

The Rai Saheb Rekhchand Mohota Spg. & Wvg. Mills Ltd.

Regd. Office : Block No.15, Devkaran Mansion, Gate No.2, 3rd Floor, 63 Princess Street, Mumbai – 400002
Corporate Office : Post Box No.1, Hinganghat – 442 301; Dist. Wardha (M.S.) Ph.:07153-244282/244039
CIN: I.99999MH1946PLC005261 ; Website: www.rsrm.com ; E-Mail : info@rsrm.com

Dated: 04/10/2016

<i>The Manager (Listing), BSE Ltd., Rotunda Building, 1st Floor, Dalal Street, Fort, Mumbai – 440 001 Code : 530047</i>	<i>The Manager (Listing), National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor, Bandra Kurla Complex, Bandra (East), Mumbai – 440 001 Code : RAIREKMOH/EQ</i>
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Sub: Regulation 34 (I) of the SEBI (Listing Obligations and Disclosure Requirements), Regulation, 2015.

Sir/ Madam,

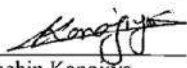
Pursuant to regulation 34 (1) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 we are submitting herewith Company's 69th Annual Report approved and adopted at the 69th Annual General Meeting held on 27th September, 2016 at 10.30 A.M. at the Registered Office of the Company at Devkaran Mansion, Gate No.2, Block No.15, 3rd Floor, 63 Princess Street, Mumbai - 400 002.


This is for your kind information and Record.

Thanking you

Yours faithfully

For The Rai Saheb Rekhchand Mohota Spg. & Wvg. Mills Ltd


Sachin Kanojiya
Company Secretary and Compliance Officer
Mo. 9049754940





The Rai Saheb Rekhchand Mohota
Spinning & Weaving Mills Ltd

**The 69th Annual Report
2015 - 2016**



Manufacturing
Excellence

Vision statement, Mission statement and Values of the Company

Vision.....

To excel as a trusted, socially responsible and customer driven organization providing maximum value to all stakeholders.

Mission.....

To manufacture quality products at competitive cost through technology and team work.

Values.....

- Ethical practice
- Customer Focus
- Commitment to Society, Safety and Environment
- Professional and transparent management
- Empowerment and Accountability
- Adaptability to “change”
- Innovation and Creativity
- Emphasis on human resource development, Cost reduction, Productivity enhancement and resource conservation

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Board of Directors

Chairman

Dr. Ranchhoddas Mohota

Managing Director

Shri Vinod Kumar Mohota

Directors

Shri Vinay Kumar Mohota

Shri Shantilal B. Singhvi

Shri G. G. Singhee

Shri Suresh Rathi

Shri Krishnakant Premkumar Tekriwal

Smt. Ritu Kabra

Bankers

State Bank of India

Bank of India

Statutory Auditors

M/s. Batliboi & Purohit, (FRN 101048W)

Chartered Accountants, Mumbai

Secretarial Auditor

Dinesh Kumar Deora,

Company Secretaries, Mumbai

Cost Auditors

G R Paliwal and Co. (FRN 100058)

Cost Accountants, Nagpur

Registered Office

Block No.15, 3rd Floor, Devkaran Mansion,
Gate No.2, 63, Princess Street, Mumbai – 400 002.

Corporate Office

Ram Mandir Ward, Hinganghat-442301,
Dist – Wardha (M.S.)

Export Office

309, ACME Plaza,
Andheri Kurla Road, Andheri (E),
Mumbai – 400 059

Works

1. Ram Mandir Ward, Hinganghat - 442 301
Dist – Wardha (M.S.)

2. Village Bukoni, Tah. Hinganghat - 442 301
Dist – Wardha (M.S.)



From the Chairman's Desk

Dear Shareholders,

During our journey, we have experienced and successfully sailed through several periods of extreme volatility.

We just closed our financial year 2015-16 on expected lines. During FY 2015-16, your Company's total sales registered a marginal growth of 3.34% and Net profit of Rs. 334.50 lacs as against Rs. 214.92 lacs in FY 2014-15.

As we march into the new financial year, pinning hopes on favorable economic policies and improved business scenario, it is important for us to introspect more on our performance during the last year.

Moving forward, we are preparing ourselves for the challenges ahead and plan, budget and strategize our plans to achieve our targets for the Financial Year 2016-17.

I am very optimistic that coming Financial Years are going to be very fruitful with the Government giving more thrust on Textile projects. The Government has made a huge budgetary provision for the textile sector with a package of Rs 6,000-crore being approved. The Government is taking initiatives, such as tax sops and relaxation of labour laws. It has set a three-year target of 10 million more jobs, \$30 billion additional exports and \$11 billion fresh investment.

Opening up of textile sector is also going to throw-up more challenges by way of increased competition. We need to gear up to face these challenges through building our capabilities and remaining competitive by optimizing costs and improving value addition to clients.

Sd/-
Dr. Ranchhoddas Mohota
Chairman

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 69th Annual General Meeting of the Members of The Rai Saheb Rekhchand Mohota Spg. & Wvg. Mills Ltd. will be held on Tuesday the 27th day of September, 2016 at 10.30 A.M. at the Registered Office of the Company at Devkaran Mansion, Gate No.2, Block No.15, 3rd Floor, 63 Princess Street, Mumbai - 400 002 to transact the following business.

ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2016 together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Shri Ranchhoddas Mohota, who retires by rotation and being eligible offers himself for re-appointment.
4. To ratify the appointment of Auditors and fix their remuneration and for this purpose, to consider and if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable rules, if any, approval of the Company be and is hereby given to ratify the appointment of M/s Batliboi & Purohit, Chartered Accountants (ICAI Firm Registration Number: 101048W) as approved by the members at its 67th Annual General Meeting of the Company held on 27th September, 2014, as the Statutory Auditors of the Company, to hold office from this Annual General Meeting (AGM) until the conclusion of the seventieth (70th) AGM of the Company to be held in the year 2017 at such remuneration plus service tax, out of pocket and traveling expenses etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors based on the recommendation of the Audit Committee."

SPECIAL BUSINESS

5. **Appointment of Smt. Ritu Kabra as an Independent Director of the Company.**

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and such other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, Smt. Ritu Kabra (DIN: 07402599), who was appointed as an Additional Director of the Company with effect from 13th February, 2016 pursuant to Section 161 of the Act, and who holds office as such, up to the date of this Annual General Meeting, has submitted a declaration that she meets the criteria of independence as provided in Section 149(6) of the Act and Listing Regulation, 2015 and who is eligible for appointment, and in respect of whom the company has received a notice in writing from a member under section 160 of the Companies Act, 2013, proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for a period of five years commencing from 27th September, 2016 and ending on the date of the Annual General Meeting to be held in the year 2021, not liable to retire by rotation."

6. Re-Appointment of Shri Vinod Kumar Mohota (DIN 00247348), as Managing Director of the Company.

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

“**RESOLVED THAT** pursuant to the provisions of sections 2(54), 196, 197, 198 and 203 and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule V - Part II - Section II to the Companies Act, 2013 and Chapter XIII of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, as may be applicable (including any statutory modification or re-enactment thereof for the time being in force) and applicable articles of Articles of Association of the Company, the Consent of the Company be and is hereby accorded to the re-appointment of Shri Vinod Kumar Mohota (DIN: 00247348) as Managing Director of the Company on the following terms & conditions and remuneration as recommended by Nomination and Remuneration Committee.

I. Period of Appointment - 3 years i.e. from 1st April 2016 to 31st March 2019.

II. Remuneration:

Salary including allowances: Rs.1,11,000/- per month in the scale of Rs.1,11,000/- - 5,000/- - 1,21,000/-

Perquisites:	Subject to 100% of salary
i) Provident Fund	Contribution to Provident Fund, Super Annuation Fund or Annuity Fund are not to be included in the computation of the ceiling of the perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
ii) Gratuity	Gratuity payable not to exceed 1/2 month's salary for each completed year of service.
iii) Medical Benefits	Reimbursement of Medical Expenses (including Medical Insurance) for himself and his family, subject normally to a ceiling of one month's salary in a year or 3 months' salary over a period of 3 years, provided that any additional expenditure incurred for medical treatment over and above the above ceiling for himself and his family may be reimbursed on actual basis, subject to approval by the Board of Directors.
iv) Leave Travel Concession	For self and family, once in 2 years in accordance with the rules of the Company.
v) Earned/ Privilege Leave	As per Company Rule.
vi) Housing	Company owned/leased Free Furnished accommodation.
vii) Club Fees	Fees of the Clubs subject to a maximum of two Clubs, excluding the admission fees.
viii) Car	Provision of a Chauffeur Car.

III. Other Terms of Appointment of Managing Director:

- i) The terms and conditions of the said appointment may be altered and varied from time to time by the Board as it may, in its discretion, deem fit, within the maximum amount payable to Managing Director in accordance with Schedule V of the Companies Act, 2013, or any other amendments made hereafter in this regard,
- ii) The appointment may be terminated by either party, giving the other party one month's written notice.
- iii) If at any time the Managing Director ceases to be Director of the Company for any reason, whatsoever, he shall cease to be Managing Director of the Company.
- iv) Shri Vinod Kumar Mohota shall be subject to retirement by rotation during his tenure as Managing Director.

RESOLVED FURTHER that Notwithstanding anything contained in the said statement, where in any financial year, during the currency of the tenure of the appointee, the Company has no profits or its profits are inadequate, the remuneration payable to Shri Vinod Kumar Mohota shall be governed by Section II of Part II of Schedule V of the Companies Act, 2013, or any modification(s) thereto with specific authority to the Board of Directors to vary the terms and conditions of appointment including remuneration payable to Shri Vinod Kumar Mohota within the limits of Section II of Part II of Schedule V of the Companies Act, 2013 (including any statutory modifications or re-enactment(s) thereof, for the time being in force).

RESOLVED FURTHER that any one of the Directors or Company Secretary of the Company be and are hereby authorized to do all necessary acts, deeds, matter and things, which may be deem necessary, usual, expedient or proper to give effect to this resolution.”

None of the Directors of the Company, other than Shri Vinod Kumar Mohota, Shri Ranchhoddas Mohota and Shri Vinay Kumar Mohota are in any way concerned or interested in the above appointment.

7. Re-Appointment of Shri Vinay Kumar Mohota (DIN 00247340), as Whole Time Director of the Company.

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

“**RESOLVED THAT** pursuant to the provisions of sections 2(94), 196, 197, 198 and 203 and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule V - Part II - Section II to the Companies Act, 2013 and Chapter XIII of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, as may be applicable (including any statutory modification or re-enactment thereof for the time being in force) and applicable articles of Articles of Association of the Company, the Consent of the Company be and is hereby accorded to the re-appointment of Shri Vinay Kumar Mohota (DIN: 00247340) as Whole- Time Director of the Company for a period of three (3) years commencing from 1st April, 2016 to 31st March, 2019 on the following terms & conditions and remuneration as recommended by Nomination and Remuneration Committee.

I. Period of Appointment - 3 years i.e. from 1st April 2016 to 31st March 2019.

II. Remuneration:

Salary including allowances: Rs.1,00,000/- per month in the scale of Rs.1,00,000/- - 5,000/- - 1,10,000/-

Perquisites:	Subject to 100% of salary
i) Provident Fund	Contribution to Provident Fund, Super Annuation Fund or Annuity Fund are not to be included in the computation of the ceiling of the perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
ii) Gratuity	Gratuity payable, not to exceed 1/2 month's salary for each completed year of service.
iii) Medical Benefits	Reimbursement of Medical Expenses (including Medical Insurance) for himself and his family, subject normally to a ceiling of one month's salary in a year, or 3 months' salary over a period of 3 years, provided that any additional expenditure incurred for medical treatment over and above the above ceiling for himself and his family may be reimbursed on actual basis, subject to approval by the Board of Directors.
iv) Leave Travel Concession	For self and family, once in 2 years in accordance with the rules of the Company.
v) Earned/ Privilege Leave	As per Company Rule.
vi) Housing	Company owned/leased free furnished accommodation.
vii) Club Fees	Fees of the Clubs subject to a maximum of two Clubs, excluding the admission fees.
viii) Car	Provision of a Chauffeur Car.

III. Other Terms of Appointment

- i) The terms and conditions of the said appointment may be altered and varied from time to time by the Board as it may, in its discretion, deem fit, within the maximum amount payable to Whole Time Director in accordance with Schedule V of the Companies Act, 2013, or any other amendments made hereafter in this regard,
- ii) The appointment may be terminated by either party, giving the other party one month's written notice.
- iii) If at any time the Whole Time Director ceases to be Director of the Company for any reason whatsoever, he shall cease to be Whole Time Director of the Company.
- iv) Shri Vinay kumar Mohota shall be subject to retirement by rotation during his tenure as Whole Time Director.

RESOLVED FURTHER that Notwithstanding anything contained in the said statement, where in any financial year, during the currency of the tenure of the appointee, the Company has no profits or its profits are inadequate, the remuneration payable to Shri Vinay Kumar Mohota shall be governed by Section II of Part II of Schedule V of the Companies Act, 2013, or any modification(s) thereto with specific authority to the Board of Directors to vary the terms and conditions of appointment including remuneration payable to Shri Vinay Kumar Mohota within the limits of Section II of Part II of Schedule V of the Companies Act, 2013 (including any statutory modifications or re-enactment(s) thereof, for the time being in force).

RESOLVED FURTHER that any one of the Directors or Company Secretary of the Company be and are hereby authorized to do all necessary acts, deeds, matter and things, which may be deem necessary, usual, expedient or proper to give effect to this resolution.”

None of the Directors of the Company, other than Shri Vinay Kumar Mohota, Shri Ranchhoddas Mohota and Shri Vinod Kumar Mohota are in any way concerned or interested in the above appointment.

8. Re-appointment of Shri Shantilal B. Singhvi (DIN 00247332), as a Whole Time Director of the company.

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

“**RESOLVED THAT** pursuant to the provisions of sections 2(94), 196, 197, 198 and 203 and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule V - Part II - Section II to the Companies Act, 2013 and Chapter XIII of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, as may be applicable (including any statutory modification or re-enactment thereof for the time being in force) and applicable articles of Articles of Association of the Company, the Consent of the Company be and is hereby accorded to the re-appointment of Shri Shantilal B. Singhvi (DIN: 00247332) as Whole- Time Director of the Company for a period of three (3) years commencing from 1st April, 2016 to 31st March, 2019 on the following terms & conditions and remuneration as recommended by Nomination and Remuneration Committee.

I. Period of Appointment - 3 years i.e. from 1st April 2016 to 31st March 2019.

II. Remuneration:

Salary including allowances: Rs.41,000/- per month in the scale of Rs.41,000/- - 2,000/- - 45,000/-

Perquisites:	
i) Provident Fund	Contribution to Provident Fund, Super Annuation Fund or Annuity Fund are not to be included in the computation of the ceiling of the perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
ii) Medical Benefits	Reimbursement of Medical Expenses (including Medical Insurance) for himself and his family, subject normally to a ceiling of one month's salary in a year, or 3 months' salary over a period of 3 years, provided that any additional expenditure incurred for medical treatment over and above the above ceiling for himself and his family may be reimbursed on actual basis, subject to approval by the Board of Directors.
iii) Leave Travel Concession	For self and family, once in 2 years in accordance with the rules of the Company.
iv) Car	The provision of Car for use of Company's business. Use of Car for private purposes shall be billed by the Company

III. Other Terms of Appointment

- i) The terms and conditions of the said appointment may be altered and varied from time to time by the Board as it may, in its discretion, deem fit, within the maximum amount payable to Whole Time Director in accordance with Schedule V of the Companies Act, 2013, or any other amendments made hereafter in this regard,
- ii) The appointment may be terminated by either party, giving the other party one month's written notice.
- iii) If at any time the Whole Time Director ceases to be Director of the Company for any reason whatsoever, he shall cease to be Whole Time Director of the Company.
- iv) Shri Shantilal B. Singhvi, shall be subject to retirement by rotation during his tenure as Whole Time Director.

RESOLVED FURTHER that Notwithstanding anything contained in the said statement, where in any financial year, during the currency of the tenure of the appointee, the Company has no profits or its profits are inadequate, the remuneration payable to Shri Shantilal B. Singhvi shall be governed by Section II of Part II of Schedule V of the Companies Act, 2013, or any modification(s) thereto with specific authority to the Board of Directors to vary the terms and conditions of appointment including remuneration payable to Shri Shantilal B. Singhvi within the limits of Section II of Part II of Schedule V of the Companies Act, 2013 (including any statutory modifications or re-enactment(s) thereof, for the time being in force).

RESOLVED FURTHER that any one of the Directors or Company Secretary of the Company be and are hereby authorized to do all necessary acts, deeds, matter and things, which may be deemed necessary, usual, expedient or proper to give effect to this resolution."

None of the Directors of the Company, other than Shri Shantilal B. Singhvi are in any way concerned or interested in the above appointment.

9. Approval of Cost Auditor's Remuneration:

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s G. R. Paliwal & Co. Cost Accountants, (Firm Registration No.: 100058), appointed by the Board of Directors of the Company to conduct the audit of the Cost Records of the Company's Textile manufacturing units at Hinganghat and Burkoni, be paid a remuneration, for the Financial Year ending 31st March, 2017, amounting to Rs.30,000/- plus service tax as applicable and re-imbursalment of out of pocket expenses incurred by them in connection with the aforesaid Audit."

10. To adopt a new set of Articles of Association of the Company

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

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

“RESOLVED FURTHER THAT Shri Vinod Mohota, Managing Director, Shri. Mukesh B. Mahajan, Chief Financial Officer and Shri Sachin Kanojiya, Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds and actions as may be necessary, proper or expedient to give effect to this resolution.”

**By the order of the Board
For, The Rai Saheb Rekhchand Mohota
Spg. and Wvg. Mills Ltd.**

Sd/-

**Vinod Kumar Mohota
Managing Director**

**Place: HINGANGHAT
Date: 15.08.2016**

**NOTES:**

1. The Explanatory Statement as required under Section 102 of the Companies Act, 2013 in respect of the special business is annexed hereto and forms a part of this Notice.
2. A Member of the Company entitled to attend and vote at the Meeting shall be entitled to appoint another person as his/her proxy to attend and vote instead of himself/herself and such proxy need not be a Member of the Company.
3. The instrument appointing proxy, in order to be effective, must be received by the Company at the Registered Office not later than 48 hours before the commencement of the Meeting. Members / Proxies are requested to sign the attendance slip and hand it over at the gate of the venue of the Meeting.
4. Pursuant to the provisions of Section 105 of the Companies Act, 2013 and the Rules framed there under, a person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A Member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such proxy shall not act as a proxy for any other person or Member.
5. Corporate Members are requested to send a Board Resolution duly certified, authorising their representative to attend and vote on their behalf at the Annual General Meeting.
6. The proxy form should be signed by the appointer or his/her attorney duly authorised in writing or, if the appointer is a body corporate, the proxy form should be signed by an officer of the Company under his/her official seal or an attorney duly authorised by him/her.
7. A statement giving the details of the Directors seeking re-appointment under Item Nos. 3, 5, 6, 7 and 8 of the accompanying Notice, as required under Listing Regulation, entered into with the Stock Exchanges is annexed herewith.
8. Relevant documents referred to in the accompanying Notice and in the Explanatory Statement are open for inspection by the Members at the Company's Registered Office on all working days (except Saturdays, Sundays and Public Holidays) between 11.00 a.m. to 1.00 p.m. up to the date of this Annual General Meeting.
9. The Register of Members and Share Transfer Books of the Company will remain closed from 20th September 2016 to 27th September, 2016 (both days inclusive), for the purpose of AGM and determining the names of Members eligible for Dividend on Equity Shares, if declared at the Annual General Meeting.
10. The dividend on Equity Shares, if declared at the Annual General Meeting, will be payable on or after 28th September, 2016 to those Members;
 - (a) Whose names appear as Members in the Register of Members of the Company after giving effect to the valid share transfers in physical form lodged with the Company/ Registrar and Transfer Agent on 19th September, 2016; and
 - (b) Whose names appear as Beneficial Owners in the list of Beneficial Owners on 19th September, 2016 furnished by National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) for this purpose.

