR
Partner



MANAGEMENT DISCUSSION AND ANALYSIS

1 BUSINESS OVERVIEW:

The Company is engaged in the manufacturing and export of HDPE/PP Woven Sacks and Shade Nets. The Company's manufacturing unit is situated at Village Kachigam, Taluka Daman, Union Territory of Daman and Diu.

2 INDUSTRY STRUCTURE & DEVELOPMENT:

Technical Textile

Technical Textiles are defined as Textile material and products manufactured primarily for their technical performance and functional properties rather than aesthetic and decorative characteristics.

Technical textile broadly refers to woven/knitted and non-woven clothes made for technical applications.

Scope of Technical Textiles

Technical Textiles (TT) offers new ways, means and opportunity to the Indian textile industry to sustain the present growth and thrive in near future.

According to the recent reports, there has been a sharp increase in the global demand for TT in various application areas namely Meditech, buildtech, Mobiletech, Protech, Homotech, Sporttech, Packtech, Geotech etc.

These applications have provided for scope for making various products – from Car Upholstery to Parachutes, Shelter Fabric to Home furnishing, Infrastructure to Environmental and even to Hospitals.

The Indian TT industry is projected to grow to Rs.1.4 trillion (\$31.4 billion) by 2016-17, with healthcare and infrastructure sectors accounting for a major chunk of the consumption, Currently, the TT industry market was estimated at Rs.570 billion (\$12.67 billion) in 2010-11.

Non-Woven Technical Textile Industry in India.

A non-woven is a sheet of fibers, continuous filaments, or chopped yarns of any nature or origin, that have been formed into a web by any means, and bonded together by any means, with the exception if weaving or knitting.

Non woven is a subset of TT which represents health hygiene products (Meditech) like sanitary napkins, diapers, bandages, wipes etc, geogrids, geo nets (Geotex), crops covers, fishing nets (Agrotex) etc.

A major support scheme of National Technology Mission for TT as well as the growth in the middle class population was expected to change the nature of TT industry in the next 5 to 10 year.

The non-woven industry in India is expected to register a growth of over 12.4% with the increase in disposable incomes, rising of environmental concerns, the need for life enhancing products, automobiles etc.

Non-woven is globally young industry. With its capacity to cater to special applications, it has an exclusive market. The non-woven industry has a huge market in the U.S., European countries and Japan. These countries also have advanced technology to make these products. Now China has emerged as the world's largest producer of Non-woven in terms of the quantity.

With increasing environmental concerns Companies are going for environment-friendly products. For this they can look at using bio-degradable materials to produce the Non-woven's rather than using oil-based polymers. So, more entrepreneurs in India should be encouraged to diversify to Non-woven.

Growth factors for India to become next big market for non-woven's:

1. Increasing in young working population with rising in their income level.

2. Changes in consumer demand : lifestyle changing products.
3. Booming in the growth of organised retail market or mall culture.
4. Increasing exposure to international lifestyle.
5. Large raw material base. India is the largest producer of cotton and fifth largest in polyester.
6. Booming in real estate-surge in home textiles.
7. Government initiatives – SEZ, Parks, TUF, TMTT etc
8. Increase in awareness about health, soil erosion, soil conservation, agriculture production, increase in production of cars and trucks, and with increasing environmental concerns all has stipulated the growth on non woven technical textiles.

WOVEN SACKS

Woven Sacks are used mainly for packing cement, fertilizers, chemicals, polymers and sugar.

Advantages

- Unaffected by water & atmospheric moisture.
- Light in weight
- Ease of handling
- Resistant to chemicals, fungal growth etc.
- High strength to weight ratio
- Can be used to pack hot products such as cement, etc.
- Very affordable, Low cost
- Flexible, high strength and persistent durability
- Can be printed on both sides.
- Can be stored in an open area due to UV-stability, upto 6 months.
- Water and dust proof design due to inside PE liners or laminated on the outside; hence, packed materials are protected from outside humidity.
- Twisted weave and anti-skid print to prevent slipping
- Fully recycled

Applications

For packaging of:

- Chemicals, fertilizers, cement, urea, minerals, resin, polymers, rubber
- Flour, grain, seeds, spices, pulses, dates, agro products, fishmeal, cattle feed
- Sugar, salt
- Sand, metal parts, concrete elements
- Fruits, vegetables
- Mails/letters/documents.

3 OPPORTUNITIES & THREATS:

a) Opportunities

Woven Division

Rishi Techtex manufactures woven sacks mainly for use by cement industry. The Company's manufacturing unit is situated at Union Territory of Daman and Diu. The total installed capacity of this division is 4800 MTPA. During the year the production was 4696 MT as Compared to 4231 MT in the previous year. As the Clients of our woven division grow we hope to be able to grow at a constant rate along with them thus enabling us to achieve a higher level of earnings.

Knitted Division

The total installed capacity of this division is 1400 MTPA. During the year the production was 1215 MT as Compared to 1175 MT in the previous year. The company expects increase in business both on Domestic and Export front from this division during the current year. The Exports during the year were Rs.961.38 lacs as compared to Rs.696 lacs in the previous year.

b) Threats

The instability of currency rates causes large fluctuation with raw material prices for the industry. As raw material prices vary constantly the demand for the product varies and affects the efficiency of production of the unit. Thus true cost of manufacturing increases and has an adverse effect on profitability.



4 OPERATIONAL PERFORMANCE:

The sales during the year were Rs.4331.17 lacs as compared to Rs.3553.03 lacs in the previous year. The operations during the year achieved profit of Rs.126.82 lacs as compared to loss of Rs.96.17 lacs suffered during the previous year. The material consumption in the year was Rs.3090.84 lacs (71.36%) as Compared to Rs.2592.17 lacs (72.96%) in the previous year.

5 RISKS & CONCERNS:

As the cost of Energy and Oil is increasing the cost of Raw materials for the industry increases causing waves in standard pricing. Higher interest rate adversely affects the earnings. Till this settles the possibility of achieving consistency is difficult.

6 HUMAN RESOURCES:

A cordial industrial relations environment prevailed in the manufacturing units of the Company during the year. We have achieving a higher level of production per person at the

company thereby giving us better opportunities for manufacturing efficiency in the future.

7 INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY:

The Company has adequate systems of internal control and procedures covering all financial and operating functions commensurate with the size and nature of operations.

CAUTIONARY STATEMENT

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

INDEPENDENT AUDITOR'S REPORT

To,
The Member of
Rishi Techtex Limited

Report on the Financial Statements

We have audited the accompanying financial statement of Rishi Techtex Limited which comprises the Balance Sheet as at 31st March 2014, and the statement of Profit and Loss Account and the cash flow statement of the Company 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 flow of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956. 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.