11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their Demat accounts. Members holding shares in physical form should submit their PAN to the Registrar/ Company.
12. Members are requested to bring their copy of the Annual Report to the Meeting. Since practice of distribution of copy of Annual Report at the venue of AGM has been discontinued.
13. Members are requested to send their queries, if any, in writing at least 10 days in advance of the day of the meeting at the Registered Office of the Company.
14. Voting through Electronic means :
In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, the Company is pleased to provide its Members the facility of 'remote e-voting' (e-voting from a place other than venue of the AGM) to exercise their right to vote at the 69th Annual General Meeting (AGM) by Electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

The facility for voting through ballot/polling paper shall be made available at the venue of the 69th AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

1. The voting period begins on **24.09.2016 (9.00 A.M.) and ends on 26.09.2016 (5.00 P.M.)**. During this period shareholders of the Company, holding shares either in physical form or in Dematerialised form, as on the cut-off date i.e. 20.09.2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 05.00 p.m. on 26.09.2016.
2. Shareholders who have already voted prior to the meeting date would not be entitled for voting again at the meeting venue.
3. The Shareholders should Log on to the e-voting website www.evotingindia.com
4. Click on "Shareholders" tab.
5. Now, select the "The Rai Saheb Rekhchand Mohota Spg. & Wvg. Mills Ltd. (RSRM)" from the drop down menu and click on "SUBMIT"
6. **i) 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.

ii) Next enter the Image verification as displayed and click on Login.

7. 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.
8. If you are a first time user follow the steps given below:
9. Now, fill up the following details in the appropriate boxes.

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/Postal Ballot Form) in the PAN field. In case the serial 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 serial number 1 then enter RA00000001 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. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction 6.

10. After entering these details appropriately, click on "SUBMIT" tab.
11. 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 take utmost care to keep your password confidential.
12. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice of AGM.
13. Click on the EVSN of "The Rai Saheb Rekhchand Mohota Spg. & Wvg. Mills Ltd. (RSRM)" on which you choose to vote.
14. 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.

15. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
16. 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.
17. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
18. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
19. 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.
20. Shareholders can also cast their vote using CDSL’s mobile app **m-Voting** available for android based mobiles. The **m-Voting** app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
21. Note for Institutional Shareholders and Custodians.
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a compliance 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.
22. I. In case you have any queries or issues regarding e-voting, you may refer the **Frequently Asked Questions (“FAQS”)** and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com
 - II. Please note that the Members who have exercised their right to vote by electronic means shall not be eligible to vote by way of poll at the Meeting. If a Member casts vote by both the modes, then votes cast through e-voting shall prevail and voting at the Meeting will be treated invalid. The voting rights of the Members shall be in proportion to their shares of the paid-up Equity Share Capital of the Company as on the Cut-off date i.e. 20th September, 2016.
 - III. The poll process shall be conducted and report thereon will be prepared in accordance with Section 109 of the Companies Act, 2013 read with the relevant Rules. In such an event, votes cast under Poll taken together with the votes cast through e-voting shall be counted for the purpose of passing of resolution(s).
 - IV. The Company has appointed Mr. Dinesh Kumar Deora, Practising Company Secretary (Membership No. FCS 5683 CP No. 4119), as the Scrutinizer, to scrutinize the e-voting process (including poll at the meeting), in a fair and transparent manner.

- V. The Scrutinizer shall, within a period not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses, not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- VI. The report declared along with the report of the Scrutinizer shall be placed on the website of the Company- www.rsrm.com and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE).

Details of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting pursuant to regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015

Name	Shri Ranchhoddas Mohota	Smt. Ritu Kabra	Shri Vinod Kumar Mohota	Shri Vinay Kumar Mohota	Shri Shantilal B. Singhvi
Date of Birth	17 th January, 1936	08 th October, 1986	27 th October, 1961	6 th September, 1967	20 th March, 1937
Qualification	M.Com., LL.B, D.Litt.(Text.) A.M.B.I.M. (London) F.R.E.S.(London)	B.Com. (Foreign Trade), M.Sc. in Business and Management (U.K.)	B.Com.	B.E., M.B.A.	Matriculate
Date of first Appointment	10 th August, 1960	13 th February, 2016	16 th August, 1994	01 st April, 2006	01 st April, 2006
Expertise	Production & General Administration.	Business Management & General Administration.	Administration, Finance, Purchases.	General Administration and production	General Administration, Sales and Marketing
Directorship held in other Companies	None	None	None	None	None
Chairman/ Member of Committee of the other Companies	None	None	None	None	None

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.**Item No.5**

Smt. Ritu Kabra (DIN: 07402599) was appointed as an Additional Director of the Company w.e.f. 13th February, 2016 pursuant to the provisions of section 161 of the Companies Act, 2013, who hold office as such up to the date of this Annual General Meeting and is eligible for appointment in terms of section 160 of the Companies Act, 2013. Smt. Ritu Kabra has submitted her consent and declarations that she meets the criteria of independence as provided in Section 149(6) of the Act and Listing Regulation, 2015 and Company has also received a Notice u/s 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director on the Board of the Company.

Smt. Ritu Kabra is a qualified Commerce graduate and M.Sc. in Business and Management from the university of Strathclyde, United Kingdom, She worked as content writer at Ramakanth Advertising, Hyderabad. The Board considers that her knowledge & experience would be beneficial and helpful to the company, also in the opinion of the Board Smt. Ritu Kabra proposed to be appointed as an Independent Director fulfills the conditions specified in the section 149(6) and other applicable provisions of the Companies Act, 2013 and the rules made there under and that the proposed director is independent of the management.

Accordingly the Board recommends the resolution as set out at Item No.5 for approval by the Members to be passed as an Ordinary Resolution.

None of the Directors, Manager or any other key managerial personnel or any of their relatives, except Smt. Ritu Kabra, in her capacity of being a Director, are concerned or interested, whether financially or otherwise, in this Resolution.

Item No.6, 7 & 8

The Board of Directors at its meeting held on 15th March, 2011 had approved the Re-appointment and remuneration payable to Shri Vinod Kumar Mohota, Managing Director, Shri Vinay Kumar Mohota, Whole Time Director and Shri Shantilal B. Singhvi, Whole Time Director for a period of five years with effect from 01st April, 2011 till 31st March, 2016. The shareholders had approved the said appointments and remuneration payable to them at the Annual General Meeting held on 27th September, 2011.

The Board of Directors in its Board Meeting held on 13th February, 2016 on the recommendation of Nomination and Remuneration Committee and subject to the approval of Shareholders, has approved the reappointment of Shri Vinod Kumar Mohota, Managing Director, Shri Vinay Kumar Mohota, Whole Time Director and Shri Shantilal B. Singhvi, Whole Time Director for further period of 3 years i.e. from 01st April, 2016 to 31st March, 2019 on the terms and conditions as mention in the Notice.

Brief resume of each of the above mentioned appointees are given below:

- (a) Shri Vinod Kumar Mohota (DIN 00247348), aged 54 years is a qualified Commerce Graduate. He is having vast experience in the areas of Finance, Accounts and General Business administration. He is Director of the company since 1996, and having more than 20 years of experience in Textile Industry. He is member of Audit Committee and Stakeholders Relationship committee of the Company.

- (b) Shri Vinay Kumar Mohota, aged 48 years is Engineering Graduate and also MBA. He is having vast experience in General administration, Engineering and Production. He is Director of the Company since 2006, and having more than 10 years of experience in Textile Business.
- (c) Shri Shantilal B. Singhvi, aged 79 years is matriculate and having expertise in sales & Marketing. He is Director of the Company since 2006 with more than 45 years of experience in sales, marketing and general Administration.

During the term of office Shri Vinod Kumar Mohota's hard work, Knowledge and Experience help to improve the overall business performance of the Company and under his leadership, the Company made a steady growth and strengthened the financial position as evidenced in the financial results.

Although Shri Shantilal B. Singhvi attained the age more than 70 years, his experience and knowledge has help to improve the working of the Company therefore his reappointment has been considered necessary in the interest of the Company.

Board Considers that their respective appointments are in the best interest of the Company.

Accordingly the Board recommends the resolutions as set out at Item No.6, 7 and 8 for approval by the Members to be passed as Special Resolutions.

Except the appointee themselves for their respective appointments and persons as mentioned in the resolution set out at item no. 6, 7 and 8, None of the Directors, Manager or any other key managerial personnel or any of their relatives, in their capacity of being a Director, is concerned or interested, whether financially or otherwise, in these Resolutions.

Particulars required to be furnished in respect of clause (iii) under Part II of Schedule V, pursuant to sections 196 & 197 of the Companies Act, 2013:

Sr. No.	Particular	Details																		
I. General Information:																				
1.	Nature of industry	Textile Industry																		
2.	Date or expected date of commencement of commercial production	Already in Working																		
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not Applicable																		
4.	Financial performances based on given indicators	<p>For the year ended 31.03.2015 & 31.03.2016</p> <table border="1"> <thead> <tr> <th colspan="3">(Rs. In Lakhs)</th> </tr> <tr> <th></th> <th>31.03.2015</th> <th>31.03.2016</th> </tr> </thead> <tbody> <tr> <td>Revenue</td> <td>31926.57</td> <td>32961.61</td> </tr> <tr> <td>PBT</td> <td>303.02</td> <td>418.88</td> </tr> <tr> <td>PAT</td> <td>214.92</td> <td>334.50</td> </tr> <tr> <td>Net Worth</td> <td>3793.82</td> <td>4076.59</td> </tr> </tbody> </table>	(Rs. In Lakhs)				31.03.2015	31.03.2016	Revenue	31926.57	32961.61	PBT	303.02	418.88	PAT	214.92	334.50	Net Worth	3793.82	4076.59
(Rs. In Lakhs)																				
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PBT	303.02	418.88																		
PAT	214.92	334.50																		
Net Worth	3793.82	4076.59																		

5.	Foreign investments or collaborations, if any	Nil												
II. Information about the appointee:														
1.	Background details	Item No. 6, 7 & 8 of Explanatory Statement may be referred												
2.	Past remuneration	<table border="1"> <thead> <tr> <th>Name of Directors</th> <th>Salary in FY 2015-16</th> <th>Salary in FY 2014-15</th> </tr> </thead> <tbody> <tr> <td>Shri Vinod Kumar Mohota</td> <td>Rs.12,76,800/-</td> <td>Rs.11,98,800/-</td> </tr> <tr> <td>Shri Vinay Kumar Mohota</td> <td>Rs. 11,42,400/-</td> <td>Rs. 10,65,600/-</td> </tr> <tr> <td>Shri Shantilal B. Singhvi</td> <td>Rs. 5,05,400/-</td> <td>Rs. 4,72,560/-</td> </tr> </tbody> </table>	Name of Directors	Salary in FY 2015-16	Salary in FY 2014-15	Shri Vinod Kumar Mohota	Rs.12,76,800/-	Rs.11,98,800/-	Shri Vinay Kumar Mohota	Rs. 11,42,400/-	Rs. 10,65,600/-	Shri Shantilal B. Singhvi	Rs. 5,05,400/-	Rs. 4,72,560/-
Name of Directors	Salary in FY 2015-16	Salary in FY 2014-15												
Shri Vinod Kumar Mohota	Rs.12,76,800/-	Rs.11,98,800/-												
Shri Vinay Kumar Mohota	Rs. 11,42,400/-	Rs. 10,65,600/-												
Shri Shantilal B. Singhvi	Rs. 5,05,400/-	Rs. 4,72,560/-												
3.	Recognition or awards	Nil												
4.	Job profile and his suitability	Furnished in Exp. Statement annexed to Notice												
5.	Remuneration proposed	Furnished in Resolution												
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Normal and reasonable												
7.	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	Furnished in Exp. Statement												
III. Other information:														
1.	Reasons of loss or inadequate profits	Not Applicable												
2.	Steps taken or proposed to be taken for improvement is under implementation	Modernisation Program												
3.	Expected increase in productivity and profits in measurable terms	10% more is aimed												

Item No. 9

The Board of Directors of the Company on the recommendation of the Audit Committee approved the appointment and remuneration of M/s G. R. Paliwal & Co., Cost Accountants, to conduct the Audit of the Cost records of the Company's Textile manufacturing Units at Hinganghat and Burkoni for the Financial Year ending 31st March, 2017.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the members of the Company. Accordingly, the members are requested to ratify the remuneration payable to the Cost Auditors for the Financial Year ending 31st March, 2017, as set out in the Resolution for the aforesaid services to be rendered by them.

None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the said Resolution.

The Board of Directors recommends the Resolution as set out at Item No.9 of the accompanying Notice for approval by the Members as an Ordinary Resolution.

Item No. 10

The existing Memorandum and Articles of Association (“MOA & AOA”) were based on the Companies Act, 1956 and several clauses / regulations in the existing MOA & AOA contain references to specific sections of the Companies Act, 1956 and which are no longer in force.

The Existing regulations of the Articles of Association are replaced by the new set of regulations and adopted as new set of Articles of Association as per the requirements of Table F of First Schedule in the Companies Act, 2013. The modification in Articles of association is carried out to give effect to provisions of the Companies Act, 2013.

Consent of the shareholders by way of a Special Resolution is required in this regard. The entire set of proposed Articles of Association is available in the website of the company at www.rsmmm.com

None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the said Resolution.

The Board of Directors accordingly recommends the resolution set out at item No. 10 for the approval by the members as a Special Resolution.

**By the order of the Board
For, The Rai Saheb Rekhchand Mohota
Spg. and Wvg. Mills Ltd.**

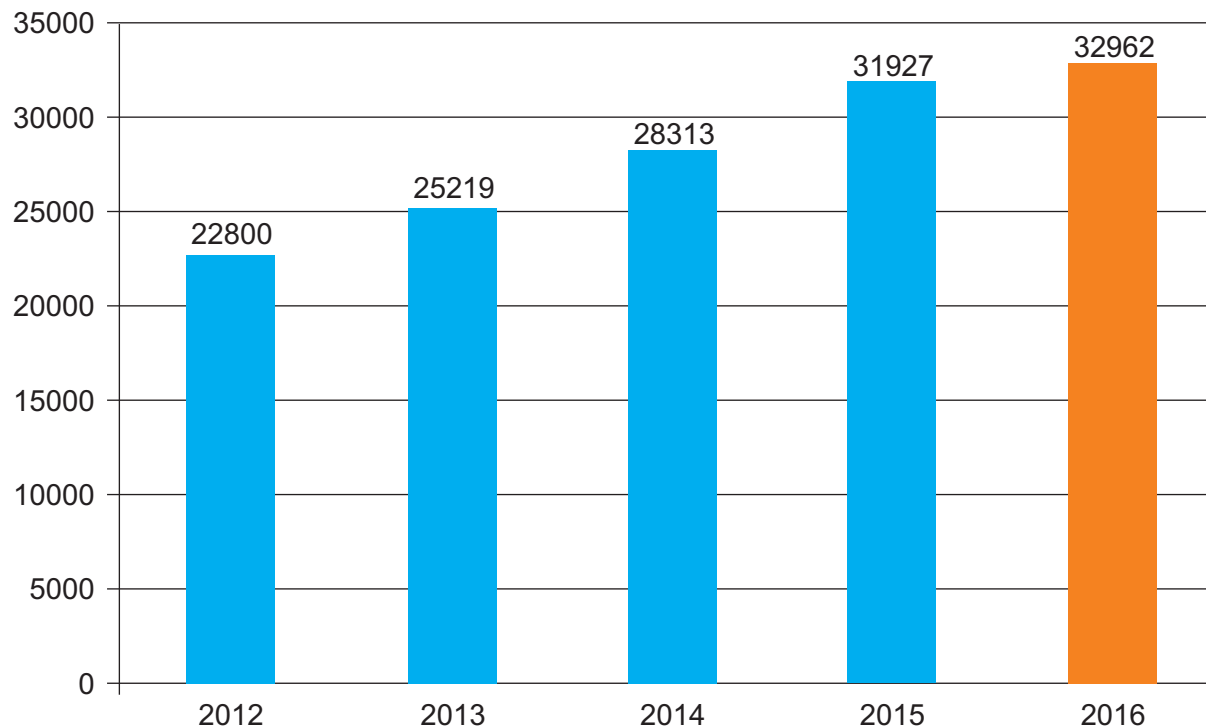
Sd/-

**Place: HINGANGHAT
Date: 15.08.2016**

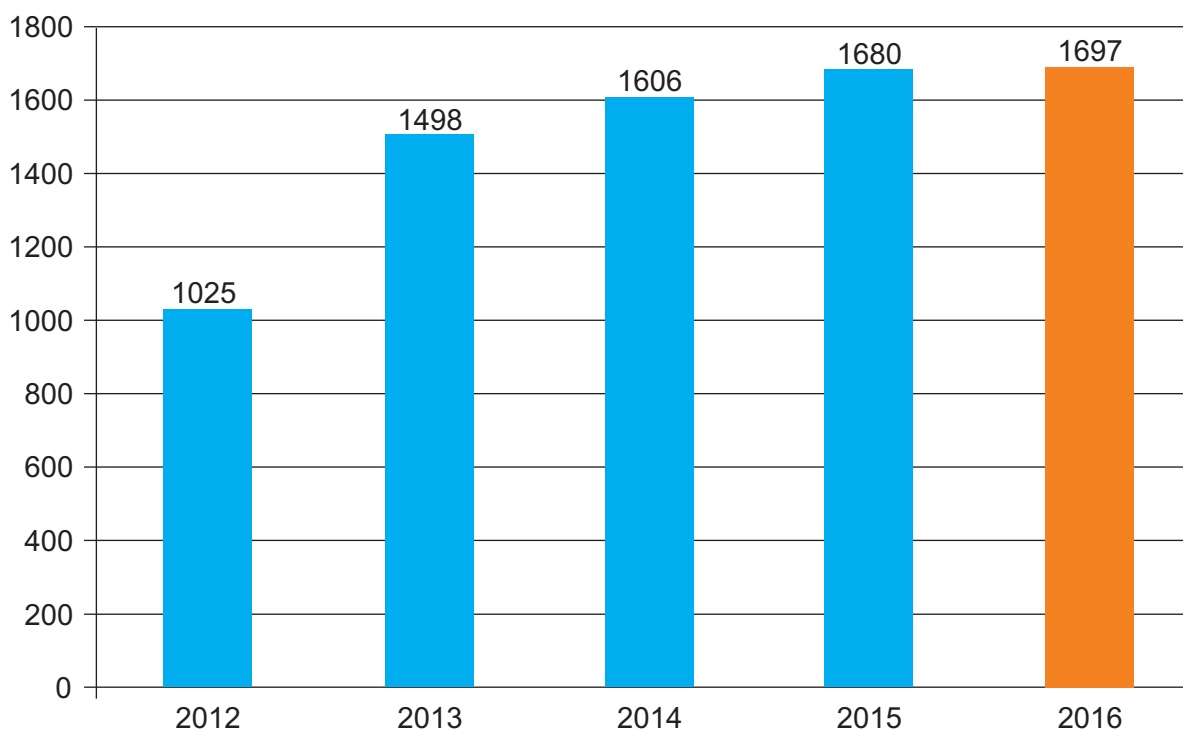
**Vinod Kumar Mohota
Managing Director**