Auditors 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 requirement and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessment, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in

order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and 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 statement give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

- (i) In the case of Balance Sheet, of the state of affairs of the Company as on 31st March 2014.
- (ii) In the case of Profit and Loss Account, of the Profit of the company for the year ended on that date; and
- (iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory requirement

1. As required by the Companies (Auditors Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the order.
2. As required by section 227(3) of the Act, we report that,
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as it 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 Sub-Section (3C) of section 211 of the Companies Act, 1956;
- e) On the basis of the written representations received from the Directors as on March 31, 2014, and taken on record by Board of Directors, none of the Directors are

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.

- f) Since the Central Government has not issued any notification as to the rate at Which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

**For ALLADI KRISHNAN AND KUMAR
(Chartered Accountants)**

Place: Mumbai
Date: 29th May, 2014

**AJIT S.DATAR
(PARTNER)**
Membership No. 036274

ANNEXURE TO AUDITOR'S REPORT

Annexure Referred to in paragraph 1 of the Auditor's Report of even date to the members of Rishi Techtex Limited for the year ended 31 March, 2014.

- 1. [a] The Company has maintained proper records showing full particulars including quantitative details and location of the Fixed Assets.
- [b] There is a regular program of physical verification, which in our opinion is reasonable, having regard to the size of the Company and the nature of fixed assets. No material discrepancies have been noticed in respect of the assets physically verified during the year.
- [c] The Company has not disposed off substantial part of fixed assets during the year.
- 2. [a] Inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.

- [b] The procedures of physical verification of stocks followed by the management are adequate in relation to the size of the Company and the nature of its business.
- [c] The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and book records were not material and have been properly dealt in the books of account.
- 3. According to the information and explanations given to us the Company has not taken/granted unsecured loans, from/to companies, firms or other listed in the register maintained under section 301 of the Companies Act, 1956.
- 4. In our opinion, and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of stores, raw material including components, packing materials, plant and machinery, equipment and

- other assets and with regard to sale of goods. There is no major weakness in the internal control procedures.
5. In our opinion, and according to the information and explanations given to us, there were no transactions in pursuance of contracts or arrangements that needed to be entered into the register maintained under section 301 of the Companies Act, 1956.
 6. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the shareholders, friend, relatives of directors and business associates.
 7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
 8. The Company has made and maintained the cost records as prescribed by Central Government under section 209 (1) (d) of the Companies Act, 1956.
 9. [a] The Company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Wealth Tax, Custom Duty, Excise Duty, cess and other statutory dues with the appropriate authorities.
[b] There are no disputed statutory dues pending at any forums.
 10. The Company have accumulated losses at the end of the financial year but have not incurred any cash losses in the current year and immediately preceding financial year.
 11. According to the information and explanations given to us and the records examined by us, the Company has not defaulted in repayment of dues to the financial institutions.
 12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
 13. As the Company is not a chit fund, nidhi, mutual benefit fund or society the provisions of clause 4 [xiii] of the Companies (Auditors Report) Order, 2003 is not applicable to the company.
 14. As the Company is not dealing or trading in shares, securities, debentures and other investments, the provision of clause 4[xiv] of the Companies (Auditors Report) Order, 2003 is not applicable to the Company.
 15. According to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.
 16. The Company has availed new term loan of Rs.50 Lacs during the financial year and the same is utilised for the purpose for which it is availed.
 17. According to the information and explanations received, the Company has not applied short term borrowings for long term use and vice versa.
 18. The Company has not made any preferential allotment of shares during the year.
 19. The Company has not issued any debentures during the year.
 20. The Company has not raised any money by way of public issue during the year.
 21. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

For **ALLADI KRISHNAN AND KUMAR**
(Chartered Accountant)

Place: Mumbai
Date: 29th May, 2014

AJIT S.DATAR
(PARTNER)
Membership No. 036274

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

	Notes	31.03.2014	Rs.in Lacs 31.03.2013
EQUITY & LIABILITIES			
SHAREHOLDERS' FUNDS			
a) Share Capital	3	552.20	552.20
b) Reserves & Surplus	4	736.00	609.18
			<u>1,161.38</u>
NON-CURRENT LIABILITIES			
a) Long-term borrowings	5	356.53	319.05
b) Other long-term liabilities	6	157.66	162.43
c) Long-term provisions	7	55.43	38.11
			<u>519.59</u>
CURRENT LIABILITIES			
a) Short-term borrowings	8	812.77	840.33
b) Trade payables	9	904.68	803.14
c) Other current liabilities	10	192.33	230.81
d) Short-term provisions	11	64.63	76.21
Total			<u>1,950.49</u>
		<u>1,974.41</u>	<u>1,950.49</u>
		3,832.23	3,631.46
ASSETS			
NON-CURRENT ASSETS			
a) Fixed assets			
b) Tangible assets	12	1,336.13	1,340.01
c) Capital work-in-progress		--	50.14
d) Fixed Assets Held for Sale		--	--
			<u>1,390.15</u>
NON-CURRENT INVESTMENTS	13	97.44	88.92
Long Term loans and advances	14	34.85	34.85
			<u>123.77</u>
		1,336.13	<u>1,390.15</u>
			<u>1,390.15</u>
		132.29	<u>123.77</u>
CURRENT ASSETS			
a) Inventories	15	1,328.03	1,064.29
b) Trade receivables	16	677.01	705.30
c) Cash & cash equivalents	17	97.04	132.49
d) Short-term loans & advances	18	261.73	215.46
			<u>2,117.54</u>
Total			<u>2,117.54</u>
		<u>2,363.81</u>	<u>2,117.54</u>
		3,832.23	3,631.46

**Significant Accounting policies and Notes on 1 to 29
Financial Statement**

The schedule referred to above and notes to accounts form an intergral part of the Balance Sheet.

As per our attached report of even date.