Financial Overview

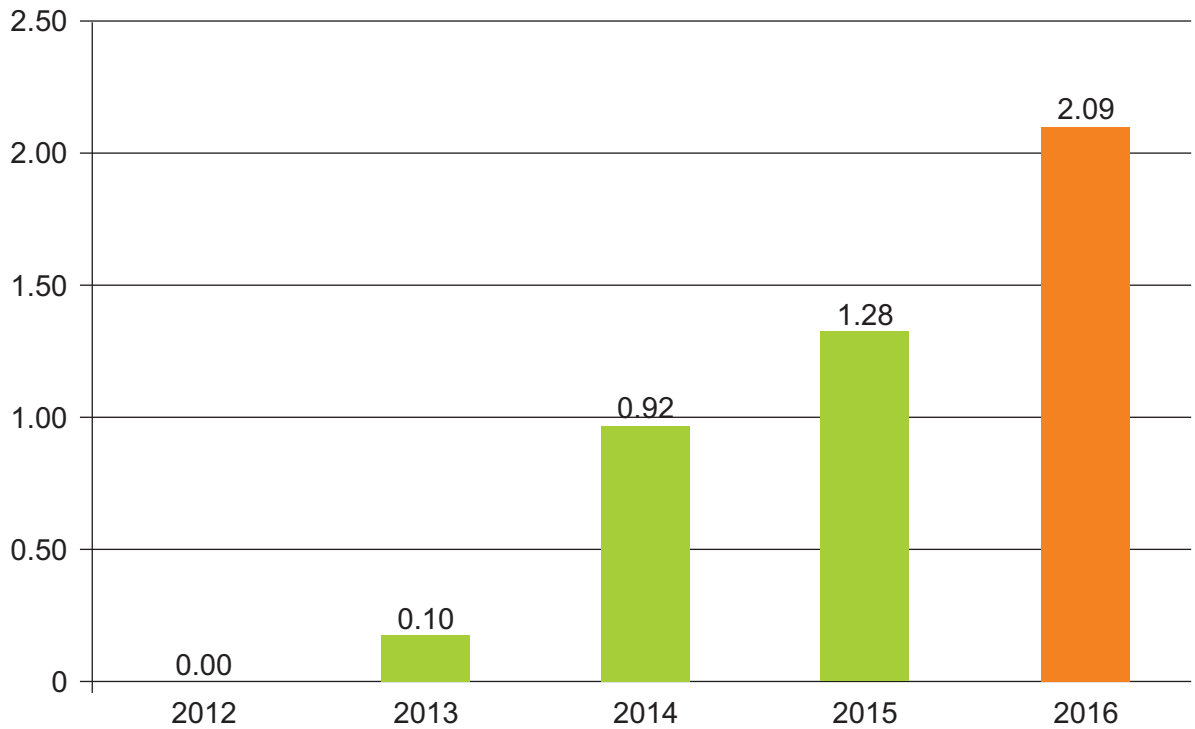
Revenue (Figures in INR Lacs)



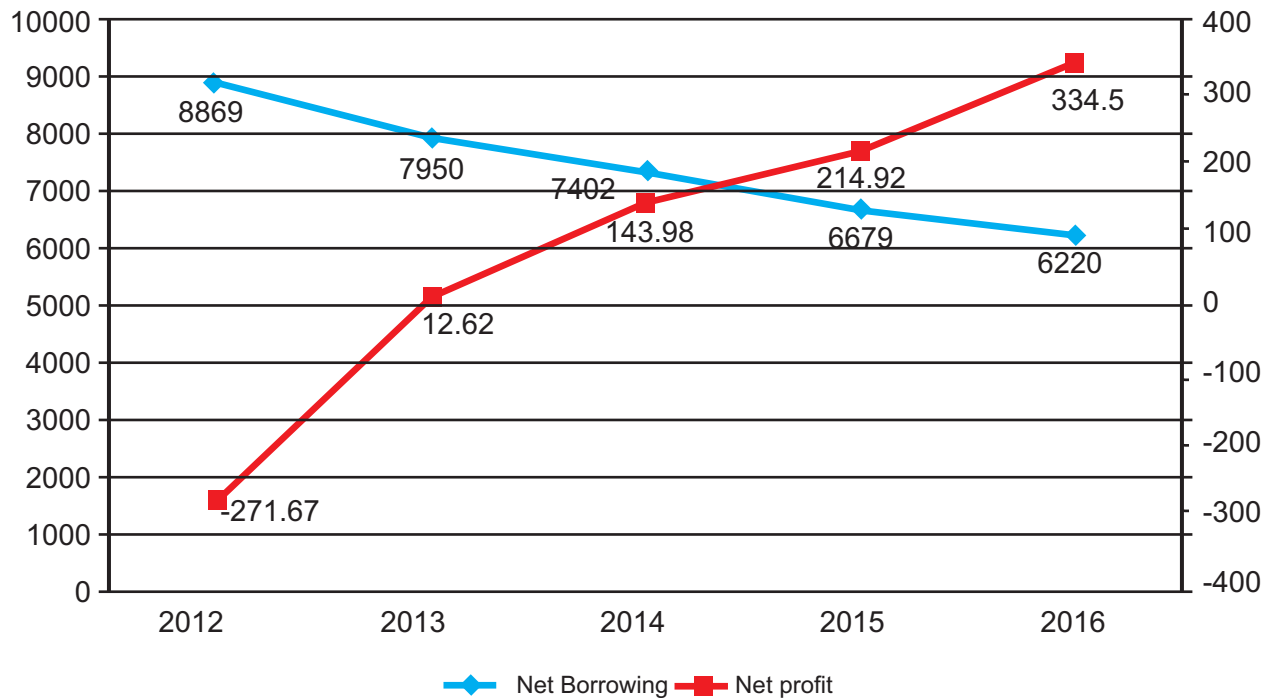
Operating Margins (Figures in INR Lacs)



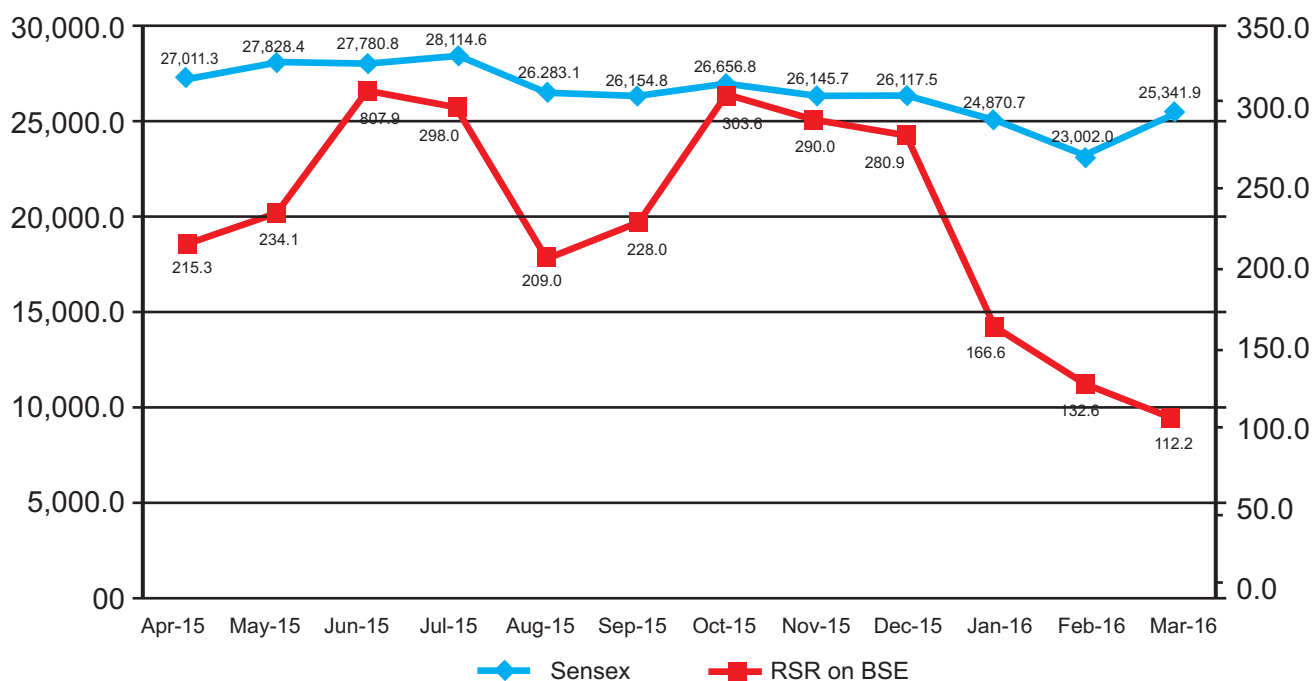
Earning Per Share



Borrowings V/s Net Profit (Figures in INR Lacs)



Performance Comparison



FINANCIAL HIGHLIGHTS

(₹ IN LACS)

PARTICULARS	31 ST MARCH									
	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07
Total Income	32961.61	31926.57	28312.88	25218.66	22799.67	23749.19	18796.99	15336.52	15542.93	12736.96
Operating Profit	1696.86	1679.85	1606.15	1497.56	1024.99	1405.40	1062.85	636.85	814.08	1067.42
Interest	853.31	1052.06	1024.69	1017.32	975.48	573.56	650.22	586.19	410.08	263.97
Depreciation	424.67	324.77	419.75	455.49	495.86	538.19	580.21	557.84	500.51	486.21
Tax	84.38	(88.10)	(17.73)	(12.13)	71.29	(185.80)	(55.02)	134.09	28.00	34.14
Net Profit/(Loss)	334.50	214.92	143.98	12.62	(271.67)	107.85	(222.60)	(373.09)	(124.51)	283.08
Gross Block	12458.29	12439.70	12430.62	12348.54	12324.94	12263.09	12171.78	12191.26	11705.48	8897.92
Investments	---	38.92	45.12	83.11	95.69	435.56	147.74	244.09	244.09	218.03
Net Current Assets	7496.84	5759.77	7660.12	7171.93	6788.68	5707.03	5327.36	4477.75	4482.15	5020.69
Equity Share Capital	1458.94	1458.94	1252.56	418.87	418.87	418.87	418.87	418.87	418.87	418.87
Reserves	2319.62	2036.86	2091.06	2349.61	1989.70	2318.35	2277.20	2603.08	3060.37	3338.36
Borrowings	6219.90	6678.66	7401.69	7949.79	8868.94	8734.32	8764.26	8281.70	7874.21	5766.20
Book Value Per Share ₹	15.57	15.57	20.39	70.66	51.91	58.42	55.84	61.18	70.13	74.42
Earning Per Share ₹	2.09	1.28	0.92	0.10	(6.52)	2.59	(5.34)	(8.94)	(2.99)	6.79

The previous year figures are re-grouped wherever necessary.

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the (69th) Sixty Ninth Annual Report on the business and operation of the Company together with the Audited Financial Statement for the year ended March 31st 2016. A summary of the Financial Results is given below. The Management discussion and analysis is also included in this report.

FINANCIAL RESULTS	(₹ in Lacs)	
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Gross Revenue	32961.61	31926.57
Gross Profit (before interest, depreciation & tax)	1696.86	1679.85
Less: Interest	853.31	1052.06
Depreciation	424.67	324.77
Profit before tax & extraordinary Item	418.88	303.02
Less: Provision for tax		
Mat Current	(84.38)	(60.63)
Deferred	(0.00)	(27.47)
Net Profit for the year	334.50	214.92
Appropriation :		
Transfer to Reserve & Surplus	-	-
(Surplus/Deficit) in the Statement of Profit & Loss Account	334.50	214.92

1. CORPORATE OVERVIEW

The Rai Saheb Rekhchand Mohota Spg. & Wvg. Mills Ltd. ("Your Company") is a leading and oldest Composite Textile Mill in Vidharbha Region of Maharashtra State. The Company has its Corporate Head Quarter at Hinganghat, Dist – Wardha of Maharashtra State.

2. OVERVIEW OF THE ECONOMY

The Global economy disappointed in terms of growth, with deceleration of activity in key emerging and developing economies like China, Brazil, Russia overshadowing a modest recovery in major high income countries. The deceleration was accompanied by declines in commodity prices, subdued global trade, bouts of financial market volatility and weakening capital flows. India was a notable exception, growing at 7.6% as per Central Statistical Office (CSO) estimates, despite declines in exports. Inflation has come down, however industrial activity and consumption has not been buoyant.

Three key transitions will influence the global outlook for growth – pace of rebalancing in China, commodity prices and monetary policy actions in the US and other major economies. For India, though the long term prospects for continued growth remain undiminished, actual pace will depend on revival in private investment and rural consumption, strengthening of bank balance sheets and continued implementation of economic reforms.

3. FINANCIAL PERFORMANCE

Your Company reported a marginal top-line growth of 3.24% over the Previous Year, the gross profit from operation stood at ₹ 1696.86 lacs compared with ₹ 1679.85 lacs in the previous year. The operating profit before tax stood at ₹ 418.88 lacs as against ₹ 303.02 lacs in the previous year. The Net Profit for the year stood at ₹ 334.50 lacs as against ₹ 214.92 lacs in the previous year.

4. DIVIDEND AND RESERVE

Your Directors recommends a dividend of 1% i.e. ₹ 0.10 per equity shares of face value of ₹ 10 each aggregating to ₹ 14.59 lacs (₹ 14.59 lacs previous year). During the year under review no amount was transferred to General Reserve.

5. SHARE CAPITAL

The paid-up Equity Share Capital as at March 31st 2016 stood at ₹ 1458.94 lacs. During the year under review Company has not issued any Sweat Equity shares, Bonus shares or provides any stock option scheme to the employee, none of the Directors of the Company hold instruments convertible into equity shares of the Company. Company has not bought back any of its securities.

6. ANALYSIS AND REVIEW

Textile Industry Conditions

The Indian Textile Industry is one of the leading textile industries in the world. It is one of the key sectors of India's manufacturing segment as it contributes significantly to the economy in terms of employment generation and foreign exchange revenue.

Indian Textile and Apparel Industry contributes about 14% to industrial production, 5% to GDP and 17% to country's export earnings.

The domestic textile and apparel industry in India is estimated to reach US\$ 223 billion by 2021 from US\$ 108 billion in 2015. The fundamental strength of this industry flows from its strong production base of wide range of fibres and yarns ranging from natural fibres to man-made fibres.

Opportunities and Challenges

The future for the Indian textile industry looks promising, buoyed by strong domestic consumption. The Government has introduced the Amended Technology Upgradation Fund Scheme (ATUFS) to give a further boost for technology investment in the textile industry. The ATUFS targets employment generation, exports, conversion of existing looms to better-quality technology looms and improved quality of processing industry. The ATUFS is expected to act as a catalyst to the Government's 'Make in India' campaign for the textile sector. Approval has also been given for 24 new textile parks which will further create employment opportunities and investments. The long awaited National Textile policy to be announced shortly will further accelerate growth in this sector. Globally, favourable trade policy reforms would also allow the industry to expand its trade partners, improve its export competitiveness and contribute substantially to the nation's income.

However, there are several challenges ahead for the Textile industry for enhancing its competitive strength and global positioning in terms of inflexible labour laws, poor infrastructure, competition from other low cost countries which will have to be addressed to sustain the growth momentum of the industry.

STRENGTHS OF THE TEXTILE INDUSTRY

The following are few strengths of the Indian Textile Industry:

- An Independent and self-reliant industry;
- Large and potential domestic and international market;
- Abundant Raw Material availability that helps industry to control costs and reduces the lead-time across the operation;
- Availability of low cost and skilled manpower provides competitive advantage to industry;
- Availability of large varieties of cotton fiber and has a fast growing synthetic fiber industry;
- Promising export potential.

WEAKNESSES OF THE TEXTILE INDUSTRY

The following are the few drawbacks of the textile industry, which it has to overcome.

- The Industry is a highly fragmented Industry.
- It is highly dependent on Cotton.
- There is lower productivity in various segments.
- There is a declining Mill Segment.
- Lack of Technological Development that affect the productivity and other activities in whole value chain.
- Infrastructural Bottlenecks and Efficiency such as, Transaction Time at Ports and transportation Time.
- Unfavorable labour Laws.
- Lack of Trade Membership, which restrict to tap other potential market.

Performance Highlights

During the year under report, the company's total sales registered a growth of 3.24% to ₹ 32961.61 Lacs from ₹ 31926.57 Lacs in the previous Financial Year 2014-15. The Gross Profit for the financial year 2015-16 is stood at ₹ 1696.87 Lacs as compared to ₹ 1679.85 Lacs for previous financial year 2014-15 and Net Profit after Tax is increased to ₹ 334.50 Lacs as compared to ₹ 214.92 Lacs in the previous Financial Year

Raw Material

Textile fibre prices remained mostly stable for first 3 quarters of FY 2015-16 but eventually declined in the last quarter. The sharp fall of crude oil prices followed by a spectacular rally raised the level of volatility in commodity markets, with textile fibres not escaping the price variations. Cotton prices dropped whereas polyester and viscose surged. Multiple raw material cost saving initiatives has also helped in keeping costs in control.

Retail Network

Your Company has a large retail network throughout the country. It has more than 30 agents and more than 2000 retailers which helps the Company to boost its total marketing strength throughout the country.

7. FINANCE AND ACCOUNTS

During the F.Y. 2015-16 your Company has repaid ₹ 923.52 Lacs towards Term Loan.

Your Company prepares its financial statements in compliance with the requirements of the Companies Act, 2013 and the Generally Accepted Accounting Principles (GAAP) in India. The financial statements have been prepared on historical cost basis. The estimates and judgements relating to the financial statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits and cash flows for the year ended March 31, 2016.

There is no audit qualification in the financial statement by the statutory auditors for the year under review.

8. **CORPORATE GOVERNANCE**

As per Regulation 34 (3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on Corporate Governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance, forms an integral part of this Report.

9. **EXTRACT OF ANNUAL RETURN**

The details as required under section 92(3) of the Companies Act 2013, read with rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in form MGT-9 is enclosed herewith as **Annexure – A** and forms an integral part of this Report of the Directors.

10. **DIRECTORS**

In accordance with the provisions of section 152 of the Companies Act, 2013 and the Company's Articles of Association, Shri Ranchhoddas Mohota (DIN:00247357), Director of the company, retire by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment. The Board recommends his re-appointment for the consideration of the Members of the Company at the ensuing Annual General Meeting.

Shri Krishnakant Premkumar Tekriwal appointed on Board w.e.f. 13th April, 2015. Company at the 68th Annual General Meeting held on 30th September, 2015 appointed the existing Independent Directors Shri Girdharlal Singhee (DIN: 01479800), Shri Suresh Rathi (DIN: 00474117), as independent Directors under the Companies Act, 2013 for 4 consecutive years and Shri Krishnakant Tekriwal (DIN: 00233697) and Ms. Aditi Bagri (DIN: 06943139) for 5 consecutive years.

Ms. Aditi Bagri (DIN: 06943139) Director has resigned from the Board of the Company w.e.f. 13th February, 2016 due to her personal ground, Vacancy of Independent Director caused by this resignation has been filled by Board of Directors on 13th February, 2016 by appointing Smt. Ritu Kabra (DIN:07402599) as Additional Director.

As the tenure of Shri Vinod Kumar Mohota, Managing Director, Shri Vinay Kumar Mohota, Whole Time Director and Shri Shantilal B. Singhvi, Whole Time Director was ending on 31.03.2016, Board of Directors in its Board Meeting held on 13th February, 2016 on the recommendation of Nomination and Remuneration Committee and subject to the approval of Shareholders, reappointed Shri Vinod Kumar Mohota, Managing Director, Shri Vinay Kumar Mohota, Whole Time Director and Shri Shantilal B. Singhvi, Whole Time Director for further period of 3 years from 01st April, 2016 to 31st March 2019. The Board recommends their re-appointment for the consideration of the Members of the Company at the ensuing Annual General Meeting.

11. **KEY MANAGEMENT PERSONNEL**

Company has following Key Managerial Personnel pursuant to section 203 of the Companies Act, 2013

Sr. No.	Name of the Person	Designation
i	Shri Vinod Kumar Mohota	Managing Director
ii	Shri Vinay Kumar Mohota	Whole-time Director
iii	Shri Santilal B. Singhvi	Whole-time Director
iv	Shri Mukesh B. Mahajan	Chief Financial Officer
v	Shri Sachin N. Kanojiya	Company Secretary (w.e.f. 23.06.2015)

During the year under review, Company has appointed Shri Sachin N. Kanojiya, Company Secretary as key managerial personnel of the Company pursuant to section 203 of the Companies Act, 2013. Remuneration and other details of Key Managerial Personnel for the year ended 31st March, 2016 are mentioned in the Extract of Annual Return which is attached as “**Annexure A**”.

12. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a structured questionnaire was prepared after taking into consideration of the various aspects of the Board’s functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance.

The Company has received necessary declarations from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 and Regulation 16 (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 that the Independent Directors of the Company meet with the criteria of their Independence laid down in Section 149(6).

The performance evaluation of the independent Directors was completed. The performance evaluation of the Chairman and the Non-independent Directors were carried out by the independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

13. NUMBER OF MEETINGS OF THE BOARD

During the year under consideration 9 (Nine) Board Meeting were convened and held, The details of the meetings of the Board and Committees held during the Financial Year 2015-2016 forms part of the Corporate Governance Report.

14. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY COMPANY

During the year under review there was no loan, Guarantee or Investments made by the Company under Section 186 of the Companies Act, 2013, hence the said provision is not applicable.

15. VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company has a whistle blower policy & Vigil Mechanism pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013 and as per Listing Regulation for their Directors and Employees to report their genuine concerns or grievances. The policy has been posted on the website of the Company (www.rsrm.com)

16. NOMINATION AND REMUNERATION POLICY

The Company has formulated the Nomination & Remuneration policy for its Directors, key managerial personnel and other employees keeping in view the followings

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals:

This policy also lays down criteria for selection and appointment of Board Members. Details of this policy are explained in the Corporate Governance Report.

17. RISK MANAGEMENT POLICY

Company has developed and implements Risk Management Policy including identification of elements of risk which in the opinion of the Board may threaten to the existence of the company. Board and Audit Committee periodically reviewed/evaluates the risk management framework so that the future risk can be minimized.

18. RELATED PARTY TRANSACTION

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business and that the provisions of Section 188 of the Companies Act, 2013 are not attracted. The disclosure in form AOC-2 is attached as **Annexure B**. The Company has developed a Related Party Transactions framework through Standard Operating Procedures for the purpose of identification and monitoring of such transactions.

All Related Party Transactions are placed before the Audit Committee and also to the Board for approval. Transactions which are of repetitive nature are reviewed on a quarterly basis and a statement giving details of all Related Party Transactions was placed before the Audit Committee and the Board for review and approval.

The policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the website of the Company. The web-link of the same has been provided in the Corporate Governance Report.

19. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

20. DIRECTORS' RESPONSIBILITY STATEMENT

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

- (i) That in the preparation of the Annual Accounts for the year ended March 31st, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (ii) That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31st, 2016 and of the profit of the Company for the year ended on that date;
- (iii) That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) That the directors have prepared the annual accounts on a going concern basis;
- (v) That the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (vi) That the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

21. AUDITOR'S REPORT AND STATUTORY AUDIT

M/s. Batliboi & Purohit, Chartered Accountant (Firm Registration Number 101048W) have been appointed as Statutory Auditors of the Company at the 67th Annual General Meeting for a period of three years i.e. up to the conclusion of the Seventieth (70th) AGM of the Company to be held in the year 2017 subject to ratification by members at every ensuing AGM. Therefore, ratification of appointment of Statutory Auditors is being sought from the members of the Company at the ensuing Annual General Meeting as required under the provision of section 139 of Companies Act, 2013 to audit the accounts of the company for the FY 2016-17. The Company has received written confirmation from M/s. Batliboi & Purohit, Chartered Accountants that their appointment, if made, would be in conformity with limit specified in the said section.

There is no audit qualification during year under review.

The observations made in the Auditor's Report are dealt with separately in the Notes to the Statement of Profit and Loss and the Balance Sheet in Note No. 23 to 39 of the Accounts. These are self explanatory and do not call for any further comments.

22. COST AUDITORS

As per the requirement of Central Government and pursuant to Section 148(3) of the Companies Act, 2013 and Rules 6(2) read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company has been carrying out audit of cost records every year.

The Board of Directors have re-appointed M/s G. R. Paliwal & Company, Cost Accountants, (Registration Number 100058) Nagpur as the Cost Auditors of the Company pursuant to Section 148 of The Companies Act, 2013, for conducting the Cost Audit Records of the Company for the financial year 2016-2017, which has been approved by the Central Government.

In exercise of the powers conferred by sub-sections (1) and (2) of section 469 and section 148 of the Companies Act, 2013 (18 of 2013) and in supersession of Companies (Cost Accounting Records) Rules,

2011; Companies (Cost Audit Report) Rules, 2011, amended by Companies (cost records and audit) Rules, 2014, Cost Audit was not applicable to the Textile Industry for the year 2014-15.

23. **SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made there under, the Company has appointed Shri Dinesh Kumar Deora, Company Secretary in Practice (Membership No. FCS 5683, C.O.P. No.4119) to undertake the Secretarial Audit of the Company for Financial Year 2016-17. The Secretarial Audit Report is included as **Annexure – C** and forms an integral part of this Report.

There is no audit qualification by the Secretarial auditor for the year under review.

24. **SAFETY AND POLLUTION CONTROL**

Your company accords priority to the health and safety of its employees and surroundings. It has been taking proper care in complying with all the statutory requirements relating to safety, environment and pollution control, following are the measures taken by your company.

1. Tree plantation in land adjacent to Mills ETP Plant.
2. Green Energy through use of Husk & Briquettes in boiler under United Nation Environmental Programme (UNEP).
3. We have undertaken modernization on our effluent Treatment Plant. Compressed air diffusers have been installed in dosing and aeration tanks. Results of treated effluent i.e. COD, BOD, pH are at par of MPCB's Norms.
4. R.O. installation work is in full swing and same will be completed within very short period to recycle the water.
5. Extra bag filter installed in the boiler house to arrest even smallest emission material.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo pursuant to Section 134(3)(m) of the Companies Act, 2013, read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 is given in **Annexure – D** to this Report.

26. **PARTICULARS OF EMPLOYEES**

The information required under Section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is furnished In **Annexure- E** and forming part of the Directors' Report for the year ended March 31, 2016.

The Company at present does not have any employee drawing salary in excess of the limit specified under section 197 of Companies Act, 2013.

27. **SUBSIDIARIES**

The company does not have any subsidiary/subsidiaries within the meaning of Companies Act, 2013.

28. **DEPOSIT**

The Company has not accepted any deposit from public. Therefore, the requirement of Chapter V of the Companies Act, 2013 is not applicable to it.

29. **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

According to the Companies Act, 2013, the company is not covered under the Companies (Corporate Social Responsibility) Rules 2013.

30. **SEGMENTWISE PERFORMANCE**

The company has only one business segment i.e. "Textiles".

31. **INTERNAL CONTROL SYSTEM AND ADEQUACY**

The company has a proper and adequate internal control system to ensure that its assets are safeguarded and protected against unauthorized use and disposition and all the transactions are properly recorded and reported. The company also has a system of management reviews to ensure compliance with the prescribed procedures and authority levels.

Pursuant to section 134(5)(e) of the Companies Act, 2013 company has proper and adequate internal control and Internal Financial Control system, same is reviewed by Company's Auditor together with the Risk pro (Organization of Professional with proficiency in Risk Management), the Report by auditor on the company's Internal Financial Control System is form a part of Independent Auditors Report.

32. **DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013**

The Company laid down an Anti Sexual Harassment policy in line with the requirements of The Sexual Harassment of Women at workplace (prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received in this regard. All employees (permanent, Contractual, temporary, trainees) are covered under this policy. No sexual harassment complaints were received during the year 2015-16.

33. **MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT**

Employees are your Company's most valuable resources. Your Company continues to create a favorable environment at work place. The company also recognizes the importance of training and continuously deputed its work force in various courses/seminars relating to important management tools like 'Total Quality Management' (TQM). The management is specifically calling professionals from renowned textile research institutes like BTRA/SITRA to train its work force.

Company has taken following initiatives for skill development program for worker & staff.

1. Training to maintenance staff by qualified engineers from Voltas Ltd., Murata Machinery, Saurer Schlafhorst and Toyota.
2. Shopfloor Training to technical staff on "Air Engineering" (Humidification system) by B.T.R.A. a renowned Textile Research Association.
3. Training to shop floor workers/operatives by trainer from U.T.T.S., Ahmedabad who guided them about discipline and work procedure while working on machines with proper safety for Toyota Airjet Looms.

4. Deputed staff members to attend International and National Textile Conference organized by Textile Association of India.
5. Water consumption in Process reduced by 33% by adopting technical up-gradation and value engg.
6. Electrical power consumption reduced by 12.78% by adopting various technical controls.

Following social activities held by the Company

1. Organized Blood Donation Camp on Founder's Day of the Company i.e. on 29th March by donating 140+ bags of blood to Blood Bank.
2. During the year company organized seminar on "Stress-Management" by one of a reputed Social and charitable Trust from Nagpur for entire staff members of the Mills.

Industrial relations are cordial and satisfactory.

34. CAUTIONARY STATEMENT

Statement in this Director's Report including Management Discussion and Analysis describing the Company's objective, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws & regulation. Actual results might differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include, among others, economic conditions affecting demand/supply and price conditions in the market in which the company operates, changes in the Government regulations, tax laws and other statutes and incidental factors.

35. ACKNOWLEDGMENTS

The Directors wish to place on record, their appreciation and gratitude for all the co-operation extended by Government Agencies, Bankers, Financial Institutions and Shareholders. The Directors also record their sense of appreciation for the sincere services rendered by all the Executives and Staff of the company and for their valuable contribution in the working of the company.

On Behalf of the Board

Sd/-

**Dr. Ranchhoddas Mohota
Chairman**

**Place : Hinganghat
Dated: 30/05/2016**

**FORM No. MGT-9
EXTRACT OF ANNUAL RETURN**

As on the Financial Year ended on 31st March, 2016

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

I. REGISTRATION AND OTHER DETAILS:

i	CIN	L99999MH1946PLC005261
ii	Registration Date	10th October 1946
iii	Name of the Company	THE RAI SAHEB REKHCHAND MOHOTA SPG. & WVG. MILLS LTD.
iv	Category / Sub-Category of the Company	Public Company Limited by shares
v	Address of the Registered Office and contact details	Block No.15, 3rd Floor, Devkaran Mansion, Gate No.2, 63-Princess Street, Mumbai-400 002. Ph. No.:07153-244282 Web: www.rsrm.com
vi	Whether Listed Company(Yes/NO)	YES
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Pvt. Ltd. E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka Andheri (East); MUMBAI 400 072 Telephone: 022 40430200; 261; 28470652 FAX Number: 022 28475207 Email.id: info@bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of Main products/Services	NIC Code of the Product/ Service	% to total turnover of the company
1.	Yarn	13111	54.20%
2.	Fabrics	13131	45.80%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of Shares held	Applicable Section

The Company does not have any Subsidiary/Subsidiaries/Holding/Associate Companies within the meaning of Companies Act, 2013.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 31.03.2015)				No. of Shares held at the end of the year (As on 31.03.2016)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(g) Individual/ HUF	3440121	-	3440121	23.58	3428121	-	3428121	23.50	(0.08)
(h) Central Govt									
(i) State Govt (s)									
(j) Bodies Corp.	5102570	-	5102570	34.97	5100570	-	5100570	34.96	(0.01)
(k) Banks / FI									
(l) Any Other....									
Sub-total (A) (1):-	8542691	-	8542691	58.55	8528691	-	8528691	58.46	(0.09)
(2) Foreign									
(a) NRIs- Individuals									
(b) Other - Individuals									
(c) Bodies Corp.									
(d) Banks / FI									
(e) Any Other....									
Sub-total (A) (2):-									
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	8542691	-	8542691	58.55	8528691	-	8528691	58.46	(0.09)
B. Public Shareholding									
1. Institutions									
(a) Mutual Funds									
(b) Banks / FI									
(c) Central Govt									
(d) State Govt(s)									
(e) Venture Capital Funds									
(f) Insurance Companies									
(g) FIs	-	-	-	-	36500	0	36500	0.25	0.25
(h) Foreign Venture Capital Funds									
(i) Others (specify)									
Sub-total (B) (1):-	--	-	-	-	36500	0	36500	0.25	0.25
2. Non-Institutions									
(a) Bodies Corp.									
(i) Indian									
(ii) Overseas	2199130	3850	2202980	15.1	2061172	3850	2065022	14.15	(0.95)
(b) Individuals									
(i) Individual Shareholders Holding nominal share capital									

up to ₹ 1 lakh (ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	572640	165004	737644	5.06	2229641	165203	2394844	16.41	11.35
(c) Others (specify)	3093180	12950	3106130	21.29	1564388	-	1564388	10.72	(10.57)
Sub-total (B)(2):- Total Public Shareholding (B)=(B)(1)+ (B)(2)	5864950	181804	6046754	41.45	5855201	169053	6024254	41.29	(0.16)
C. Shares held by Custodian for GDRs & ADRs	5864950	181804	6046754	41.45	5891701	169053	6060754	41.54	(0.09)
Grand Total (A+B+C)	14407641	181804	14589445	100	14420392	169053	14589445	100	

(ii) Shareholding of Promoters

S.I No.	Shareholder's Name	Shareholding at the beginning of the year (As on 31.03.2015)			Shareholding at the end of the year (As on 31.03.2016)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1.	Shri Ranchhoddas Mohota (Individual)	252233	1.73	00	252233	1.73	0	00
2.	Shri Ranchhoddas Mohota (HUF)	1415400	9.70	8.26	1415400	9.70	8.26	00
3.	Shri Vinod Kumar Mohota (Individual)	292367	2.00	00	292367	2.00	00	00
4.	Shri Vinod Kumar Mohota (HUF)	83533	0.57	00	83533	0.57	00	00
5.	Shri Vinay Kumar Mohota (Individual)	281517	1.93	00	281517	1.93	00	00
6.	Shri Vinay Kumar Mohota (HUF)	147000	1.01	00	147000	1.01	00	00
7.	Executor (Smt. Suryakantadevi Mohota)	447097	3.06	00	447097	3.06	00	00
8.	Smt. Veenadevi Mohota	351966	2.41	00	339966	2.33	00	(0.08)
9.	Shri Vaibhav Kumar Mohota	14000	0.10	00	14000	0.10	00	00
10.	Smt. Vibha Mohota	49833	0.34	00	49833	0.34	00	00
11.	Smt. Swati Mohota	37100	0.25	00	37100	0.25	00	00
12.	Smt. Kiran Bhagat	68075	0.47	00	68075	0.47	00	00
13.	Priya Viniyog P. Ltd.	3697588	25.34	00	3696588	25.34	00	(0.006)
14.	Exim Scrips Consultants Pvt. Ltd.	1404982	9.63	00	1403982	9.63	00	(0.006)
	Total	8542691	58.55	8.26	8528691	58.46	8.26	(0.09)

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

S.I No.	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Shri Ranchhoddas Mohota				
	At the beginning of the year	252233	1.73	252233	1.73
	Purchase/Sale	Nil	Nil	Nil	Nil
	At the End of the year	252233	1.73	252233	1.73
2	Shri Ranchhoddas Mohota (HUF)				
	At the beginning of the year	1415400	9.70	1415400	9.70
	Purchase/Sale	Nil	Nil	Nil	Nil
	At the End of the year	1415400	9.70	1415400	9.70
3	Shri Vinod Kumar Mohota				
	At the beginning of the year	292367	2.00	292367	2.00
	Purchase/Sale	Nil	Nil	Nil	Nil
	At the End of the year	292367	2.00	292367	2.00
4	Shri Vinod Kumar Mohota (HUF)				
	At the beginning of the year	83533	0.57	83533	0.57
	Purchase/Sale	Nil	Nil	Nil	Nil
	At the End of the year	83533	0.57	83533	0.57
5	Shri Vinay Kumar Mohota				
	At the beginning of the year	281517	1.93	281517	1.93
	Purchase/Sale	Nil	Nil	Nil	Nil
	At the End of the year	281517	1.93	281517	1.93
6	Shri Vinay Kumar Mohota (HUF)				
	At the beginning of the year	147000	1.01	147000	1.01
	Purchase/Sale	Nil	Nil	Nil	Nil
	At the End of the year	147000	1.01	147000	1.01
7	Executor (Smt.Suryakantadevi Mohota)				
	At the beginning of the year	447097	3.06	447097	3.06
	Purchase/Sale	Nil	Nil	Nil	Nil
	At the End of the year	447097	3.06	447097	3.06
8	Smt. Veenadevi Mohota				
	At the beginning of the year	351966	2.41	351966	2.41
	Sale 03.07.2015	(12000)	0.8	339966	2.33
	At the End of the year	339966	2.33	339966	2.33
9	Shri Vaibhav Kumar Mohota				
	At the beginning of the year	14000	0.10	14000	0.10
	Purchase/Sale	Nil	Nil	Nil	Nil
	At the End of the year	14000	0.10	14000	0.10
10	Smt. Vibha Agarwal				
	At the beginning of the year	49833	0.34	49833	0.34
	Purchase/Sale	Nil	Nil	Nil	Nil
	At the End of the year	49833	0.34	49833	0.34
11	Smt. Swati Mohota				
	At the beginning of the year	37100	0.25	37100	0.25
	Purchase/Sale	Nil	Nil	Nil	Nil
	At the End of the year	37100	0.25	37100	0.25

12	Smt. Kiran Bhagat				
	At the beginning of the year	68075	0.47	68075	0.47
	Purchase/Sale	Nil	Nil	Nil	Nil
	At the End of the year	68075	0.47	68075	0.47
13	Priya Viniyog Pvt. Ltd.				
	At the beginning of the year	3697588	25.34	3697588	25.34
	Sale 08.03.2016	(1000)	0.006	3696588	25.34
	At the End of the year	3696588	25.34	3696588	25.34
14	Exim Scrips Consultants Pvt. Ltd.				
	At the beginning of the year	1404982	9.63	1404982	9.63
	Sale 08.03.2016	(1000)	0.006	1403982	9.63
	At the End of the year	1403982	9.63	1403982	9.63

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

S.I No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Radhika Dubash				
	At the beginning of the year	558493	3.83	558493	3.83
	Change during Year	78311	0.537	636804	4.37
	At the End of the year	636804	4.37	636804	4.37
2	Bikewin Trading Private Ltd.				
	At the beginning of the year	413682	2.84	413682	2.84
	Change during Year	Nil	Nil	Nil	Nil
	At the End of the year	413682	2.84	413682	2.84
3	Badjate Stock Broking Pvt. Ltd.				
	At the beginning of the year	409502	2.81	409502	2.81
	Change during Year	(397010)	2.72	12492	0.09
	At the End of the year	12492	0.09	12492	0.09
4	Kiran Vyapar Ltd.				
	At the beginning of the year	382938	2.62	382938	2.62
	Change during Year	Nil	Nil	Nil	Nil
	At the End of the year	382938	2.62	382938	2.62
5	Badjate Stock & Share Pvt Ltd				
	At the beginning of the year	219161	1.50	219161	1.50
	Change during Year	(217322)	1.49	1839	0.01
	At the End of year	1839	0.01	1839	0.01
6	Uma Datta				
	At the beginning of the year	199760	1.37	199760	1.37
	Change during Year	Nil	Nil	Nil	Nil
	At the End of year	199760	1.37	199760	1.37
7.	Motiwala Rohit Arvindbhai				
	At the beginning of the year	192633	1.32	192633	1.32
	Change during Year	(144829)	0.93	47804	0.33
	At the End of year	47804	0.33	47804	0.33

8.	Hari Finance & trade Pvt. Ltd				
	At the beginning of the year	154994	1.06	154994	1.06
	Change during Year	Nil	Nil	Nil	Nil
	At the End of year	154994	1.06	154994	1.06
9.	Kamalaben Dilipbhai Shah				
	At the beginning of the year	137864	0.94	137864	0.94
	Change during Year	Nil	Nil	Nil	Nil
	At the End of year	137864	0.94	137864	0.94
10.	Ajay Relan				
	At the beginning of the year	125165	0.86	125165	0.86
	Change during Year	59555	0.40	184720	1.27
	At the End of year	184720	1.27	184720	1.27
11	Dinesh Dayal				
	At the beginning of the year	92640	0.63	92640	0.63
	Change During year	40000	0.27	132640	0.91
	At the End of year	132640	0.91	132640	0.91
12	BMA Wealth Creators Ltd				
	At the beginning of the year	9547	0.07	9547	0.07
	Change during Year	92926	0.63	102473	0.70
	At the End of year	102473	0.70	102473	0.70
13	Kishanlal Devidutt Saraf				
	At the beginning of the year	0	0	0	0
	Change during Year	310000	2.12	310000	2.12
	At the End of year	310000	2.12	310000	2.12

(v) Shareholding of Directors and Key Managerial Personnel:

S.I No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Shri Ranchhoddas Mohota				
	At the beginning of the year	252233	1.73	252233	1.73
	Purchase/Sale	Nil	Nil	Nil	Nil
	At the End of the year	252233	1.73	252233	1.73
2	Shri Vinod Kumar Mohota				
	At the beginning of the year	292367	2.00	292367	2.00
	Purchase/Sale	Nil	Nil	Nil	Nil
	At the End of the year	292367	2.00	292367	2.00
3	Shri Vinay kumar Mohota				
	At the beginning of the year	281517	1.93	281517	1.93
	Purchase/Sale	Nil	Nil	Nil	Nil
	At the End of the year	281517	1.93	281517	1.93

Note : Except above No Directors and Key Managerial Personnel hold any equity shares at the beginning of the year and/or at the end of the year.