FOR ALLADI KRISHNAN & KUMAR

Chartered Accountants.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**(AJIT S. DATAR)**

Partner

Membership No. 036274

HARSHAD B. PATEL

CHAIRMAN

VASANT GORAY

SECRETARY

PLACE : MUMBAI

DATED : 29th May, 2014

ABHISHEK PATEL

WHOLE -TIME DIRECTOR

PRANAV PATEL**ARVIND NOPANY**

DIRECTOR

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2014

		Rs. in Lacs	
	Notes	31.03.2014	31.03.2013
CONTINUING OPERATIONS			
INCOME			
Revenue from operations (gross)	19	4,726.78	3,882.82
Less : Excise Duty		395.61	329.79
Revenue from operations (net)		<u>4,331.17</u>	<u>3,553.03</u>
Other Income	20	60.96	51.12
Total revenue (i)		4,392.13	3,604.15
EXPENSES			
Cost of materials consumed	21	3,090.84	2,592.17
Changes in inventories of finished goods, work-in-progress and stock-in-trade	22	(61.42)	(55.30)
Employee benefit expense	23	322.06	291.26
Other Expenses	24	585.28	564.55
Total (ii)		3,936.76	3,392.68
Earning before exceptional items, extraordinary items, interest, tax, depreciation and amortisation (EBITDA)(i-ii)		455.37	211.47
Finance costs	25	184.56	188.71
Depreciation and amortisation expense	12	143.99	118.93
Profit / (Loss) before tax		<u>126.82</u>	<u>(96.17)</u>
Tax expenses			
Current Tax		--	--
Deferred Tax		--	--
Profit / (Loss) from continuing operations		<u>126.82</u>	<u>(96.17)</u>
Earning per shares (of 10/- each):			
Basic			
i) Continuing operations		2.30	(1.74)
ii) Total operations		2.30	(1.74)
Diluted			
i) Continuing operations		2.30	(1.74)
ii) Total operations		2.30	(1.74)
Significant Accounting policies and Notes on Financial Statement	1 to 29		

As per our attached report of even date.

FOR ALLADI KRISHNAN & KUMAR

Chartered Accountants.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

(AJIT S. DATAR)

Partner

Membership No. 036274

HARSHAD B. PATEL

CHAIRMAN

VASANT GORAY

SECRETARY

PLACE : MUMBAI

DATED : 29th May, 2014

ABHISHEK PATEL

WHOLE -TIME DIRECTOR

PRANAV PATEL

ARVIND NOPANY

DIRECTOR

**CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2014** Rs. in Lacs

	31.03.2014	31.03.2013
NET PROFIT BEFORE TAX & EXTRAORDINARY ITEMS	126.82	-96.17
Adjusted for:		
Depreciation	143.99	118.93
Interest & Other finance charges	184.56	188.71
Interest Received	(12.63)	(7.74)
Dividend Received	(0.16)	(0.24)
Profit on sale of Assets	(43.59)	(36.81)
Rental Income	(0.04)	(0.19)
Net foreign exchange (gain) / loss	(4.54)	(6.14)
	<u>267.59</u>	<u>256.52</u>
A. OPERATING PROFIT BEFORE WORKING CAPITAL CHANGE	394.41	160.35
Adjusted for (increase)/Decrease in operating Assets:		
Trade and other Receivable	28.29	(61.06)
Inventories	(263.74)	(44.27)
Short-term Loans & Advances	(46.27)	(64.24)
Long-term Loans & Advances	0.00	(24.92)
Adjusted for increase/(Decrease) in operating Liabilities:		
Trade payables	101.54	90.11
Other current liabilities	(38.48)	(122.21)
Short-term provisions	(11.58)	18.11
Long-term liabilities and provisions	12.55	167.38
	<u>(217.69)</u>	<u>(41.10)</u>
CASH GENERATED FROM OPERATIONS	176.72	119.25
Less: Taxes Paid	0.00	0.00
Net Cash from Operating Activities	<u>176.72</u>	<u>119.25</u>
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets (including Capital Work-in-Progress)	(91.01)	(270.88)
Purchase of Investments	(8.52)	1.01
Interest Received	12.63	7.74
Sale of Fixed Assets	44.63	99.97
Rental Income	0.04	0.19
Net foreign exchange gain / (loss)	4.54	6.14
Dividend received	0.16	0.24
Net Cash (Used in) Investing Activities	<u>(37.53)</u>	<u>(155.59)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from issue of Share Capital	0.00	0.00
Capital Subsidy under TUFS	0.00	21.21
Proceeds from Borrowings (Net of Repayments)	37.48	47.04
Net Increase / (Decrease) in working capital borrowing	(27.56)	175.21
Interest and other finance charges	(184.56)	(188.71)
Net Cash (Used in) From Financial Activities	<u>(174.64)</u>	<u>54.74</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS: (A+B+C)	<u>(35.45)</u>	<u>18.40</u>
OPENING BALANCE CASH & CASH EQUIVALENTS	132.49	114.09
CLOSING BALANCE CASH & CASH EQUIVALENT	<u>97.04</u>	<u>132.49</u>

As per our attached report of even date.

FOR ALLADI KRISHNAN & KUMAR

Chartered Accountants.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**(AJIT S. DATAR)**

Partner

Membership No. 036274

HARSHAD B. PATEL

CHAIRMAN

VASANT GORAY

SECRETARY

PLACE : MUMBAI

DATED : 29th May, 2014**ABHISHEK PATEL**

WHOLE -TIME DIRECTOR

PRANAV PATEL**ARVIND NOPANY**

DIRECTOR

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
NOTE NO. 1**CORPORATE INFORMATION:**

The company was incorporated in 1984-85 in the name of Rishi Packers Pvt. Ltd. with an initial project costing Rs.80/- Lacs. The Company has over the last two and half decades undertaken a number of expansion, modernization and diversification programs successfully. The gross block which was Rs.131.70 Lacs in the first year has gone up to Rs.3207.67 Lacs by the end of March 2014. The turnover has gone up from Rs.28.50 Lacs and has reached at its highest level at Rs.4726.79 lacs in 2013-14.

The Company, which started as a woven sack unit supplying bags to fertilizer and cement industry, has consistently developed a number of products to cater to a wide spectrum of industries such as cement, fertiliser, chemical, Petrochemical, etc.

In the year 1998-99 the company undertook a major expansion and started manufacturing agro shade net for the first time in India. Presently the company is the largest exporter and manufacturer of agro shade net in India.

We are a technical textile company operating in India for over 29 years. Our yarn, fabric, bag and agro shade net manufacturing plant with latest technology is located at Survey No. 381, Zari Causway Road, Kachigam, Daman.

NOTE NO.2:**SIGNIFICANT ACCOUNTING POLICIES****BASIS OF ACCOUNTING AND PREPARATION OF FINANCIAL STATEMENTS**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical

cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

USE OF ESTIMATES

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

INVENTORIES (AS 2.26.a)

Inventories are valued at the lower of cost on weighted average basis. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include cost plus appropriate proportion of overheads.

CASH FLOW STATEMENT

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

DEPRECIATION AND AMORTISATION

Depreciation has been provided on the straight-line method as per the rates prescribed in Schedule XIV to the Companies Act, 1956.

REVENUE RECOGNITIONSale of goods

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards



of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty but exclude sales tax and value added tax.

OTHER INCOME

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

TANGIBLE FIXED ASSETS

Fixed assets, are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets.

Capital work-in-progress

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

FOREIGN CURRENCY TRANSACTIONS AND TRANSLATIONS

Initial recognition

Transactions in foreign currencies entered into by the Company and its integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Treatment of exchange differences

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company and its integral foreign operations are recognised as income or expense in the Statement of Profit and Loss.

GOVERNMENT GRANTS, SUBSIDIES AND EXPORT INCENTIVES

Government grants and subsidies are recognised when there is reasonable assurance that the Company

will comply with the conditions attached to them and the grants / subsidy will be received. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognised as income over the life of a depreciable asset by way of a reduced depreciation charge.

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

Government grants in the nature of promoters' contribution like investment subsidy, where no repayment is ordinarily expected in respect thereof, are treated as capital reserve. Government grants in the form of non-monetary assets, given at a concessional rate, are recorded on the basis of their acquisition cost. In case the non-monetary asset is given free of cost, the grant is recorded at a nominal value.

Other government grants and subsidies are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis.

INVESTMENTS

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

EMPLOYEE BENEFITS

Employee benefits include provident fund, superannuation fund, gratuity fund, compensated absences.

Defined contribution plans

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

Defined benefit plans

For defined benefit plans in the form of gratuity fund the cost of providing benefits is determined using actuarial valuations being carried out at each Balance Sheet date.

BORROWING COSTS

Borrowing costs include interest, ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets.

SEGMENT REPORTING

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

EARNINGS PER SHARE

'Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of

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

TAXES ON INCOME

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

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

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual

certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their reliability.

PROVISIONS AND CONTINGENCIES

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present

value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

SHARE ISSUES EXPENSES

Share issue expenses and redemption premium are adjusted against the Securities Premium Account as permissible under Section 78(2) of the Companies Act, 1956, to the extent balance is available for utilisation in the Securities Premium Account.

INSURANCE CLAIMS

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

Notes to financial statements for the year ended 31st March, 2014

3. SHARE CAPITAL

	Rs. in Lacs	
	31.03.2014	31.03.2013
Authorised shares 70,00,000 Equity Shares of Rs.10/- each	700.00	700.00
Issued, Subscribed and fully paid up shares 55,22,000 Equity Shares of Rs.10/- each fully paid up	552.20	552.20
Total Issued, Subscribed and fully Paid up share Capital	552.20	552.20

a. Reconciliation of the number of equity shares and amount outstanding at the end of the reporting period:

	31.03.2014 No. in Lacs	31.03.2014 Rs. in Lacs	31.03.2013 No. in Lacs	31.03.2013 Rs. in Lacs
At the beginning of the period	55.22	552.20	55.22	552.20
Issued during the period	--	--	--	--
Outstanding at the end of the period	55.22	552.20	55.22	552.20

b. Terms/rights attached to equity shares

The company has only one class of equity shares having a per value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share.

c. Details of shares held by each shareholder holding more than 5% shares:

	31.03.2014 No. in Lacs	31.03.2014 % of holding in the class	31.03.2013 No. in Lacs	31.03.2013 % of holding in the class
Equity shares of Rs.10/- each fully paid				
Mr. Harshad B. Patel	7.88	14.27%	9.43	17.07%
Mr. Mayur M. Kothari	4.43	8.03%	4.43	8.03%
M/s. Centennail Finance Ltd.	5.40	9.78%	4.40	7.97%
M/s. Stressed Assets Stabilisation Fund	3.42	6.19%	3.42	6.19%
M/s. Rishi Laser Ltd.	3.01	5.46%	3.01	5.46%
Mr. Nikhil Marchant	3.30	5.98%	3.30	5.98%


4. RESERVES AND SURPLUS
Rs. in Lacs

	31.03.2014	31.03.2013
Capital Reserve		
Balance as per last Balance Sheet	49.06	27.85
Add: Addition during the year	--	21.21
	49.06	49.06
Security Premium Account		
Balance as per last Balance Sheet	414.98	414.98
General Reserve		
Balance as per last Balance Sheet	401.88	401.88
Surplus / (Deficit) in Statement of Profit and loss		
Opening Balance	(256.74)	(160.57)
Add: Profit / (Loss) for the years	126.82	(96.17)
Net Surplus in the statement of Profit and Loss	(129.92)	(256.74)
TOTAL	736.00	609.18

5. LONG TERM BORROWING
Rs. in Lacs

	Non-current Portion		Current Portion	
	31.03.2014	31.03.2013	31.03.2014	31.03.2013
Term Loan				
From Banks				
Secured	115.73	192.72	120.35	138.08
Unsecured	--	--	--	--
	115.73	192.72	120.35	138.08
From Other parties				
Secured	22.29	37.28	14.98	12.92
Unsecured	4.41	6.98	22.57	51.32
	26.70	44.26	37.55	64.24
Deposits				
Secured	--	--	--	--
Unsecured	36.52	45.99	31.02	21.55
	36.52	45.99	31.02	21.55
Loan From Related Party				
Secured	--	--	--	--
Unsecured	177.58	36.08	0.00	2.89
	177.58	36.08	0.00	2.89
TOTAL	356.53	319.05	188.92	226.76

Rs. in Lacs

Details of Secured Loans from Bank	Non-current Portion		Current Portion	
	31.03.2014	31.03.2013	31.03.2014	31.03.2013
1. Term Loan from Canara Bank: Secured by First Charge On Company's Land and Building, Machinaries at Survey No. 381, Causway Road, Kachigam, Daman. (Repayment of Rs.1.35 lacs p.m. (EMI) for Twenty Two months from June 2013 to April 2015)	0.00	13.64	13.64	11.36
2. Rupee Term Loan from Canara Bank Secured by First Charge On Company's Land and Building, Machinaries at Survey No. 381, Causway Road, Kachigam, Daman. (Repayment of Rs.5.56 lacs p.m. for Three years from August 2011 to July 2014)	0.00	22.08	22.08	66.72
3. Term Loan from Canara Bank: Secured by First charge on Companies Land and Bulding, Machinaries at Survey No. 381, Causway Road, Kachigam, Daman. (Repayment of Rs.15 lacs/Qtr. for 20 installments from July 2012 Qtr onwards)	95.73	157.00	60.63	60.00
4. Term Loan from Canara Bank: Secured by First charge on Companies Land and Bulding, Machinaries at Survey No. 381, Causway Road, Kachigam, Daman. (Repayment of Rs.2 lacs/month for 25 installments from January 2014 onwards)	20.00	0.00	24.00	0.00
TOTAL	115.73	192.72	120.35	138.08