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	5126.09	1552.57	-	6678.66
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	5126.09	1552.57	-	6678.66
Change in Indebtedness during the financial year				
• Addition	-	37.29	-	37.29
• Reduction	(496.05)	-	-	(496.05)
Net Change	(496.05)	37.29	-	(458.76)
Indebtedness at the end of the financial year				
(i) Principal Amount	4630.04	1589.86	-	6219.90
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	4630.04	1589.86	-	6219.90

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

S.I No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Shri Vinod Kumar Mohota	Shri Vinay Kumar Mohota	Shri Shantilal B. Singhvi	
1.	Gross salary				
	(a) Salary as per Provisions contained in section 17(1) of the Income-tax Act, 1961	12,76,800	11,42,400	4,70,400	28,89,600
	(b) Value of perquisites u/s 17(2) Income- tax Act, 1961	--	--	35,000	35,000
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--		
2.	Stock Option	--	--	--	--
3.	Sweat Equity	--	--	--	--
4.	Commission				
	- as % of profit	--	--	--	--
	- others, specify...	--	--	--	--
5.	Others, please specify	--	--	--	--
	Total (A)	12,76,800	11,42,400	5,05,400	29,24,600
	Ceiling as per the Act	10% of Net Profit			

B. Remuneration to other directors:

S.I No.	Particulars of Remuneration	Name of Directors					Total Amount
		Ranchhoddas Mohota	Krishnakant Tekriwal	Suresh Rathi	Aditi Bagri	G. G. Singhee	
	<ul style="list-style-type: none"> • Independent Directors • Fee for attending Board committee meetings • Commission • Others, please specify 	4000	2000	4000	-	8000	18000
	Total (1)	4000	2000	4000	-	8000	18000
	<ul style="list-style-type: none"> • Other Non-Executive Directors • Fee for attending Board committee meetings • Commission • Others, please specify 	--	--	--	--	--	--
	Total (2)	--	--	--	--	--	--
	Total (B)=(1+2)	4000	2000	4000	-	8000	18000
	Total Managerial Remuneration	4000	2000	4000	-	8000	18000
	Overall Ceiling as per the Act	₹ 1,00,000 Per Director for each Meeting					

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

S.I No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CFO	CS	Total
			Mukesh B. Mahajan	Sachin Kanojiya	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	--	5,64,256	2,17,757	7,82,013
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	--	1,43,412	45,750	1,89,162
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--	--	--
2.	Stock Option	--	--	--	--
3.	Sweat Equity	--	--	--	--
4.	Commission - as % of profit - others, specify...	--	--	--	--
5.	Others, please specify	--	--	--	--
	Total	--	7,07,668	2,63,507	9,71,175

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

Form No. AOC-2

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

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

1. Details of contracts or arrangements or transactions not at arm's Length Basis: ***Not Applicable as No contracts or arrangements or transactions entered by the company which not at arm's Length Basis***
2. Details of material contracts or arrangements or transactions at arm's length basis :

(a) Name(s) of the related party and nature of relationship:

Sr.No.	Name of the related Party	Nature of Relationship
1	Crome Textiles Private Limited	Director's Relatives are Directors
2	Navrang Enterprises	Director and Relatives are Partner

(b) Nature of contracts/arrangements/transactions:

Sr.No.	Name of the related Party	Nature of Transaction	Amount (Rs)
1	Crome Textiles Private Limited	Purchase / Sales / Job Work Charges	322,531,161
2	Navrang Enterprises	Purchase / Sales / Job Work Charges	220,084,512
		Rent	428,500

(c) Duration of the contracts / arrangements/transactions:

1. Except rent, Transactions with party at serial no 1 & 2 are ongoing contracts and open - ended and they are terminable by mutual consent by either party.
2. Agreement with Party for Rent at serial no 2 is for the term of 3 Years renewable at the option of Board. Board with the approval of Audit Committee renew the above agreements for the further term of 3 years

(d) Salient Terms of the contracts or arrangements or transactions including the value, if any: N.A.

(e) Date(s) of approval by the Board, if any: transaction at sr. no 1 & 2 are approved by Board on 30.05.2015 and by Shareholders on 30.09.2015.

(f) Amount paid as advances, if any: Nil

On Behalf of the Board

Sd/-

**Dr. Ranchhoddas Mohota
Chairman**

**Place : Hinganghat
Dated: 30/05/2016**

Annexure - C

**DINESH KUMAR DEORA B.Com, F.C.S., A.C.A.
COMPANY SECRETARY**

**OFFICE: 205, 2ND FLOOR, NADIADWALA MARKET, PODDAR ROAD, MALAD (EAST),
MUMBAI-400097.**

TEL NO.: 022-65643641 E-MAIL: dinesh.deora@yahoo.com

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2016**

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

To,
The Members,
The Rai Saheb Rekhchand Mohota Spg. & Wvg. Mills Limited
Mumbai

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by The Rai Saheb Rekhchand Mohota Spg. & Wvg. Mills Limited (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended March 31, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2016 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;

DINESH KUMAR DEORA B.Com, F.C.S., A.C.A.
COMPANY SECRETARY

**OFFICE: 205, 2ND FLOOR, NADIADWALA MARKET, PODDAR ROAD, MALAD (EAST),
MUMBAI-400097.**

TEL NO.: 022-65643641 E-MAIL: dinesh.deora@yahoo.com

6. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI') were not applicable to the Company under the financial year under report:
- a. The Securities and Exchange Board of India (Issue of Capital and Disclosure requirements) Regulations, 2009;
 - b. The Securities and Exchange Board of India (Employee Stock Option Scheme and employee Stock Purchase Scheme) Guidelines, 1999;
 - c. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - d. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - e. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; near

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, the Company has complied with the following laws applicable specifically to the Company;

- a Water (Prevention & Control of Pollution) Act, 1974;
- b Air (Prevention & Control of Pollution) Act, 1981;
- c Hazardous Waste (Management & Handling) Rules, 1989;
- d The Boilers Act, 1923.
- e Factories Act, 1948;
- f Environment (Protection) Act, 1986

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

- 1. Secretarial Standards issued by The Institute of Company Secretaries of India.
- 2. The Listing Agreements entered into by the Company with Stock Exchanges and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company and as per the explanations given and the representations made by the Management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above subject to the following observation:

- (a) The Company Secretary has been appointed during the year w.e.f. 23rd June, 2015

**DINESH KUMAR DEORA B.Com, F.C.S., A.C.A.
COMPANY SECRETARY**

**OFFICE: 205, 2ND FLOOR, NADIADWALA MARKET, PODDAR ROAD, MALAD (EAST),
MUMBAI-400097.**

TEL NO.: 022-65643641 E-MAIL: dinesh.deora@yahoo.com

I further report that

- (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- (b) Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (c) Decisions at the Board Meetings were taken unanimously.
- (d) There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- (e) During the audit period, the Company has not undertaken event / action having a major impact on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

**Place : Mumbai
Dated: 30/05/2016**

**Sd/-
Dinesh Kumar Deora
Practicing Company Secretary
FCS No. 5683
C. P. No. 4119**

Annexure -D
Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo.

The Information Under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 for the year ended March 31st, 2016 is given here below and forms part of the Directors' Report.

I. CONSERVATION OF ENERGY

(a) Measures taken: The company is aware of the importance of conservation of energy and continuous efforts are being made to reduce energy cost at all levels. Special attention is being given for the use of energy efficient equipments. During the year following majors taken by the Company.

1. Replaced the regular flurosent tube lights with new energy saver LED tube Lights at factory
2. Up-gradation of our Effluent Treatment Plant by replacing the Air Radiator Fan with Air Blower Compressor by which power consumption reduced from 32 KW to 14 KW.
3. Converted DC motor to AC motor resulted saving of power from 11 KW to 7KW.
4. Replaced P- fan motor normal impeller to Energy efficient fan impeller in Ring Frame department resulting saving of approx 3.30 lacs units per year
5. Replaced old Pump with new energy efficient Pumps resulted saving of around 0.5 lacs units per year

(b) Additional investments and proposal for reduction of consumption of energy:

The Management is committed to further identify new areas where the conventional equipments can be replaced by latest equipments so as to reduce the consumption of various sources of energy.

(c) Impact of the measures (a) and (b): The Company has achieved reduction in energy costs.

Total energy consumption and consumption per unit of production in prescribed Form 'A' is given below:

		FORM – A	
I.	Power and Fuel Consumption	2015-2016	2014-2015
1.	Electricity		
	(a) Purchased		
	Unit (kwh in lacs)	213.41	240.67
	Total Amount (₹ In lacs)	1,431.44	1,540.00
	Rate/Unit (₹)	6.71	6.40
	(b) Own Generation (Through Diesel Generator)		
	Unit (kwh in lacs)	Nil	Nil
	Units per Ltr.of Diesel	Nil	Nil
	Cost/Unit (₹)	Nil	Nil
2.	Furnace Oil / L.S.H.S.	N. A.	N. A.
3.	Rice Husk/ Coal/Briquettes (Boiler)		
	Quantity (M. T.)	9,938.07	10,533.58
	Total Cost (₹ in lacs)	528.16	404.58
	Average Rate (₹ per M.T.)	5,314.51	3,840.87

In view of composite nature of its Textile Business, it is not possible to express the consumption of power & fuel per unit of productions.

II. TECHNOLOGY ABSORPTION

Efforts made in technology absorption as per Form B is given below:

FORM – B

I. Research and Development (R & D)

1. **Specific areas:** The R & D activities of the Company are aimed at quality control and improvement/up-gradation of the product range.
2. **Benefits derived:** Improvement in product quality, development of new value added products and cost effectiveness.
3. **Future plan of action:** Development of more value added products and making the product more cost effective.
4. **Expenditure on R & D:** Expenditure on Research & Development are difficult to ascertain as the same staff and equipments are used for production and quality control.

II. Technology Absorption, adoption and innovation:

1. **Efforts made** : Sustained efforts are being made towards upgrading the process technology.
2. **Benefits derived** : The Company has been able to improve the quality of its existing products
3. **Particulars of technology imported** : Nil

III. FOREIGN EXCHANGE EARNINGS AND OUTGO :

- (a) **Efforts** : Various efforts are being made to explore and secure new export market for Company's products.

		(₹ in lacs)	
(b) Earning and outgo	:	2015-16	2014-15
i) Foreign Exchange earning	:	4230.71	6,074.81
ii) Foreign Exchange outgo	:	30.42	99.12

Annexure -E
DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2015-16, ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2015-16 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of the Director & Key Managerial Person (KMP) and Designation	Remuneration to Director & KMP for the Financial Year 2015-16 Amt in Rs.	% Increase in the remuneration in the Financial Year 2015-16	Ratio of Remuneration of each director to median remuneration of employee	Comparison of the remuneration of the KMP against the performance of the company
1	Shri Ranchhoddas Mohota Chairman & Non executive Director	Nil	--	--	--
2	Shri Vinod kumar Mohota Managing Director	12,76,800/-	6.51%	9.84	Profit before tax increase by 38.24% and profit after tax Increase by 55.64% in the Financial year 2015-16
3	Shri Vinay kumar Mohota Executive Director	11,42,400/-	7.21%	8.80	
4	Shri Shantilal B. Singhvi Executive Director	5,05,400/-	6.95%	3.89	
5.	Shri G.G.Singhee Non Executive Director	Nil	--	--	
6.	Shri Suresh Rathi Non Executive Director	Nil	--	--	
7.	Krishnakant Tekriwal * Non Executive Director	Nil	--	--	
8.	Ms. Aditi Bagri * Non Executive Director	Nil	--	--	
9.	Smt. Ritu Kabra ** Non Executive Director	Nil	--	--	
10.	Mr. Mukesh B. Mahajan Chief Financial Officer	7,07,668/-	16.97%	Not Applicable	Profit before tax increase by 38.24% and profit after tax Increase by 55.64% in the Financial year 2015-16
11.	Mr. Sachin N. Kanojiya Company Secretary & Compliance officer	2,63,507/-	#	Not Applicable	



- (ii) The median remuneration of employees of the Company during the financial year was ₹1,29,793/-
- (iii) In the financial year, there was an increase of 4.84% in the median remuneration of employees;
- (iv) There were 1546 permanent employees on the rolls of company;
- (v) Relationship between average increase in remuneration and company performance:
The Profit after Tax for the financial year ended March 31, 2016 increased by 55.64% whereas the Average increase in the remuneration was 6.80%. The average increase in remuneration was in line with the performance of the Company.
- (vi) Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:
The total remuneration of Key Managerial Personnel Increased by 9.41% from ₹ 33.42 Lacs (#) in 2014-15 to ₹36.32 Lacs in 2015-16 whereas the Profit After Tax increased by 55.64% to ₹ 334.50 Lacs in 2015-16 (₹ 214.92 Lacs in 2014-15).
- (vii) a) Variations in the market capitalisation of the company. The market capitalisation as on March 31, 2016 was ₹167.32 Crore (₹ 207.46 Crore as on March 31, 2015)
- b) Price Earnings ratio of the Company is 54.87 as at March 31, 2016 and was 111.09 as at March 31, 2015
- (viii) Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year was 6.88% and the percentile increase in the managerial remuneration was 9.41% and increase in the remuneration is based on performance and the Remuneration policy of the company
- (x) The key parameters for any variable component of remuneration availed by the directors are considered by Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- (xi) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year was **1.065: 1**
- (xii) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

(* Shri Krishnakant Premkumar Tekriwal appointed on Board w.e.f. 13th April, 2015 and Smt. Ritu Kabra appointed on Board w.e.f. 13th February 2016.

** Ms. Aditi Bagri (DIN: 06943139) has resigned from the Board of the Company w.e.f. 13th February, 2016,

Details not given/Included as Mr. Sachin. N. Kanojiya was appointed on 23.06.2015 and not employee in the Financial Year 2014-15)

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY

RSRM ("The Company") Governance philosophy is based on trusteeship, transparency and accountability. As a corporate citizen, our business fosters a culture of ethical behavior and disclosures aimed at building trust of our stakeholders. The Company's Code of Business Conduct, RSRM Code of conduct for Prevention of Insider Trading and Code of Practices and Procedures for Fair Disclosure are an extension of our values and reflect our commitment to ethical business practices, integrity and regulatory compliances. The Company's governance framework is based on the following principles;

- Appropriate composition and size of the Board, with each member bringing in expertise in their respective domains;
- Availability of information to the members of the Board and Board Committees to enable them discharge their fiduciary duties;
- Timely disclosure of material operational and financial information to the stakeholders;
- Systems and processes in place for internal control; and
- Proper business conduct by the Board, Senior Management and Employees.
- The Company continues to focus its resources, strengths and strategies to achieve the vision of becoming a global leader in Textiles.

1. BOARD OF DIRECTORS ("BOARD")

The Board is broad-based and consists of eminent individuals from industry, management, technical, financial and marketing background. The Company is managed by the Board of Directors in coordination with the Senior Management team. The composition and strength of the Board is reviewed from time to time for ensuring that it remains aligned with statutory as well as business requirements. The Board has constituted various committees of Directors for proper and effective disposal of the matters. The meetings of the Board and Committees are being held frequently as required. All the Directors attending the Board and Committee meetings are provided with full details of information and they actively participate in the proceedings.

a) Size and Composition of the Board

The Company has a judicious mix of Executive and Non- Executive Directors. As on March 31, 2016 The Board of directors of Company consists of Eight Directors out of which three are executive and five are non-executive Directors. The Chairman of the Board is a Non-Executive Director.

The details of the composition of the Board and the number of other Directorships or Memberships of Board/ Committees held by the each Directors are as under;

Composition and category of the Directors:

Name of the Director	Designation	Category	Directorship in other companies	No. of Memberships in Board Committees as	
				Chairman	Member
Shri Ranchhoddas Mohota	Chairman	Non- Executive	--	2	1
Shri Vinod Kumar Mohota	Mg. Director	Executive	--	--	3
Shri Vinay Kumar Mohota	Director	Executive	--	--	--
Shri Shantilal Singhvi	Director	Executive	--	--	1
Shri G.G.Singhee	Director	Independent	2	2	--
Shri Suresh Rathi	Director	Independent	2	--	2
Shri Kishnakant Tekriwal	Director	Independent	4	--	--
Smt. Ritu Kabra	Director	Independent	--	--	--

Notes:

1. Shri Ranchhoddas Mohota, Shri Vinod Kumar Mohota and Shri Vinay Kumar Mohota are related to each other.
2. Details of Director(s) retiring or being re-appointed are given in Notice to Annual General Meeting.
3. No of Shares held by Non executive Directors as on 31.03.2016 are as follows

Sr. No.	Name of Director	No. of Shares held
1	Shri Ranchhoddas Mohota	252233

b) Number of Board Meetings:

During the year 2015 – 16, The Board of Directors met 09 times on the following dates:

Sr. No.	Date of Meeting	Board Strength	No. of Directors present
01	13.04.2015	8	6
02	30.05.2015	8	6
03	04.06.2015	8	4
04	27.06.2015	8	3
05	14.08.2015	8	6
06	14.09.2015	8	5
07	14.11.2015	8	4
08	06.01.2016	8	6
09	13.02.2016	8	6

Note.: Shri Krishnakant Premkumar Tekriwal appointed as Director w.e.f. 13.04.2015. Ms. Aditi Bagri, resigned from the Board w.e.f. 13.02.2016 in her place Smt. Ritu Kabra was appointed as Additional Director w.e.f. 13.02.2016 in the category of Non executive Independent Director.

c) Attendance of Directors:

Attendance record of the Directors at the Board Meetings held during the financial year 2015–16 and the last Annual General Meeting held on 30th September 2015.

Name of the Director	No. of Board Meetings held	No. of Board Meetings attended	Attendance at the last Annual General Meeting.
Shri Ranchhoddas Mohota	9	6	No
Shri Vinod Kumar Mohota	9	9	Yes
Shri Vinay Kumar Mohota	9	9	Yes
Shri S. B. Singhvi	9	8	No
Ms. Aditi Bagri	9	1	No
Shri G.G. Singhee	9	7	Yes
Shri Suresh Rathi	9	5	No
Shri Krishkant Premkumar Tekriwal	9	1	No
Smt Ritu Kabrs	9	--	N.A.

d) Remuneration of Directors:

The remuneration of the Directors is decided by the Board of Directors on the recommendation of Nomination and Remuneration Committee as per the remuneration policy of the company and in accordance with the provisions of the Companies Act, 2013 and the ceilings as fixed by the shareholders. Given below are the details of remuneration paid to the Directors for the year ending March 31, 2016.

Name of the Director	Sitting Fees	Salary	Perks	Commission	Total
Shri Vinod Kumar Mohota	Nil	12,76,800	Nil	Nil	12,76,800
Shri Vinay Kumar Mohota	Nil	11,42,400	Nil	Nil	11,42,400
Shri S.B.Singhvi	Nil	4,70,400	35,000	Nil	5,05,400

Note: Salary includes Basic Salary, Allowances, Perquisites & Company's contribution to Provident Fund etc.

e) Re-appointment/Appointment of Directors:

In accordance with the provisions of section 152 of the Companies Act, 2013 and the Company's Articles of Association, Shri Ranchhoddas Mohota (DIN:00247357), retire by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment. Shri Krishnakant Premkumar Tekriwal joins the Board of Directors of the Company w.e.f. 13th April, 2015 as a Non executive Director. Ms. Aditi Bagri (DIN: 06943139) has resigned from the Board of the Company w.e.f. 13th February, 2016, Vacancy of Independent Director caused by her resignation has been filled by Board on 13.02.2016 by appointing Smt. Ritu Kabra (DIN:07402599) as an additional director who shall hold the office until conclusion of the forthcoming Annual General Meeting.

Board of Directors in its Board Meeting held on 13th February, 2016 on the recommendation of Nomination and Remuneration Committee and subject to the approval of Shareholders, reappointed Shri Vinod Kumar Mohota, Managing Director, Shri Vinay Kumar Mohota, Whole Time Director and Shri Shantilal B. Singhvi, Whole Time Director for further period of 3 years i.e. from 01st April, 2016 to 31st March 2019. The Board recommends their re-appointment for the consideration of the Members of the Company at the ensuing Annual General Meeting.