Rs. in Lacs

Details of Loans from Other parties - Secured	Non-current portion		Current Portion	
	31.03.2014	31.03.2013	31.03.2014	31.03.2013
1. Loan form L&T Finance Ltd. : Secured by Hypothecation of Specific Plant and Machinery at Daman (Repayment of Rs.1.35 Lacs p.m. (EMI) for 3 years from May 2013 to April 2016)	16.43	29.53	13.09	10.47
2. Hire Purchase Loan From Tata Finance Ltd. Secured by Hypothecation of Vehicles	0.00	0.59	0.59	1.31
3. Hire Purchase Loan From SBI Finance Ltd. Secured by Hypothecation of Vehicles	5.86	7.16	1.30	1.14
TOTAL	22.29	37.28	14.98	12.92


Rs. in Lacs

Details of Loans from Other parties - Unsecured	Non-current portion		Current Portion	
	31.03.2014	31.03.2013	31.03.2014	31.03.2013
1. Inter Corporate Deposit: Repayment or renewed after 6 Months from the date of deposits (Rs.50 Lacs ICD raised against pledge of shares of Mr. H. B. Patel)	4.41	6.98	22.57	51.32
TOTAL	4.41	6.98	22.57	51.32

Rs. in Lacs

Details of Deposits - Unsecured	Non-current portion		Current Portion	
	31.03.2014	31.03.2013	31.03.2014	31.03.2013
1. Deposit received from public; Includes Interest accrued and due Rs. 0.45 Lacs (Pr. Yr. Rs. 0.45 Lacs) Repayment or renewed after 3 years from the date of deposits	36.52	45.99	31.02	21.55
TOTAL	36.52	45.99	31.02	21.55

Rs. in Lacs

Details of Loan from Related Party - Unsecured	Non-current portion		Current Portion	
	31.03.2014	31.03.2013	31.03.2014	31.03.2013
1. Loan from Director	177.58	36.08	0.00	2.89
TOTAL	177.58	36.08	0.00	2.89

6. OTHER LONG TERM LIABILITIES
Rs. in Lacs

	31.03.2014	31.03.2013
i) Payable on purchase of Fixed Assets	28.88	25.36
ii) Payable on contractually reimbursable expenses	53.01	44.03
iii) Security Deposite and others	75.77	93.04
TOTAL	157.66	162.43

7. LONG TERM PROVISIONS
Rs. in Lacs

	31.03.2014	31.03.2013
Provision for employoee benefits:		
i) Provision for gratuity (net)	55.43	38.11
ii) Leave Enchashment (unfunded)	--	--
TOTAL	55.43	38.11

8. SHORT TERM BORROWINGS

Rs. in Lacs

	31.03.2014	31.03.2013
Loans repayable on demand		
From Banks		
Secured	812.77	840.33
Unsecured	--	--
TOTAL	812.77	840.33

Notes: Details of the security for the secured short-term borrowings:

a. Working capital loans outstanding at Rs.812.77 lacs is secured against exclusive hypothecation of Inventories and Receivables / Repayable on demand and carries Interest at 14.70%.

9. TRADE PAYABLES

Rs. in Lacs

	31.03.2014	31.03.2013
Trade payables against Bills acceptance	448.80	348.21
Other payables	455.88	454.93
TOTAL	904.68	803.14

10. OTHER CURRENT LIABILITIES

Rs. in Lacs

	31.03.2014	31.03.2013
Current Maturities of Long Term Debt.	188.92	226.76
TDS payable	3.41	3.52
TCS payable	--	0.01
Service Tax Payable	--	0.52
TOTAL	192.33	230.81

11. SHORT TERM PROVISIONS

Rs. in Lacs

	31.03.2014	31.03.2013
(a) Provision for employee benefits:		
i) Provision for bonus	5.28	5.06
ii) Provision for gratuity liability	10.63	11.34
iii) Provision for other employee benefits	--	--
Salary & Reimbursements	18.17	16.93
Contribution to PF	1.27	1.15
(b) Provision - Others:		
i) Provision for tax	--	--
ii) Provision - others	--	--
Outstanding liabilities	29.28	41.73
TOTAL	64.63	76.21

NOTE : 12 - FIXED ASSETS (TANGIBLE ASSETS)

Tangible assets	Gross Block										Balance as at 31-3-2014
	Balance as at 1-4-2013	Additions	Disposals	Acquisitions through business combinations	Recalculated as held for sale	Revaluation increase	Effect of foreign currency exchange differences	Borrowing cost capitalised	Other adjustments	Balance as at 31-3-2014	
Free hold land	1.27	-	-	-	-	-	-	-	-	1.27	
Lease hold land	-	-	-	-	-	-	-	-	-	-	
Factory building	243.04	-	1.07	-	-	-	-	-	-	241.97	
Plant & equipments	2,881.98	136.58	221.65	-	-	-	-	-	-	2,796.91	
Electrical installation	94.39	3.17	-	-	-	-	-	-	-	97.56	
Tools & die	9.65	-	-	-	-	-	-	-	-	9.65	
Furniture	16.52	-	6.50	-	-	-	-	-	-	10.02	
Fixtures	-	-	-	-	-	-	-	-	-	-	
Office equipment	23.51	1.40	-	-	-	-	-	-	-	24.91	
Vehicles	25.40	-	-	-	-	-	-	-	-	25.40	
Grand Total	3,295.76	141.15	229.22	-	-	-	-	-	-	3,207.69	
Previous year	2,921.16	500.20	125.60	-	-	-	-	-	-	3,295.76	

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Tangible assets	Accumulated depreciation and impairment										Net block	
	Balance as at 1-4-2013	Depreciation amortisation expense for the years	Eliminated on disposal of assets	Eliminated on reclassification on as held for sale	Impairment losses recognised in statement of profit & loss	Reversal of impairment losses recognised in statement of profit & loss	Other adjustments	Balance as at 31-3-2014	Other adjustments	Balance as at 31-3-2014	Balance as at 31-3-2013	
Free hold land	-	-	-	-	-	-	-	-	-	1.27	1.27	
Lease hold land	-	--	-	-	-	-	-	-	-	-	-	
Factory building	126.52	8.03	0.71	-	-	-	133.84	108.13	-	116.52		
Plant & Machinery	1,682.53	130.58	220.97	-	-	-	1,592.14	1,204.77	-	1,199.45		
Electrical installation	93.93	1.87	-	-	-	-	95.80	1.76	-	0.46		
Tools & die	9.54	-	-	-	-	-	9.54	0.11	-	0.11		
Furniture	7.81	0.94	6.50	-	-	-	2.25	7.77	-	8.71		
Fixtures	-	--	-	-	-	-	-	-	-	-		
Office equipment	23.51	0.99	-	-	-	-	24.50	0.41	-	-		
Computers	-	--	-	-	-	-	-	-	-	-		
Vehicles	11.91	1.58	-	-	-	-	13.49	11.91	-	13.49		
Grand Total	1,955.75	143.99	228.18	-	-	-	1,871.56	1,336.13	-	1,340.01		
Previous year	1,899.26	118.93	62.44	-	-	-	1,955.75	1,341.01	-	-		

13. NON-CURRENT INVESTMENT

	Rs. in Lacs	
	31.03.2014	31.03.2013
Long Term Investment		
Unquoted at Cost:		
Associates:		
1. 47,500 shares of Rs.10/- each at par of M/s. Rishi Technical Services P. Ltd.	4.75	4.75
TOTAL	4.75	4.75
Others:		
1. Six Years National Saving Certification	0.02	0.02
2. 1,38,000 shares of Rs.10/- each at par of M/s. Centennial Finance Ltd.	13.80	13.80
3. 1,50,000 shares of Rs.10/- each at par of M/s. Vision Products Pvt. Ltd.	15.00	15.00
TOTAL	28.82	29.82
QUOTED AT COST:		
Associates:		
1. 4,70,700 shares in M/s. Rishi Laser Ltd. Fully paid	53.87	45.35
TOTAL	53.87	45.35
Others:		
1. 28,000 shares in M/s. Adarsh Chemical & Fertilisers Ltd. Fully paid at cost	8.59	8.59
2. 1,722 shares in M/s. Standard Industries Ltd. fully paid	1.41	1.41
TOTAL	10.00	10.00
Note: Market value of Quoted Investments are Rs.72.10 Lacs (Pr. Yr. Rs.65.70 Lacs)		
TOTAL	97.44	88.92

14. LONG TERM LOANS AND ADVANCES

	Rs. in Lacs	
	31.03.2014	31.03.2013
Security Deposits		
Secured, Consider Good	--	--
Unsecured, Consider Good	34.85	34.85
Doubtful	--	--
TOTAL	34.85	34.85

CURRENT ASSETS**15. INVENTORIES**

	Rs. in Lacs	
	31.03.2014	31.03.2013
(a) Raw materials (valued at cost on Weighted average)	420.38	220.78
(b) Work-in-progress (Valued at Cost representing materials, Labour and apportioned overheads)	803.03	744.05
(c) Finished Goods (Other than those acquired in trading) (Valued at cost or Market value whichever is less)	12.27	9.83
(d) Stores and spares (valued at cost on Weighted average)	92.35	89.63
TOTAL	1,328.03	1,064.29


16. TRADE RECEIVABLES
Rs. in Lacs

	31.03.2014	31.03.2013
Trade receivable outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	31.10	35.46
Less: Provision for doubtful trade receivables	--	--
	31.10	35.46
Other Trade receivables		
Unsecured, considered good	645.91	669.84
Less: Provision for doubtful trade receivables	--	--
	645.91	669.84
TOTAL	677.01	705.30

17. CASH AND CASH EQUIVALENTS
Rs. in Lacs

	31.03.2014	31.03.2013
(a) Cash on hand	3.82	3.51
(b) Balances with banks	--	--
In current accounts	1.47	39.72
In Margin Accounts	91.75	89.26
TOTAL	97.04	132.49

18. SHORT TERM LOANS AND ADVANCES
Rs. in Lacs

	31.03.2014	31.03.2013
(a) Loans and advances to related parties	--	--
(b) Prepaid expenses - Unsecured, considered good	11.32	14.46
(c) Balance with government authorities		
Unsecured, considered good		
i) CENVAT credit receivable	31.42	27.99
ii) VAT credit receivable	85.64	68.66
iii) Service Tax credit receivable	6.12	11.29
	134.50	122.40
(d) Others (specify nature)	--	--
Unsecured, considered good		
Advance recoverable in cash or kind or for value to be received	111.43	73.08
Balance with custom, excise etc.	--	--
Advance Tax	--	--
TDS receivable	15.80	19.98
	127.23	93.06
Doubtful		
Less: Provision for other doubtful loans and advances	--	--
	127.23	93.06
TOTAL	216.73	215.46

19. REVENUE FROM OPERATIONS
Rs. in Lacs

	31.03.2014	31.03.2013
Sale of products	4,717.15	3,869.65
Other operating revenues - scrap sale	9.63	13.17
	4,726.78	3,882.82
Less: Excise duty	395.61	329.79
TOTAL	4,331.17	3,553.03

20. OTHER INCOME

Rs. in Lacs

	31.03.2014	31.03.2013
Interest income:		
Interest from bank deposits	11.41	7.28
Dividend Income		
From long term investment	--	--
From Associates	0.16	0.24
Other Non operating Income		
Profit on sale of Fixed Assets	43.59	36.81
Rent Received	0.04	0.19
Net (gain) / loss on foreign currency transaction and translation	4.54	6.14
Other Income	1.22	0.46
TOTAL	60.96	51.12

21. COST OF RAW MATERIAL AND COMPONENTS CONSUMED

Rs. in Lacs

	31.03.2014	31.03.2013
Opening stock	220.78	236.95
Add: Purchases	3,290.44	2,576.00
	3,511.22	2,812.95
Less: Closing stock	420.38	220.78
Cost of material consumed	3,090.84	2,592.17

22. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

Rs. in Lacs

	31.03.2014	31.03.2013
Inventories at the end of the year:		
Work-in-progress and Finished Goods	815.30	753.88
Inventories at the beginning of the year:		
Work-in-progress and Finished Goods	753.88	698.58
Net (increase) / decrease	(61.42)	(55.30)

23. EMPLOYEE BENEFIT EXPENSE

Rs. in Lacs

	31.03.2014	31.03.2013
Salaries and wages	306.06	259.72
Contributions to provident and other funds	8.92	14.17
Gratuity expenses (Note 26.7a)	0.00	11.34
Staff welfare expenses	7.08	6.03
Total	322.06	291.26

24. OTHER EXPENSE

	Rs. in Lacs	
	31.03.2014	31.03.2013
Consumption of stores and spares		
Opening Stock	89.63	84.49
Add: Purchases during the year	77.77	96.12
	167.40	180.61
Less: Closing stock	92.35	89.63
Consumption of Stores and spares	75.05	90.98
Processing charges	54.38	53.95
Power and fuel	204.04	196.57
Repairs and maintenance - Machinery	3.88	4.89
Rent includes Lease Rentals	17.82	7.48
Repairs and maintenance - Others	6.57	3.45
Insurance	2.53	4.00
Rates and taxes	1.97	3.48
Printing and Stationary	3.82	4.47
Travelling and conveyance	10.94	9.02
Postage, Telephone, Telex	6.94	6.33
Donation and contributions	0.28	0.18
Legal and professional	36.38	34.22
Payments to auditors (Refer Note below)	1.50	1.50
Security charges	12.45	10.97
Sundry Dr./Cr. Balance written off	0.12	0.03
Training expenses	0.00	0.00
Selling and distribution expenses	137.24	122.55
Miscellaneous expenses	9.37	10.48
Total	585.28	564.55