The brief resume of these Directors and other information as required in Pursuant to regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, is annexed to the Notice of the Annual General Meeting.

f) Code of Conduct:

The Company has adopted the Code of Conduct for all its Board Members and Senior Management Personnel. This Code of Conduct requires Directors and Employees to act honestly, fairly, ethically, and with integrity, conduct themselves in professional, courteous and respectful manner. The Company has obtained the confirmation of the compliance with the Code from all its Board Members and Senior Management Personnel for the year under review. The code of Conduct is available on the Company's website -www.rsrm.com.

g) Familiarisation Programme for Directors:

At the time of appointing a Director, a formal letter of appointment is given to appointee, which inter alia explains the role, function, duties and responsibilities expected from him/her as a Director of the Company. The Director is also explained in detail the Compliances required from him/her under Companies Act, 2013, Listing Regulation and other various statutes and an affirmation is obtained.

The Chairman and Managing Director also have a one to one discussion with the newly appointed Director to familiarize him/her with the Company's operations. Further, on an ongoing basis as a part of Agenda of Board / Committee Meetings, presentations are regularly made to the Independent Directors on various matters inter-alia covering the Company's business and operations, industry and regulatory updates, strategy, finance, risk management framework, role, rights, responsibilities of the Independent Directors under various statutes and other relevant matters.

The details of the Familiarisation Programme for Directors are available on the Company's website – www.rsrm.com.

2. BOARD COMMITTEES

The Board has constituted Board Committees to deal with specific areas and activities which concern the Company and requires a closer review. The Board Committees are formed with approval of the Board and function under their respective Charters. These Committees play an important role in the overall management of day-to-day affairs and governance of the Company. Recommendations / decisions of the committees are submitted to the Board for its consideration. The Board Committees meet at regular intervals and take necessary steps to perform its duties entrusted by the Board.

The Board currently has the following Committees:

a) Audit Committee

Audit Committee of the Board of Directors ("Audit Committee") is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The composition, quorum, powers, role and scope of the Committee are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of the Listing Regulation. All the members of the Audit Committee are financially literate and bring in expertise in the various fields including Finance, Taxation, Manufacturing, Risk, Operations etc. Currently compositions of the Audit committee are as follows:

Sr.No.	Name of the Audit Committee members	Designation	Category
01	Shri Girdharlal G. Singhee	Chairman	Independent
02	Shri Vinod Kumar Mohota	Member	Managing Director
03	Shri Suresh Rathi	Member	Independent

The terms of reference of the Audit Committee inter alia include the following;

1. Overseeing Financial Reporting process.
2. Reviewing periodic financial results, financial statements and adequacy of internal control system.
3. Discussions with the Auditors about the scope of audit including their observations.
4. Approving internal Audit Plans, reviewing the functions and periodic audit reports.
5. Recommendation for appointment, remuneration and terms of appointment of auditors of the company.
6. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
7. Examination of the financial statement and the auditors' report thereon.
8. approval or any subsequent modification of transactions of the company with related parties.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Monitoring the end use of funds raised through public offers and related matters.
13. Carrying out any other function as Board of Director Specify time to time to the Audit Committee.

During the Financial Year 2015-2016 Five (5) Audit Committee Meetings were held on 30th May, 2015; 14th Aug, 2015; 14th November, 2015; 06th January, 2016 and 13th February, 2016.

Attendance at the Audit Committee Meeting

Sr.No.	Name of the Audit Committee members	Designation	Category	No. of meetings attended
01	Shri Girdharlal G. Singhee	Chairman	Independent	5
02	Shri Vinod Kumar Mohota	Member	Managing Director	5
04	Shri Suresh Rathi	Member	Independent	5

b) Stakeholders Relationship Committee

There is no change in the constitution of the Stakeholders Relationship Committee. The composition, quorum, powers, role and scope of the committee are in accordance with Section 178 of the Companies Act, 2013 and the provisions of Regulation 20 of the Listing Regulation. The Committee oversees the performance of the Registrar and Transfer Agents and recommends measures for overall improvement in the quality of Investor Services.

The compositions of Stakeholders Relationship Committee are as below:

Sr. No.	Name of the Committee members	Position	Category
01	Shri Ranchhoddas Mohota	Chairman	Non – Executive Director
02	Shri Vinod Kumar Mohota	Member	Managing Director
03	Shri S. B. Singhvi	Member	Director

The terms of reference of the Stakeholders Relationship Committee inter alia include the followings:

1. To Consider, review and redress grievances/complaints of shareholders, debenture-holders and other security holders including complaint relating to transfer of shares, non-receipt of annual report; non-receipt of declared dividends etc;
2. Approval of transfer of shares/debentures and issue of duplicate/split/ consolidation/sub-division of share/ debenture certificates;
3. To deal with all aspects relating to issue and allotment of shares and debentures and/or other securities of the company;
4. To fix record date/book closure of share/debenture transfer book of the Company from time to time;
5. To appoint representatives to attend the General Meeting of other companies in which the Company is holding shares;
6. To carry out any other duties that may be delegated to the Committee by the Board of Directors from time-to-time.

During the year under review Four (4) meetings were held on Dtd. 29.05.2015; 22.09.2015; 01.12.2015 and 18.03.2016. The numbers of meetings attended by each of the committee members are as under;

Sr. No.	Name of the Committee Members	Position	Category	No. of Meetings Attended
01	Shri Ranchhoddas Mohota	Chairman	Non - Executive	3
02	Shri Vinod Kumar Mohota	Member	Managing Director	4
03	Shri S. B. Singhvi	Member	Director	4

The Minutes of the Stakeholders' Relationship Committee Meetings are circulated to the Board and noted by the Board of Directors at the Board Meetings. Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors.

Mr. Sachin Kanojiya, Company Secretary is the Compliance Officer of the Company.

Details of Shareholders' Complaints Received, Solved And Pending.

There was no unresolved pending complaint at the beginning of the year i.e. on 1st April 2015. The total number of complaints received and resolved during the year ended March 31, 2016 was 30 (Thirty). There were no complaints outstanding as on March 31, 2016. The number of pending share transfers and pending requests for dematerialization as on March 31, 2016 was Nil. Shareholders'/Investors' complaints and other correspondence are normally attended within seven working days except where constrained by disputes or legal impediments. No investor grievances remained unattended/ pending for more than thirty days as on March 31, 2016.

c) **Nomination and Remuneration Committee**

The appointment and remuneration of Directors and Key Managerial persons are governed by the recommendation of the Nomination and Remuneration Committee, resolutions passed by the Board of Directors and shareholders of the Company. During the period under review there is no change in the constitution of the Nomination and Remuneration Committee. The composition, quorum, powers, role and scope of the Committee are in accordance with Section 178 of the Companies Act, 2013 and the provisions of Regulation 19 of the Listing Regulation. The compositions of the Nomination and Remuneration Committee are as below:

Sr. No.	Name of the Committee Members	Position	Category
01	Shri Girdharlal G. Singhee	Chairman	Independent
02	Shri Suresh Rathi	Member	Independent
03	Shri Ranchhoddas Mohota	Member	Non – Executive Director

The terms of reference of the Nomination and Remuneration Committee inter alia include the followings:

1. To help in determining the appropriate size, diversity and composition of the Board;
2. To identify the person who qualify to become director and who may be appointed in senior management in accordance with the criteria laid down;
3. To recommend to the Board, appointment/reappointment and removal of Directors, Senior Management Personnel and KMP;
4. To frame criteria for determining qualifications, positive attributes and independence of Directors and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees;
5. To recommend to the Board, remuneration payable to the Directors, KMP and other Senior Employees;
6. To create an evaluation framework and shall carry out evaluation for Independent Directors and the Board;

Remuneration Policy

a) Remuneration to Non-Executive Directors

Company may pay remuneration by way of Commission and Sitting Fees to the Non-Executive Directors pursuant to the Companies Act, 2013. The Non-Executive Directors are paid sitting fees for each meeting of the Board of Directors attended by them. Non-Executive Independent Directors do not have any material pecuniary relationship or transactions with the Company.

b) Remuneration to Executive Directors

The appointment and remuneration of Executive Directors including Managing Director and Whole-time Director is governed by the recommendation of the Nomination and Remuneration Committee, resolutions passed by the Board of Directors and shareholders of the Company. The remuneration package of Managing Director and Whole-time Directors comprises of salary, perquisites and allowances, and contributions to Provident and other Retirement Benefit Funds as approved by the shareholders at the General Meetings. The remuneration policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high caliber talent. Presently, the Company does not have a stock options scheme for its Directors.

The Remuneration and Nomination Policy is displayed on the Company's website viz. www.rsrm.com.

During the Financial Year 2015-2016 Five (5) Nomination and Remuneration Committee Meetings were held on 13th April, 2015; 23rd June, 2015; 20th July, 2015; 14th November, 2015 and 13th February, 2016. All the committee members were present at the meeting .

The details of Remuneration paid to Directors during the year are as under – (Amount in ₹)

Sr.No.	Name of the Director & Designation	Salary	Perquisites and Other Benefits	Total
01	Shri Vinod Kumar Mohota – Mg. Director	12,76,800	-	12,76,800
02	Shri Vinay Kumar Mohota - W.T.Director	11,42,400	-	11,42,400
03	Shri S.B. Singhvi – W.T.Director	4,70,400	35,000	5,05,400

- Term of appointment - 3 Years from 1st April 2016 to 31st March 2019
- Notice Period - One month's Notice
- Minimum Remuneration - In the event of inadequacy of profits remuneration shall be governed by Section II of Part II of Schedule V of the Companies Act, 2013, or any modification(s) thereto

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the Listing Regulation, the Board has carried out the annual evaluation of its own performance, its Committees and Directors individually. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Chairman and Managing Director and the Non Independent Directors was carried out by the Independent Directors. The Directors express their satisfaction with the evaluation process.

d) Risk Management Committee

Board has the "Risk Management Committee" to establish, monitor & review the risk management system & process. The Risk Management Committee consist of following members:

Sr. No.	Name of the Committee Members	Position	Category
01	Shri Ranchhoddas Mohota	Chairman	Non – Executive Director
02	Shri Vinod Kumar Mohota	Member	Managing Director
03	Shri Mukesh Mahajan	Member	Chief Financial officer

The terms of reference of the Risk Management Committee inter alia include the following;

1. To ensure that all the current and future material risk exposures of the Company are identified, assessed, quantified, appropriately, mitigated, minimized and managed i.e. to ensure adequate systems for risk management.
2. To establish a framework for the company's risk management process and to ensure its implementation.
3. To enable compliance with appropriate regulations, wherever applicable, through the adoption of best practices.
4. To assure business growth with financial stability.

e) Independent Directors' Meeting

During the year under review, the Independent Directors met on January 6th, 2016, inter alia, to discuss:

- Evaluation of performance of Non Independent Directors and the Board of Directors as a whole;
- Evaluation of performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
- Evaluation of the quality, content and time lines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

3. GENERAL BODY MEETINGS

The details of the dates, timings and venue of General Meetings held in last three years are as under -

AGM/ EGM	Date	Time	Venue
AGM	30.09.2015	10.30 a.m.	Devkaran Mansion, Gate No.2, 3rd Floor, 63, Princess Street, Mumbai – 400 002.
EGM	02.03.2015	11.45 a.m.	
AGM	27.09.2014	10.30 a.m.	
EGM	22.01.2014	11.45 a.m.	
AGM	27.09.2013	10.30 a.m.	

A) The Special Resolution transacted and approved by the members in the previous three Annual General Meetings are as follows;

- a) **68th Annual General Meeting held on 30th Sept., 2015**
i) Approval of Related Party Transaction u/s 188 of the Companies Act, 2013
- b) **Annual General Meeting held on 27th September, 2014** - Nil
- c) **Annual General Meeting held on 27th September, 2013** - Nil

4. DISCLOSURES

- a) In the preparation of financial statements, no accounting treatment different from that prescribed in any Accounting Standard has been followed.
- b) Related party transactions during the year have been disclosed as required under Accounting Standard 18. Details of related party transactions were periodically placed before the Audit Committee. These transactions are not likely to have a conflict with the company's interest.
- c) No strictures / penalties have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to the capital markets during the last three years.
- d) As required under Regulation 23(1) of the Listing Regulation, the Company has formulated a policy on dealing with Related Party Transactions. The Policy is available on the website of the Company viz. <http://www.rsrm.com/pdf/Related-Party-Transaction-Policy.pdf>.
- e) Pursuant to Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22 of the Listing Regulation, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's Code of Conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct

access to the chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The Policy is displayed on the Company's website viz. <http://www.rsrmm.com/policies-programmes.html>.

5. MEANS OF COMMUNICATION

- i) The Unaudited quarterly/half yearly results are announced within forty-five days of the close for the quarter. The audited annual results are announced within sixty days from the closure of the financial year as per the requirement of the Listing Regulation.
- ii) The approved financial results are forthwith sent to the Stock Exchanges and are published in 'Financial Express' in English and 'Aapla Mahanagar' in Marathi newspaper, within forty-eight hours of approval thereof. Presently the same are not sent to the shareholders separately.
- iii) The Company's financial results and official press releases are displayed on the Company's Website – www.rsrmm.com.
- iv) Presentation made to the institutional investors and analysts, if any are also posted on the Company's website.
- v) Management Discussion and Analysis form a part of the Annual Report, which is sent to the shareholders of the Company.
- vi) The quarterly results, shareholding pattern, quarterly compliances and all other corporate communication to the Stock Exchanges viz. BSE Limited and National Stock Exchange of India Limited are filed electronically. The Company has complied with filing submissions through BSE's BSE Listing Centre. Likewise, the said information is also filed electronically with NSE through NSE's NEAPS portal.
- vii) A separate dedicated section under "Investor Relations", on the Company's website given the information on Shareholding pattern, quarterly/ half yearly and annual compliance with the Stock Exchanges and other relevant information of interest to the investors/public.

6. GENERAL SHAREHOLDERS INFORMATION

a) Annual General Meeting

Date & Time	:	27 th September, 2016 at 10.30 a.m.
Venue	:	Devkaran Mansion, Gate No.2, Block No.15, 3 rd Floor, 63-Princess Street, Mumbai – 400 002

b) Financial Calendar 2016-2017 (Tentative)

Financial Year	:	April to March
First Quarter Results	:	2 nd Week of August, 2016
Half-Yearly Results	:	2 nd Week of November, 2016
Third Quarter Results	:	2 nd Week of February, 2017

Audited Results for the year
ending 31st March, 2017

:

4th Week of May, 2017

c) Dates of Book closure

:

20/09/2016 to 27/09/2016 (both days inclusive)

d) Dividend payment date :

The Board of Directors at their meeting held on 30th May, 2016 recommended final Dividend @ 1.00% i.e. ₹ 0.10 per equity share of ₹ 10/- each to its share holders whose name appears on the Register of Members on 19/09/2016, for the financial year 2015-2016, subject to approval of Shareholders in the ensuing Annual General Meeting. The Dividend, if declared at the Annual General Meeting shall be paid on or after September 28, 2016

e) Listing of Securities : The equity shares are listed at the following Stock Exchanges.

Name of the Stock Exchange	Stock Code
The Stock Exchange, Mumbai (BSE)	530047
The National Stock Exchange of India Ltd., Mumbai (NSE)	RAIREKMOH/EQ

The Company has already paid Annual Listing Fees for the year 2016 – 2017.

f) ISIN No. of Securities : INE313D01013

g) Registrar & Share Transfer Agents;

M/s Bigshare Services Pvt. Ltd.,
E-2/3, Ansa Industrial Estate,
Saki Vihar Road "Saki Naka"
Andheri (E), Mumbai – 400 072.
Ph.No.022 - 28470652, 28470653, 40430200, 40430261
E – mail : info@bigshareonline.com

h) Share Transfer System

The transfer of shares in physical form is processed and completed by Registrar & Transfer Agent and in case of shares in electronic form the transfers are processed by NSDL/CDSL through respective Depository Participants. Share Transfer in physical form can be lodged at the above-mentioned address. The **Stakeholders Relationship Committee** approves the transfer of shares and share certificates are dispatched within a period of 30 days from the date of receipt, if the documents are complete in all respects. The time taken to process dematerialisation of shares is 15/20 days.

i) Electronic Clearing Service

The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the Depositories for depositing dividends. Dividend will be credited to the Members' bank account through NECS wherever complete core banking details are available with the Company. In case where the core banking details are not available, dividend warrants will be issued to the Members with bank details printed thereon as available in the Company's records. This ensures that the dividend warrants, even if lost or stolen, cannot be used for any purpose other than for depositing the money in the accounts specified on the dividend warrants and ensures safety for the investors. The Company complies with the SEBI requirement.

j) **Market Price Data: High/Low prices of Equity Shares of the Company during each month in the last financial year were as under;**

Month	Share Price of the Equity Scrip's of the Company		Volume of shares traded
	High	Low	
April, 2015	221.00	136.10	5,69,050
May, 2015	253.00	202.00	4,97,109
June, 2015	320.00	216.10	8,19,184
July, 2015	348.90	275.00	3,86,138
August, 2015	300.00	186.00	1,88,402
September, 2015	256.00	197.10	1,43,233
October, 2015	306.00	223.00	1,09,236
November, 2015	310.00	260.00	1,55,666
December, 2015	295.00	240.10	2,32,946
January, 2016	307.60	160.50	9,35,823
February, 2016	195.00	124.60	1,14,746
March, 2016	135.00	95.50	1,71,342

k) **Distribution of Shareholding as on 31st March, 2016**

Range of Shares		No. of share-holders	% of Share-holders	Total holding (No. of Shares.)	% of share-holding
From	To				
1	500	813	60.7623	1,16,735	0.8001
501	1000	154	11.5097	1,14,488	0.7847
1001	2000	104	7.7728	1,51,482	1.0383
2001	3000	53	3.9611	1,35,412	0.9282
3001	4000	33	2.4664	1,15,514	0.7918
4001	5000	30	2.2422	1,36,374	0.9347
5001	10000	55	4.1106	4,00,782	2.7471
10001 & above		96	7.1749	1,34,18,658	91.9751
TOTAL		1,338	100.00	1,45,89,445	100.00

l) **Share Holding pattern as on 31st March, 2016**

Type of Shareholder	No. of shares held	% of Total
Promoters – Indian	85,28,691	58.46
- Foreign	Nil	Nil
Financial Institutions & Banks	Nil	Nil
FII's & OCB's	36,500	0.25
Mutual Funds	Nil	Nil
Non Resident Indians	74,205	0.51
Bodies Corporate	20,65,234	14.15
Indian Public	38,84,815	26.63
Total	1,45,89,445	100.00

m) Dematerialisation of shares and Liquidity

The Equity Shares of the Company are traded in compulsory Demat form. **It's ISIN in NSDL and CDSL is INE313D01013.** As on 31st March, 2016 over 98.84% of the total shares of the Company are dematerialized.

The status on the dematerialization of the equity shares of the Company is furnished below.

Total Nos. of Shareholders	:	1,338
Total Nos. of Equity Shares	:	145,89,445
Total Nos. of Equity Shares in Physical form	:	1,69,053
Total Nos. of Equity Shares in Electronic Mode with		
	NSDL	: 50,14,422
	CDSL	: 94,05,970

As per SEBI's directive, no investor shall be required to pay any charges for opening of a Beneficiary Owner Account (BO) except for statutory charges as may be applicable and the custody charges will be paid by the Issuers on a per folio basis (ISIN position) directly to the Depositories at the end of each financial year. The Company has paid custody charges to NSDL and CDSL for 2016-2017. Shareholders are advised to convert their holdings from Physical mode to Demat mode and benefit from the reduction in charges considering overall merits of Depository System.

n) PAN Requirements. :

1. SEBI vide circular dated 27th April, 2007 made PAN as the sole identification number for all participants transacting in the Securities market irrespective of the amount of such transaction.
2. SEBI by its circular dated 20th May, 2009 made it mandatory to furnish a copy of PAN card of the transferee to the Company / RTA for registration of transfer of shares of listed companies in physical form and off market / private transactions.
3. SEBI vide its circular dated 28th January, 2010 has now made it mandatory to furnish a copy of PAN for transmission and transposition of shares. Investors are advised to take note of the same.

o) Nomination facility. :

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder(s). Nomination facility in respect of shares held in electronic form is also available with the Depository Participants as per the byelaws and business rules applicable to NSDL and CDSL. Nomination forms can be obtained from the Company's Registrar and Share Transfer Agent.

- p) **Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity.**

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.

- q) **Plant Locations**

1. Ram Mandir Ward, Hinganghat – 442 301, Dist. : Wardha (Maharashtra)
2. Burkoni Village, Tah.: Hinganghat – 442 301, Dist.: Wardha (Maharashtra)

- r) **Registered office & Address for Correspondence**

The Rai Saheb Rekhchand Mohota Spg. & Wvg. Mills Ltd.,

Block No. 15, 3rd Floor, Devkaran Mansion, Gate No. 2,

63, Princess Street, Mumbai – 400 002

Phone : 022 – 32577214 Fax : 022 – 22081556

E.mail ID : info@rsrmm.com / finance@rsrmm.com / compliance@rsrmm.com

COMPLIANCE CERTIFICATE OF THE STATUTORY AUDITORS

The Statutory Auditors have certified that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulation and the same is annexed to this Report.

DECLARATION

All the Board Members and Senior Management Personnel have affirmed their compliance of the “Code of Conduct for the Members of the Board and Senior Management” for the Financial Year ended 31st March, 2016 in terms of Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For and on behalf of the Board

**Place : Hinganghat
Dated: 30/05/2016**

**Sd/-
Dr. Ranchhoddas Mohota
Chairman**

CEO/CFO Certification

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of The Rai Saheb Rekhchand Mohota Spg. & Wvg. Mills Ltd (“the Company”) to the best of our knowledge and belief certify that:

- a) We have reviewed financial statements and the cash flow statement for the year ended March 31, 2016 and that to the best of our knowledge and belief, we state that:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the listed entity’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) We further state that to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violation of the Company’s code of conduct.
- c) We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
 - i. significant changes, if any, in internal control over financial reporting during the year;
 - ii. significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company’s internal control systems over financial reporting.

For The Rai Saheb Rekhchand Mohota Spg. & Wvg. Mills Ltd.

Sd/-

**Vinod Kumar Mohota
Managing Director**

Sd/-

**Mukesh B. Mahajan
Chief Financial Officer**

**Place : Hinganghat
Dated: 30/05/2016**

BATLIBOI & PUROHIT

Chartered Accountants
Telephone : 22077942

NATIONAL INSURANCE BUILDING
204, DADABHOY NAOROJI ROAD
FORT, MUMBAI – 400 001.

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To The Members,
The Rai Saheb Rekhchand Mohota Spg. & Wvg. Mills Ltd.

We have examined the compliance of conditions of Corporate Governance by **The Rai Saheb Rekhchand Mohota Spg.& Wvg. Mills Limited**, for the year ended 31st March, 2016 as stipulated in regulations 17 to 27, clauses (b) to (i) of sub regulation (2) of regulation 46 and paragraph C, D & E of Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 ("Listing Regulation") with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

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

FOR BATLIBOI & PUROHIT
Chartered Accountants
Firm Registration Number 101048W

Sd/-
K. A. Mehta
Partner
Membership No. 111749

Place : Hinganghat
Dated: 30/05/2016

BATLIBOI & PUROHIT

Chartered Accountants

Telephone : 22077942

NATIONAL INSURANCE BUILDING

204, DADABHOY NAOROJI ROAD

FORT, MUMBAI – 400 001.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE RAI SAHEB REKHCHAND MOHOTA SPG. & WVG. MILLS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of The Rai Saheb Rekhchand Mohota Spg. & Wvg. Mills Limited ("the Company") which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

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

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

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

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

BATLIBOI & PUROHIT

Chartered Accountants
Telephone : 22077942

NATIONAL INSURANCE BUILDING
204, DADABHOY NAOROJI ROAD
FORT, MUMBAI – 400 001.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its profits and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditors Report) Order 2016 ('the Order') issued by Central Government of India in terms of sub section (11) of section 143 of the Act, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order
- (2) As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 31 to the financial statements;
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

FOR BATLIBOI & PUROHIT
Chartered Accountants
Firm Registration Number 101048W

Sd/-
K. A. Mehta
Partner
Membership No. 111749

Place : Hinganghat
Dated: 30/05/2016

BATLIBOI & PUROHIT

Chartered Accountants

Telephone : 22077942

NATIONAL INSURANCE BUILDING

204, DADABHOY NAOROJI ROAD

FORT, MUMBAI – 400 001.

Annexure A to the Independent Auditor's Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March 2016, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us the title of immovable properties are held in the name of the Company.
- (ii) The management has conducted physical verification of inventory during the year. Discrepancies noted on physical verification of inventories were not material, and have been properly dealt with in the books of account. Inventories lying with outside parties have been confirmed by the parties as at year end.
- (iii) The company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act 2013. Accordingly, paragraph 3(iii) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made and guarantee given.
- (v) The Company has not accepted any deposits during the year within the meaning of the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act and are of the opinion that prima-facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) The company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.

According to the information and explanations given to us, there, no undisputed dues in respect of provident fund, employees' state insurance, Investor Education and Protection Fund, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, which were outstanding, at the year-end for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, dues outstanding of income tax, sales tax, duty of excise that have not been deposited on account of any dispute are as follows:

BATLIBOI & PUROHIT

Chartered Accountants

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Name of the Statute	Nature of dues	Period to which it relates	Amount (Rs in lakhs)	Forum where the Dispute is pending
Maharashtra Municipalities Act 1965	Octroi on Grey Fabrics	May'95 to Nov'97	151.61	Honorable High Court, Nagpur Bench.
Maharashtra Municipalities Act 1965	Octroi on Grey Fabrics	Nov' 97 to April'99	20.58	Honorable High Court, Nagpur Bench.
Maharashtra Municipalities Act 1965	Octroi on Grey Fabrics	Dec' 94 to May' 95	14.12	Honorable High Court, Nagpur Bench.
Maharashtra Municipalities Act 1965	Property Tax	2012-13 to 2014-15	61.42	Supreme Court, Delhi

- (viii) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of loans to banks. There were no outstanding dues to any financial institution or debenture holders anytime during the year.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanations given to us the Company has utilized the money raised by way of term loans during the year for the purpose for which it was raised.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related party are in compliance with sections 177 & 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related party disclosure specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

FOR BATLIBOI & PUROHIT
Chartered Accountants
Firm Registration Number 101048W

Sd/-
K. A. Mehta
Partner
Membership No. 111749

Place : Hinganghat

Dated: 30/05/2016

BATLIBOI & PUROHIT

Chartered Accountants

Telephone : 22077942

NATIONAL INSURANCE BUILDING

204, DADABHOY NAOROJI ROAD

FORT, MUMBAI – 400 001.

Annexure B to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of **The Rai Saheb Rekhchand Mohota Spg. & Wvg. Mills Ltd.** ("the Company") as of 31st March, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

BATLIBOI & PUROHIT

Chartered Accountants

Telephone : 22077942

NATIONAL INSURANCE BUILDING

204, DADABHOY NAOROJI ROAD

FORT, MUMBAI – 400 001.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India

FOR BATLIBOI & PUROHIT
Chartered Accountants
Firm Registration Number 101048W

Sd/-
K. A. Mehta
Partner
Membership No. 111749

Place : Hinganghat
Dated: 30/05/2016

Balance sheet as at 31st March 2016

(₹ in Lacs)

	Note No.	As at 31 st March, 2016	As at 31 st March, 2015
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1.	1,756.97	1,756.97
Reserves and Surplus	2.	2,319.61	2,036.85
		4,076.58	3,793.82
Non-Current Liabilities			
Long-term Borrowings	3.	1,589.86	2,038.66
Other Long Term Liabilities	7.	107.76	68.71
Deferred tax liabilities (net)	4.	287.64	287.64
		1,985.26	2,395.01
Current Liabilities			
Short-term Borrowings	5.	4,630.04	4,639.99
Trade Payables	6.	2,798.89	2,748.97
Other current liabilities	7.	1,001.39	1,312.34
Short-term Provisions	8.	420.48	350.63
		8,850.80	9,051.93
Total :		14,912.64	15,240.76
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	9.	3,652.43	4,058.52
Capital work-in-progress	9. a	25.46	11.74
		3,677.89	4,070.26
Non-Current Investments	10.	-	38.91
Long-term loans and advances	11.	391.69	246.60
		4,069.58	4,355.77
Current Assets			
Inventories	12.	5,571.43	5,945.73
Trade receivables	13.	3,716.63	3,446.16
Cash and Bank Balance	14.	87.81	147.95
Short-term loans and advances	15.	1,467.19	1,345.15
		10,843.06	10,884.99
Total :		14,912.64	15,240.76
Significant Accounting Policies			
Notes on financial Statement 23 to 39			

As per our Report of even date

For Batliboi & Purohit

Chartered Accountants

Firm Registration Number 101048W

Sd/-

(K. A. Mehta)

Partner

Membership No.111749

Place : Hinganghat

Date : 30/05/2016

For and on behalf of the Board of Directors

Sd/-

Dr.Ranchhoddas Mohota
Chairman

Sd/-

Vinod Kumar Mohota
Managing Director

Sd/-

Mukesh Mahajan
C. F. O.

Sd/-

Vinay Kumar Mohota
Director

Sd/-

Shantilal B. Singhvi
Director

Sd/-

Sachin Kanojiya
C. S.

Statement of Profit and Loss for the Year Ended 31st March 2016

(₹ in Lacs)

	Note No.	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
INCOME			
Revenue from operations	16.	32,921.18	31,862.25
Other income	17.	40.42	64.32
Total :		32,961.60	31,926.57
EXPENSES			
Cost of materials consumed	18.	21,802.36	21,150.72
Purchases of stock-in-trade	18.a	4,140.61	5,944.39
Changes in inventories of Finished goods & Work-in-Progress	18.b	560.37	(1,511.82)
Employee benefits expense	19.	2,070.18	1,949.06
Finance costs	20.	853.32	1,052.06
Depreciation and amortisation expense	21.	424.67	324.77
Other expenses	22.	2,691.21	2,714.37
Total :		32,542.72	31,623.55
Profit before tax		418.88	303.02
Tax expenses:			
MAT Current tax		(84.38)	(60.63)
Deferred tax		-	(27.47)
		(84.38)	(88.10)
Profit for the year		334.50	214.92
Earnings per share of ₹ 10/- each			
Basic and Diluted (in ₹)	27.	2.09	1.28
Significant Accounting Policies			
Notes on financial Statement	23 to 39		

As per our Report of even date

For Batliboi & Purohit

Chartered Accountants

Firm Registration Number 101048W

For and on behalf of the Board of Directors

Sd/-
(K. A. Mehta)
Partner
Membership No.111749

 Place : Hinganghat
Date : 30/05/2016

Sd/-
Dr.Ranchhoddas Mohota
Chairman

Sd/-
Vinay Kumar Mohota
Director

Sd/-
Vinod Kumar Mohota
Managing Director

Sd/-
Shantilal B. Singhvi
Director

Sd/-
Mukesh Mahajan
C. F. O.

Sd/-
Sachin Kanojiya
C. S.

Cash Flow Statement for the Year Ended 31st March 2016

(₹ in Lacs)

	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before extraordinary items and tax	418.88	303.02
Adjustments for :		
Depreciation	424.67	324.77
Interest Expenses	773.69	956.47
Interest Income	(51.46)	(85.05)
(Profit)/Loss on Sale of Investment	(23.76)	(45.51)
Foreign Exchange Gain	-	(25.63)
Dividend income	(1.44)	(1.44)
	<u>1,121.70</u>	<u>1,123.61</u>
Operating profit before working capital changes	1,540.58	1,426.63
Changes in working capital:		
Adjustments for :		
Decrease/(Increase) in Trade and other receivables	(270.47)	85.89
Decrease/(Increase) in Inventories	374.30	(953.57)
Decrease/(Increase) in Trade & Other Payable	49.92	802.14
Decrease/(Increase) in Other Current Assets	316.15	0.26
Decrease/(Increase) in Other Current Liabilities	99.25	(25.48)
	<u>569.15</u>	<u>(90.76)</u>
Direct Taxes Refund/(Paid)	(58.46)	(28.92)
Net cash flow from / (used in) operating activities	(A) <u>2,051.27</u>	<u>1,306.95</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(32.30)	(52.49)
Sale of Fixed Assets (Net)	-	0.05
Sale of Investments	62.67	51.71
Interest Received	51.46	85.05
Dividend received	1.44	1.44
Proceed From PSI 2007 Mega Project	(524.82)	381.33
Net cash (used in) investing activities	(B) <u>(441.55)</u>	<u>467.09</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long-Term/(Short Term) borrowings	(896.17)	(800.29)
Interest Paid	(773.69)	(967.33)
Net from / (used in) financing activities	(C) <u>(1,669.86)</u>	<u>(1,767.62)</u>
Net increase / (decrease) in Cash and cash equivalents	(A+B+C) (60.14)	6.42
Opening Balance of Cash and cash equivalents	147.95	141.53
Closing Balance of Cash and cash equivalents	<u>87.81</u>	<u>147.95</u>

As per our Report of even date

For Batliboi & Purohit

Chartered Accountants

Firm Registration Number 101048W

For and on behalf of the Board of Directors

Sd/-

(K. A. Mehta)
Partner

Membership No.111749

Place : Hinganghat

Date : 30/05/2016

Sd/-

Dr.Ranchhoddas Mohota
Chairman

Sd/-

Vinay Kumar Mohota
Director

Sd/-

Vinod Kumar Mohota
Managing Director

Sd/-

Shantilal B. Singhvi
Director

Sd/-

Mukesh Mahajan
C. F. O.

Sd/-

Sachin Kanojiya
C. S.

Notes forming part of the financial statements

(₹ in Lacs)

	As at 31 st March, 2016	As at 31 st March, 2015
1. SHARE CAPITAL		
Authorised Share Capital		
15000000 Equity shares of ₹ 10/- each (15000000)	1,500.00	1,500.00
300000 Non Cumulative Redeemable preference shares of ₹ 100/- each (300000)	300.00	300.00
Total	1,800.00	1,800.00
Issued and Subscribed		
14589445 Equity shares of ₹ 10/- each (14589445)	1,458.94	1,458.94
236000 10% Non-Cumulative Redeemable preference shares of (236000) ₹ 100/- each fully paid-up	236.00	236.00
60000 8% Non-Cumulative Redeemable preference shares of (60000) ₹ 100/- each fully paid-up	60.00	60.00
Total	1,754.94	1,754.94
Subscribed and fully paid up		
14589445 Equity shares of ₹ 10/- each (14589445)	1,458.94	1,458.94
236000 10% Non-Cumulative Redeemable preference shares of ₹ 100/- each (236000)	236.00	236.00
60000 8% Non-Cumulative Redeemable preference shares of ₹ 100/- each (60000)	60.00	60.00
Subscribed but not fully paid up		
3700 Equity shares of ₹ 10 each with voting rights (Call in arrears)	(0.19)	(0.19)
36000 Equity shares of ₹ 10 each with voting rights (Forfeited shares)	2.22	2.22
Total	1,756.97	1,756.97

Notes : -

- i Out of the issued, subscribed and paid-up share capital of 36000 Equity shares have been forfeited, vide Resolution passed at the meeting of the Board of Directors held on 11th Sept. 1999.
- ii Out of the issued subscribed and paid-up share Capital 3700 shares pertaining to Mr. Rami Reddy K. of Guntur having Folio No.450, who has made the payment of Application money by Stock Invest, which could not be encashed and court case is pending Allotment Money Arrears ₹ 7,500/- & First Call Money arrears ₹ 11,100/- Total ₹ 18,600/-.
- iii Reconciliation of shares Outstanding

	As at 31 st March, 2016	As at 31 st March, 2015
	No. of Shares	No. of Shares
Balance at the beginning of the year	14589445	12505290
Add : Issued during the year as bonus shares	-	2084155
Balance at the end of the year	14589445	14589445

- iv Rights, Preference and Restriction attached to shares Each holder of equity shares is entitled to one vote per share with a right to receive per share dividend declared by the company. In the event of liquidation, the equity shareholders are entitled to receive remaining assets of the Company (after distribution of all preferential amounts) in the proportion of equity shares held by the shareholders.
- v List of share holders holding more than 5% of equity shares

Name of Share holders	As at 31 st March, 2016		As at 31 st March, 2015	
	No. of Shares	% held	No. of Shares	% held
Priya Viniyog Pvt. Ltd.	3696588	25.34	3697588	25.34
Exim Scrips Consultants Pvt. Ltd.	1403982	9.62	1404982	9.63
Ranchoddas Mathuradas Mohota (HUF)	1415400	9.70	1415400	9.70

(₹ in Lacs)

2. RESERVES AND SURPLUS

Capital Reserve - Modvat

As per last Balance Sheet

202.75

202.75

Securities premium account

As per last Balance Sheet

65.50

273.92

Less : Utilised during the year for Bonus Share 6:1
Closing balance

-

208.42

65.50

65.50

Revaluation reserve

As per last Balance Sheet

154.28

154.48

Less :Written back / other utilisations during the year
Closing balance

-

0.20

154.28

154.28

General reserve

As per last Balance Sheet

542.13

820.89

Less: Depreciation on transition to schedule II of
Companies Act 2013 on tangible fixed asset with
remaining useful life nil (net of deferred tax)

-

542.13

278.76

542.13

Capital Reserve - PSI 2007 MEGA PROJECT

As per last Balance Sheet

1,182.09

913.54

Add : During the year (PSI 2007 Mega Project)
Closing balance

-

268.55

1,182.09

1,182.09

Surplus / (Deficit) in Statement of Profit and Loss

As per last Balance Sheet

(109.90)

(274.53)

Add: Profit for the year

334.50

214.92

Less : Proposed Final Dividend (Equity)

14.59

14.59

Dividend on Preference shares

28.40

28.40

Dividend distribution Tax

8.75

7.30

Closing balance

172.86

(109.90)

Total

2,319.61

2,036.85

	As at 31 st March, 2016	(₹ in Lacs) As at 31 st March, 2015
3. LONG-TERM BORROWINGS		
Term loans		
Secured Loan *		
Rupee Loan	-	486.10
Total - Secured Loan	<u>-</u>	<u>486.10</u>
Unsecured Loan		
Loan from Others	1,097.08	1,046.82
Sales tax deferral loan from SICOM	411.59	424.55
Loan against Key Man Insurance Policy	81.19	81.19
Total-Unsecured Loan	<u>1,589.86</u>	<u>1,552.56</u>
Total	<u>1,589.86</u>	<u>2,038.66</u>

Notes : - Secured Term Loans from Banks includes Term Loans from State Bank of India & Bank of India secured by 1st pari passu charge over the company's all immovable properties including all fixed assets & movable machineries at Hinganghat & Burkoni. The said loan is further collaterally secured by 2nd charge on the entire stock of inventory, book debts etc. on pari passu basis. It is further secured by personal guarantee of three directors of the company. Term Loan outstanding as on 31/03/2016 & Due within one year is ₹ 4,82,82,672/-).

Term Loan from SBI & BOI carries Interest @ 13%. p.a.

* Excludes Term Loan repayment of ₹ 482.83 lacs shown under the current liabilities under head long term debts due within one year.

Details of long-term borrowings guaranteed by some of the directors or others:

Term Loans from State Bank of India	373.51	1,097.03	
Less: Due within 1 year	<u>373.51</u>	<u>720.25</u>	376.78
Term Loans from Bank of India	109.31	309.32	
Less: Due within 1 year	<u>109.31</u>	<u>200.00</u>	109.32
	<u>-</u>	<u>486.10</u>	

4. DEFERRED TAX (LIABILITY) / ASSETS

Tax effect of items constituting deferred tax liability

On difference between book balance and tax balance of fixed assets	497.99	497.99
Brought forward business losses	(191.30)	(191.30)
Expenses disallowed Under Section 43 B (Leave with pay)	(19.05)	(19.05)
Net deferred tax Asset/(Liabilities)	<u>287.64</u>	<u>287.64</u>

5. SHORT-TERM BORROWINGS

Secured Loan

Working Capital Loan from Banks

PCFC in Foreign Currency Loans	153.73	200.52
Rupee Loans	4,476.31	4,439.47
Total	<u>4,630.04</u>	<u>4,639.99</u>
From Banks:		
State Bank of India	2,847.75	2,539.32
Bank of India	1,782.29	2,100.67
Total	<u>4,630.04</u>	<u>4,639.99</u>

Notes : - Working capital loans includes working capital loans from State Bank of India & Bank of India is secured by hypothecation of stocks of raw materials, finished goods, stock-in-process, spare parts and book debts and is collaterally secured by way of second charge on the entire Fixed Assets of the company, both present and future at Hinganghat & Burkoni.

Working Capital Limit from SBI & BOI carries Interest @ 12.05% p.a.