Rs. in Lacs

Details of Audit Fee	31.03.2014	31.03.2013
Payments to the auditors comprises:		
As auditors - statutory audit	0.80	0.80
For taxation matters	0.40	0.40
For company law matters	0.00	0.00
For management servises	0.00	0.00
For other services	0.30	0.30
Reimbursement of expenses	0.00	0.00
Total	1.50	1.50

25. FINANCE COST

	Rs. in Lacs	
	31.03.2014	31.03.2013
Interest	164.68	177.48
Bank charges and other financial expenses	19.88	11.23
Total	184.56	188.71

ADDITIONAL INFORMATION:**26.1 Contingent Liability and Commitments**

	Rs. in Lacs	
	31.03.2014	31.03.2013
Contingent Liability:		
a) Claims against the company not acknowledge as debt	0.00	0.00
b) Guarantee given by bank on behalf of Company	6.00	6.30
Commitments:		
a) Estimated amount of Capital contract remaining to be executed for tangible assets	0.00	10.00
	6.00	16.30

26.2 Details of dues to MICRO AND SMALL ENTERPRISES as defined under the MEMED Act, 2006

Pursuant to the Micro, Small and Medium Enterprise Development Act 2006, the Company had asked for confirmation from its vendors regarding their status under the said Act. The Company is yet to receive verifiable confirmations from the vendors and hence the amounts unpaid as at the year and together with interest payable if any, under this Act have not been given.

26.3 Value of imports calculated on CIF basis

	Rs. in Lacs	
	31.03.2014	31.03.2013
Capital goods	0.00	95.27
	0.00	95.27

26.4 Expenditure in Foreign Currency

	Rs. in Lacs	
	31.03.2014	31.03.2013
Travelling expenses	2.60	0.92
	2.60	0.92

26.5 Imported and indigenous raw materials, components and spare parts consumed

	Rs. in Lacs			
	31.03.2014	31.03.2014	31.03.2013	31.03.2013
	%	Rs.	%	Rs.
Raw material - Indigenous	100.00	3,085.04	100.00	2,592.17
	100.00	3,085.04	100.00	2,592.17
Spare & Components				
Indigenous	94.38	70.82	100.00	90.98
Imported	5.62	4.22	0.00	0.00
	100.00	75.04	100.00	90.98

26.6 Earning in Foreign Exchange

	Rs. in Lacs	
	31.03.2014	31.03.2013
FOB value of Export Realised	961.38	695.61
	961.38	695.61

26.7a Gratuity and other post employment benefit plan
Rs.

	31.03.2014	31.03.2013	31.03.2014	31.03.2013
	Leave encashment	Leave encashment	Gratuity	Gratuity
Components of employer expense				
Current service cost	0.00	0.00	4,24,427.00	3,88,121.00
Interest cost	0.00	0.00	3,95,600.00	3,23,942.00
Actuarial losses/(gains)	0.00	0.00	2,42,433.00	4,22,291.00
Total expenses recognised in the statement of Profit & Loss	0.00	0.00	10,62,460.00	11,34,354.00

26.7b Net assets/liability recognized in the balance sheet
Rs.

	31.03.2014	31.03.2013	31.03.2014	31.03.2013
	Leave encashment	Leave encashment	Gratuity	Gratuity
Present value of defined benefit obligation	0.00	0.00	55,43,337.00	49,44,998.00
Fair value of plan assets	0.00	0.00	0.00	--
Unfunded liability	0.00	0.00	55,43,337.00	49,44,998.00
Unrecognised past service costs	0.00	0.00	0.00	--
Unfunded liability recognised in the Balance Sheet	0.00	0.00	55,43,337.00	49,44,998.00

26.7c Changes in defined benefit obligation during the year
Rs.

	31.03.2014	31.03.2013	31.03.2014	31.03.2013
	Leave encashment	Leave encashment	Gratuity	Gratuity
Present value of DBO at beginning of the year	0.00	0.00	49,44,998.00	40,49,279.00
Current service cost	0.00	0.00	4,24,427.00	3,88,121.00
Interest cost	0.00	0.00	3,95,600.00	3,23,942.00
Benefit paid	0.00	0.00	4,64,121.00	2,38,635.00
Actuarial (gains) / losses	0.00	0.00	2,42,433.00	4,22,291.00
Present value of DBO at the end of the year	0.00	0.00	55,43,337.00	49,44,998.00

26.7d Actuarial assumption

	31.03.2014	31.03.2013	31.03.2014	31.03.2013
	Leave encashment	Leave encashment	Gratuity	Gratuity
Discount rate	0.00	0.00	8% p.a.	8% p.a.
Expected return on plan assets	0.00	0.00	N.A.	N.A.
Salary escalation	0.00	0.00	5% p.a.	5% p.a.
Mortality tables	0.00	0.00	LIC (1994-96) ultimate	LIC (1994-96) ultimate

1. The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.
2. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

27. RELATED PARTY DISCLOSURE

Description of relationship	Names of related parties
Associates Company	Rishi Laser Limited Rishi Vocational Education Pvt. Ltd.
Key Management person	Mr. Harshad B. Patel

	Rs. in Lacs			
	Rishi Laser Ltd.	Mr. Harshad B. Patel	Rishi Vocational Education Pvt. Ltd.	Total
Purchase of goods	0.00	-	-	0.00
	0.00	-	-	0.00
Sale of goods	0.57	-	-	0.57
	0.00	-	-	0.00
Purchase of fixed assets	0.00	-	-	0.00
	(65.80)	-	-	(65.80)
Rent Paid	1.60	-	-	1.60
	(2.40)	-	-	(2.40)
Finance (including loans and equity contributions in cash or in kind)				
Interest Paid	-	3.06	-	3.06
	-	(6.77)	-	(6.77)
Rent Paid	-	0.72	-	0.72
	-	(0.72)	-	(0.72)
Loans/advances/deposits disbursed during the year	-	-	-	0.00
	-	-	-	0.00
Loans/advance/deposits repayment during the years	51.04	2.90	0.89	54.83
	(35.51)	(5.15)	(0.75)	(41.41)
Investment in shares	53.86	-	4.75	58.61
	(45.35)	0.00	(4.75)	(50.10)
Balances outstanding at the end of the year				
Trade receivables	0.00	-	-	0.00
	(0.09)	-	-	(0.09)
Loans and advances	48.88	177.58	0.89	227.35
	(2.16)	(38.97)	(0.75)	(41.88)
Trade payables	21.41	-	-	21.41
	(21.64)	-	-	(21.64)
Investment	53.86	-	4.75	58.61
	(45.35)	0.00	(4.75)	(50.10)

Note: Figures in bracket relates to the previous year.

**28. EARNING PER SHARE (EPS)**

	Rs. in Lacs	
	31.03.2014	31.03.2013
Continuing operations		
Net profit / (loss) for the year from continuing operations	126.82	(96.17)
Less: Preference dividend and tax thereon	0.00	0.00
Net profit / (loss) for the year for calculation of basic EPS	126.82	(96.17)
Net profit as above	126.82	(96.17)
Add: dividend on convertible preference shares and tax thereon	0.00	0.00
Add: interest on bonds convertible into equity shares	0.00	0.00
Net profit / (loss) for the year for calculation of basic EPS	126.82	(96.17)

29. Previous Years Figures have been regrouped / recalssified wherever necessary to correspond with the current Year's Classification/Disclosure.

As per our attached report of even date.
FOR ALLADI KRISHNAN & KUMAR
Chartered Accountants.

(AJIT S. DATAR)
Partner
Membership No. 036274

PLACE : MUMBAI
DATED : 29th May, 2014

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

HARSHAD B. PATEL
CHAIRMAN

VASANT GORAY
SECRETARY

ABHISHEK PATEL
WHOLE-TIME DIRECTOR

PRANAV PATEL
ARVIND NOPANY
DIRECTOR

RISHI TECHTEX LIMITED

CIN: L28129MH1984PLC032008

Regd. Office: 612, Veena Killedar Industrial Estate, 10-14 Pais Street, Byculla (W), Mumbai - 400 011.

Tel No. 022-23075677/23074585, Fax No. 022-23080022 Email : info@rishitechtext.com,

Website:www.rishitechtext.com

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(s) : _____
 Registered address : _____
 E-Mail Id : _____
 Folio No/Client Id : _____
 DP Id : _____

I/We, being the member(s) ofshares of the above mentioned company, hereby appoint

1. Name: _____
 Address: _____
 E-Mail Id: _____
 Signature:.....or failing him/her
2. Name: _____
 Address: _____
 E-Mail Id: _____
 Signature:.....or failing him/her
3. Name: _____
 Address: _____
 E-Mail Id: _____
 Signature:.....or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us on my/our behalf at the Thirtieth Annual general meeting to be held on Tuesday, 30th September, 2014 at 12.30 p.m at Indian Merchants' Chamber, Killachand Conference Room, 2nd Floor, IMC Marg, Churchgate, Mumbai 400 020 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution For
	ORDINARY BUSINESS
1	Ordinary Resolution for adoption of Accounts
2	Ordinary resolution for appointment of Auditors and to fix their remuneration
	SPECIAL BUSINESS
3	Ordinary resolution for appointment of Mr. Arvind Nopany as Independent Director
4	Ordinary Resolution for appointment of Mr. Pranav Patel as Independent Director
5	Special Resolution for appointment of Mr. Abhishekh Patel as Managing Director
6	Special Resolution under Section 180(1)(c) and 180(1)(a) of the Companies Act, 2013 for borrowing money and creation of security on the properties of Company.
7	Special resolution of Acceptance of Unsecured Deposits from members
8	Ordinary Resolution for appointment and remuneration of the Cost Auditor





Signed thisday of2014

Signature of Shareholder.....

Signature of Proxy Holders(s)

Affix
Revenue
Stamp

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

RISHI TECHEX LIMITED

CIN: L28129MH1984PLC032008

Regd. Office: 612, Veena Killedar Industrial Estate, 10-14 Pais Street, Byculla (W), Mumbai - 400 011.

Tel No. 022-23075677/23074585 | Fax No. 022-23080022 | Email : info@rishitechtex.com,

Website:www.rishitechtex.com

ATTENDANCE SLIP

Regd. Folio ----- ,

30th Annual General Meeting

To be handed over at the entrance of the meeting venue.

.....
Name of the attending member (in block letters)

.....
Name of Proxy (in block letter to be filled in by the proxy attending instead of the members.)

No. of Shares held.

I hereby record my presence at the 30th Annual General Meeting to be held at Indian Merchants' Chamber, Khillachand Conference Room, 2nd Floor, IMC Marg, Churchgate, Mumbai 400 020 on Tuesday, 30th day of September, 2014 at 12.30 p.m.

Member's / Proxy's Signature

Notes :

1. Interested joint shareholders may obtain attendance slip from the Registered Office of the Company.
2. Shareholders/joint shareholders proxies are requested to bring the attendance slip with them. Duplicate slip will not be issued at the entrance of the venue.



RISHI TECHTEX

If undelivered, please return to :

RISHI TECHTEX LIMITED

CIN: L28129MH1984PLC032008

Regd. Office: 612, Veena Killedar Industrial Estate,
10-14 Pais Street, Byculla (W), Mumbai - 400 011.

Tel No. 022-23075677/23074585 | Fax No. 022-23080022

Email : info@rishitechtex.com | Website:www.rishitechtex.com

RISHI TECHTEX LTD.



(Formerly known as RISHI PACKERS LIMITED)

Regd. Office : 612, Veena Killedar Industrial Estate, 10-14, Pais Street, Byculla (W), Mumbai-400 011.
Tel. No.: 022-23075677, 23074897, 23074585 Fax: 91 (22) 23080022 E-mail: info@rishitechtextex.com
Website : www.rishitechtextex.com C.I.N. No. - L28129MH1984PLCO32008

RISHI TECHTEX

FORM A

Format of covering letter of the annual audit report to be filed with the Stock Exchange

1.	Name of the Company:	RISHI TECHTEX LIMITED
2.	Annual financial statements for the year ended	31 st March 2014
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Since more than 10 years
5.	To be signed by-	
	• Managing Director	For Rishi Techtex Limited  Whole-Time Director
	• CFO	For Rishi Techtex Limited  Chief Financial Officer
	• Auditor of the Company	For Alladi Krishnan & Kumar' Chartered Accountants  Ajit S Datar Partner
	• Audit Committee Chairman	For Rishi Techtex Limited  Chairman-Audit Committee

Daman Factory: Survey No. 381, Zari Causeway Road, Kachigam Road, Daman - 396 210.

Tel: 0260-2241949, 2241936, 3291221/1291 Fax :0260-2241665