(₹ in Lacs)

	As at 31 st March, 2016	As at 31 st March, 2015
6. TRADE PAYABLES		
Raw Material & Other Purchase	2,519.09	2,577.00
Store Purchase	279.80	171.97
Total	2,798.89	2,748.97
Notes :- Micro and Small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined to the extent such parties have been identified on the basis of information available with the company. There are no over dues to parties on account of principal amount and/or interest and accordingly no additional disclosures are required.		
7. OTHER LIABILITIES		
LONG TERM		
Deposits		
Agent's Deposit & Security Deposit	47.42	51.74
Employee related		
Leave Encashment	30.50	16.97
Gratuity	29.84	-
Total-	107.76	68.71
CURRENT		
Current maturities of long-term debt @	482.83	920.25
Interest accrued but not due	58.20	33.22
Statutory remittances	93.23	88.74
Advances from Customers	167.98	72.94
LIC Premium Staff deduction	0.07	0.09
Unpaid Wages & Salaries Payable	90.11	83.99
Commission & Brokerage Payable	4.85	36.84
Other Payable		
Employee related	101.72	69.55
Others	2.40	6.72
Total	1,001.39	1,312.34
@ Includes Term loan repayment due within one year		
8. SHORT-TERM PROVISIONS		
Provision for Employee Benefit		
Leave Encashment	18.39	11.31
Others	123.88	139.79
Tax	226.47	149.23
Dividend (Equity)	14.59	14.59
Dividend (Preference)	28.40	28.40
Dividend Distribution Tax payable	8.75	7.31
Total	420.48	350.63

(₹ in Lacs)

9. FIXED ASSETS

Assets	GROSS BLOCK (AT COST)					DEPRECIATION				NET DEPRECIATED BLOCK	
	As on 01.04.2015	Additions	Sub Total	Deduction on Account of sale/ Discarded	Gross Block as on 31.03.2016	Up to 01.04.2015	FOR THE PERIOD	DEDUCTION ON A/C OF SALE/ DISCARDED	Up to 31.03.2016	AS AT 31.03.2016	AS AT 31.03.2015
1.	2.	3.	4.	5.	6.	7.	8	9	10	11	12
TANGIBLE ASSETS											
LAND	50.47	-	50.47	-	50.47	-	-	-	-	50.47	50.47
FACTORY BUILDING	1,791.72	-	1,791.72	-	1,791.72	758.15	31.71	-	789.86	1,001.86	1,033.57
NO-FACTORY BUILDING	219.60	-	219.60	-	219.60	43.46	3.46	-	46.92	172.68	176.14
PLANT & MACHINERY	10,006.40	11.50	10,017.90	-	10,017.90	7,300.99	369.73	-	7,670.72	2,347.18	2,705.41
FURNITURE & FIXTURE	60.38	0.26	60.64	-	60.64	44.16	3.94	-	48.10	12.54	16.22
OFFICE EQUIPMENTS	12.47	-	12.47	-	12.47	10.79	0.47	-	11.26	1.21	1.69
VEHICLES	103.96	-	103.96	-	103.96	44.61	9.39	-	54.00	49.96	59.35
\COMPUTERS	46.04	6.43	52.47	-	52.47	42.99	2.83	-	45.82	6.65	3.04
ELECTRICAL INSTALLATION	148.66	0.40	149.06	-	149.06	136.03	3.15	-	139.18	9.88	12.63
Fixed Asset	Total : (9)	12,439.70	18.59	12,458.29	-	8,381.18	424.68	-	8,805.86	3,652.43	4,058.52
# CAPITAL WORK IN PROGRESS	Total : (9a)	-	-	-	-	-	-	-	-	25.46	11.74
GRAND TOTAL	: (9+9a)	12,439.70	18.59	12,458.29	-	8,381.18	424.68	-	8,805.86	3,677.89	4,070.26
PREVIOUS YEAR		12,395.95	52.53	12,448.48	8.78	7,492.13	897.59	8.54	8,381.18	4,070.26	4,787.76

#Capital work in progress includes order against new spinning machinery for modernisation.

(₹ in Lacs)

	As at 31 st March, 2016	As at 31 st March, 2015
10. NON-CURRENT INVESTMENTS		
- Kiran Vyapar Limited face value of ₹ 10 /- each (57464)	-	38.91
Total	-	38.91
Aggregate amount of quoted investments	-	38.91
Aggregate Market value of quoted investments	-	40.97
11. LONG-TERM LOANS AND ADVANCES		
Deposits	104.81	12.37
Advance Income Tax	250.82	192.36
Advance Sales Tax	13.38	13.38
Other loans & advances	-	5.82
Key Man policy receivable	22.68	22.67
Total	391.69	246.60
12. INVENTORIES		
Raw Materials	915.60	785.34
Stock in process	1,692.63	1,606.93
Finished goods	2,669.60	3,315.66
Stores, Cotton Seed and Coal/Rice Husk	293.60	237.80
Total	5,571.43	5,945.73
13. TRADE RECEIVABLES (Unsecured and Considered Goods)		
Over Six Months	211.27	223.95
Other Trade receivables	3,505.36	3,222.21
Total	3,716.63	3,446.16
14. CASH AND BANK BALANCE		
Cash & Cash Equivalents		
Cash on hand	2.29	5.00
Current accounts	2.57	61.18
Other Bank Balances		
* In Fixed deposit with Banks (Maturity within 12 months)	82.95	81.77
Total	87.81	147.95
* Balance is TDR against BG/LC		
15. SHORT-TERM LOANS AND ADVANCES (Unsecured and Considered Goods)		
Staff & Workers	0.75	0.45
Prepaid expenses	4.93	6.91
Advance to Suppliers	217.48	219.95
Grant Receivable From Government		
PSI 2007 Mega Project Subsidy Receivable	969.83	445.01
Balance with Government Authorities		
CENVAT credit receivable	63.80	56.60
VAT credit receivable	75.17	85.84
Duty Draw Back receivable	23.27	263.69
Export Incentive receivable	-	64.51
Interest receivable	111.96	92.19
Advances recoverble in cash or kind	-	110.00
Total	1,467.19	1,345.15

(₹ in Lacs)

	As at 31 st March, 2016	As at 31 st March, 2015
16. REVENUE FROM OPERATIONS		
Sale of products	32,075.37	31,574.94
Sale of services (Job Charges)	10.18	8.23
Other operating revenues	835.63	279.08
Total	32,921.18	31,862.25
SALE OF PRODUCTS COMPRISES		
Manufactured goods		
Cloth	13,962.43	18,454.98
Yarn	13,655.10	6,736.87
Hard Waste	19.96	29.32
Soft Waste	67.84	65.15
Less : Mvat Paid	(0.68)	(0.06)
Total - Sale of manufactured goods	27,704.65	25,286.26
Traded goods		
Yarn	4,211.67	6,116.69
Cotton	159.07	171.98
Total - Sale of traded goods	4,370.74	6,288.67
Total - Sale of products	32,075.39	31,574.93
Sale of services comprises		
Job Charges	10.18	8.23
Total - Sale of services	10.18	8.23
Duty drawback and other export incentives	151.77	194.03
Interest received on Trade Receivable & Bank FDR *	51.46	85.05
PSI 2007 Mega Subsidy Receipt #	632.40	-
Total - Other operating revenues	835.63	279.08
17. OTHER INCOME		
Dividend on non-current investment	1.44	1.44
Profit / (Loss) on sale of non-current investment	23.76	45.51
Agriculture Income / (Loss)	3.59	(11.46)
Profit/(Loss) on Sale of Fixed Assets (Net)	0.00	3.20
Foreign Exchange Gain	11.63	25.63
Total - Other Income	40.42	64.32
* Interest Received from Merchant	45.67	54.93
* Interest Received from Others	5.79	30.12
Interest received on Trade Receivable & Bank FDR	51.46	85.05

PSI 2007 Mega Subsidy receipt is taken as a operating revenue due to amendment in Sec.2c(24) close (xviii) for A.Y.2016-17.

(₹ in Lacs)

	As at 31 st March, 2016	As at 31 st March, 2015
18. COST OF MATERIALS CONSUMED		
Raw Materials Consumed (Refer Note No. 34)	20,308.18	19,491.55
Store & Spares Parts Consumed	1,494.18	1,659.17
Total	21,802.36	21,150.72
18.a PURCHASE OF TRADED GOODS		
Yarn Export Trading Purchases	4,140.61	5,944.39
Total	4,140.61	5,944.39
18.b CHANGES IN INVENTORIES OF FINISHED GOODS & STOCK IN PROCESS		
<u>Closing Stock</u>		
Finished goods	2,669.60	3,315.66
Stock in Process	1,692.62	1,606.93
	4,362.22	4,922.59
<u>Opening Stock</u>		
Finished goods	3,315.66	1,506.23
Stock in Process	1,606.93	1,904.54
	4,922.59	3,410.77
Net (Increase) / Decrease	560.37	(1,511.82)
19. EMPLOYEE BENEFITS EXPENSES		
Salaries and wages	1,771.03	1,649.05
Contributions to Provident fund and other funds	216.41	221.39
Staff Welfare Expenses	82.74	78.62
Total	2,070.18	1,949.06
20 FINANCE COSTS		
Interest on Term Loan	85.74	198.41
Interest on Working Capital	619.67	690.61
Interest on Others	35.06	67.45
Bank charges	112.85	95.59
Total	853.32	1,052.06

(₹ in Lacs)

	As at 31 st March, 2016	As at 31 st March, 2015
21. DEPRECIATION AND AMORTISATION EXPENSES		
Depreciation and amortisation on Tangible assets	424.67	897.58
Less: Depreciation written back for transaction Company Act 2013	-	572.81
Total	424.67	324.77
22. OTHER EXPENSES		
Manufacturing Expenses		
Job Charges	52.99	66.56
Power and fuel	1,959.59	1,944.59
Rent including lease rentals	25.48	25.56
Repairs and maintenance - Buildings	9.80	4.44
- Machinery	34.42	31.81
- Others	0.99	0.90
	2,083.27	2,073.86
Selling and Distribution Expenses		
Freight and forwarding	42.91	39.83
Shipping & Sampling Expenses	110.20	139.59
Sales commission	238.91	261.97
	392.02	441.39
Establishment Expenses		
Insurance	7.10	10.99
Rates and taxes excluding taxes on income	16.80	12.96
Communication cost exp.	10.19	10.80
Managerial Remuneration	28.90	25.82
Director Seating Fees	0.14	-
Travelling and conveyance	29.73	30.50
Printing and stationery	2.06	1.52
Motor Vehicle Expenses	36.16	40.48
Business promotion	1.55	1.07
Legal and professional	55.50	29.59
Payments to Auditors	2.29	1.65
Testing & Certification fees	1.94	4.90
Membership & Subscription	1.77	1.08
Computer Expenses	1.65	1.85
Books & Periodical	0.06	0.01
Inspection Charges	4.00	4.57
Electricity Charges	6.62	6.44
Boiler Inspection fees	0.13	0.08
Miscellaneous expenses	9.33	14.81
	215.92	199.12
Total	2,691.21	2,714.37
22.a Payments to Auditors		
For Statutory Audit	0.96	0.96
For Taxation matters	0.46	0.22
For Other Services	0.46	0.22
Reimbursement of expenses	0.41	0.25
Total	2.29	1.65

NOTES ON FINANCIAL STATEMENT

23. SIGNIFICANT ACCOUNTING POLICIES:

(Annexed to and forming part of the financial statements for the year ended 31st March, 2016)

a) BASIS OF PREPARATION

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis, except for certain tangible assets which are being carried at revalued amounts. Pursuant to section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) of Companies Act, 1956 [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013.

“The Ministry of Corporate Affairs (MCA) has notified the Companies (Accounting Standards) Amendment Rules, 2016 vide its notification dated 30th March 2016. The said notification read with Rule 3(2) of the Companies (Accounting Standards) Rules, 2006 is applicable to accounting period commencing on or after the date of notification i.e. 1st April 2016”

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle to be 12 months for the purpose of current – non-current classification of assets and liabilities.

b) RECOGNITION OF REVENUE EXPENDITURE

- i) Revenues/Income and Costs/Expenditure are generally accounted on accrual, as they are earned or incurred.
- ii) Sale of Goods is recognized on transfer of significant risks and rewards of ownership which is generally on the dispatch of goods. Sales are recognised net of sales tax, discount, rebates and excise duty (on goods manufactured).
- iii) “Export incentives under the “Duty Entitlement Pass Book Scheme”, “Duty Draw back Scheme”, etc. is accounted in the year of export on accrual basis.

c) USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statement and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known/materialized

d) FIXED ASSETS**Tangible Assets**

Tangible Assets are stated of acquisition cost, net of accumulated depreciation and accumulated impairment losses if any.

Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Items of tangible assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realizable value and are shown separately in the financial statements. Any expected loss is recognized immediately in the Statement of Profit and Loss.

Losses arising from the retirement of and gains or losses arising from disposal of tangible assets which are carried at cost are recognized in the Statement of Profit and Loss

Significant components of assets having a life shorter than the main assets, if any, are depreciated over the shorter life.

Intangible Assets

Company does not have any intangible assets for the year 2015-16.

e) DEPRECIATION

(i) Depreciation on Factory Buildings, Plant and Machinery, Electrical Installations and Equipment is provided on a Straight Line Method and in case of other assets on Written Down Value Method, over the estimated useful life of assets.

(ii) The Company depreciates its fixed assets over the useful life in the manner prescribed in Schedule II of the Act,

(iii) No depreciation is provided on Land.

(iv) Depreciation on additions to assets or on sale/discardment of assets, is calculated pro rata from the month of such addition or upto the month of such sale/ discardment, as the case may be.

f) INVENTORIES

Inventories of Raw Materials, Work-in-Process, Stores and Spares, Finished Goods and Stock-in-Trade are valued at cost or net realisable value, whichever is lower. Costs of inventories are determined by using weighted average basis. Finished goods and work in progress include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition.

g) INVESTMENTS

Company does not have any Investment outstanding for the year 2015-2016

h) **BORROWING COST**

Borrowing cost directly attributable to the acquisition or construction of qualifying assets are capitalized as part of the assets up to the date the assets is put to use. Other borrowing cost are charged to the Statement of Profit and Loss in the year in which they are incurred.

i) **SALES**

Sales are inclusive of sales tax and processing charges and are not of discount. Consignment sales are accounted for on the receipt of statement of sales from the consignee, till such time it is considered as stock in hand.

j) **RETIREMENT BENEFITS**

Defined Contribution Plan

Contribution to defined contribution schemes such as employee's state insurance, labour welfare fund, superannuation scheme, employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution in respect of employees is made to government administrated fund and charged as expenses to the statement of Profit & Loss. The above benefits are classified as Defined Contribution Schemes as the company has no further defined obligations beyond the monthly contributions.

Defined benefit Plans

The company also provides for retirement/post-retirement benefits in the form of gratuity and compensated absences. The company's liability towards such defined benefits plans is determined based on valuation as at Balance Sheet date, made by independent actuaries using project unit credit method. Actuarial gains and losses in respect of the Statement of Profit & Loss in the year in which they are arise. The classification of the company's net obligation into current and non-current is as per the actuarial valuation report.

k) **EXCISE DUTY**

The company accounts for excise duty on manufactured goods at the time of their clearance from the bonded premises.

l) **FOREIGN CURRENCY TRANSACTIONS**

All foreign currency transactions have been accounted at the rate prevailing on the date of transaction. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the Statement of Profit & Loss.

m) **TAXES ON INCOME**

Income Taxes are accounted for in accordance with Accounting Standard 22 "Accounting for Taxes on Income. Income Tax comprises both current and deferred tax. Current tax in measured on the basis of estimated income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961. Deferred Tax is recognised on timing differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

In view of carried forward Business losses and Un-absorbed depreciation as per Income Tax Act, The Company has not recognized Deferred Tax Assets.

n) **POLICY FOR GOVERNMENT GRANTS**

The Company has changed the accounting policy in respect of recognizing Government incentive for Mega Project Subsidy. In the current year the amount of ₹ 632.40 Lacs is recorded on accrual basis as income in the Statement of Profit & Loss which was earlier credited to Reserve & Surplus.

o) **CASH & CASH EQUIVALENTS**

In the cash flow statement, cash and cash equivalents include cash in hand, term deposits with bank and other short-term highly liquid investments with original maturities of three months or less.

p) **SEGMENT REPORTING**

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

q) **EARNING PER SHARE**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

r) **LEASE ACCOUNTING**

Leasing of assets whereby the lessor essentially remains the owner of the asset is classified as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on Straight Line basis. Any compensation, according to agreement, that the lessee is obliged to pay to the lessor if the leasing contract is terminated prematurely is expensed during the period in which the contract is terminated.

		(₹ in lacs)	
		2015-2016	2014-2015
24.	Contingent liability not provided for		
	(a) Bank Guarantee issued	167.44	136.05
	(b) Maharashtra Municipal Tax	247.73	247.73
25.	(a) In accordance with the transitional provisions of Accounting Standard 15 Gratuity liability as on 31.03.2016 is ₹ 465.06 lacs as per actuarial valuation and present value of plan assets at the end of period is ₹ 470.23 Hence no Gratuity provision has been made during the financial year.		
	(b) Disclosure for defined benefit plans based on actuarial valuation in respect of gratuity as on 31.03.2016 is as under –		

Change in define benefit obligation

(₹ in lacs)

	2015-16	2014-15
Present value of defined benefit obligation as on 01.04.2015	469.17	541.54
Interest Cost	49.47	48.90
Current service cost	42.13	41.10
Past Service Cost (Non Vested Benefit)	-	-
Past Service Cost (Vested Benefit)	-	-
Liability Transfer in	-	-
Liability Transfer out	-	-
Benefit Paid	(99.58)	(115.60)
Actuarial (gain)/loss on obligations	3.87	6.37
Present value of defined benefit obligation as on 31.03.2016	465.06	522.31
Change in Fair value of Plan Assets :		
Opening Balance	529.50	596.96
Expected Return	42.10	51.94
Contributions	-	-
Benefit Paid	(99.58)	(115.60)
Actuarial gain/(loss)	(1.79)	(3.79)
Closing balance	470.23	529.51
Actuarial Return	-	-
Amount Recognized in the Balance Sheet :		
Liability at the end of the year	470.23	529.51
Fair Value of Plan Assets	(465.06)	(522.31)
Net Assets/(Liability) recognized	5.17	7.20
Expenses Recognized in the Statement of Profit and Loss		
Current service cost	42.13	41.10
Interest on obligation	7.38	48.90
Expected return on plan assets	-	(48.90)
Actuarial gain/(Losses)	112.51	(3.03)
Net Actuarial gain / (loss)	-	10.15
Past Service Cost (Vested Benefit)	-	-
Expenses recognized in P & L	162.02	48.22
Principal actuarial assumptions		
Discount rate	7.95%	7.95%
Expected rate of return on assets	7.95%	7.95%
Future Salary increase	4.00%	4.00%

26. RELATED PARTY DISCLOSURE
1. Relationships :-
a. Other Related Parties

M/s. Veenadevi & Swatidevi Mohota
 M/s. Crome Textiles Pvt. Ltd.
 M/s. Navrang Enterprises

b. Key Management Personnel

Shri Vinod Kumar Mohota
 Shri Vinay Kumar Mohota
 Shri Shantilal B. Singhvi
 Shri Mukesh B. Mahajan
 Shri Sachin N. Kanujiya

c. Relatives of Key Management Personnel

Executor (Smt.Suryakantadevi Mohota)
 Smt. Kirandevi Bhagat
 Smt. Vibha Agarwal
 Smt. Veenadevi Mohota
 Shri Vaibhav Kumar Mohota

2. Transactions carried out with related parties referred in as above, in ordinary course of business :-

Nature of Transaction	Related Parties		
	Referred in 1(a) above	Referred in 1(b) above	Referred in 1(c) above
Sales	19,82,63,815 (33,31,13,227)	-	-
Purchase	34,43,51,858 (66,02,78,767)	-	-
Job Work	- (1,45,166)	-	-
Remuneration	-	29,24,600 (27,36,960)	-
Salary	-	9,71,175 (6,05,002)	3,82,431 (3,71,695)
Rent	5,36,500 (7,32,000)	7,74,000 (7,74,000)	6,54,000 (6,54,000)

3. Disclosure in respect of material transactions with related parties during the year. (included in 2 bove)

1.	Other Related Parties	Nature of Transaction	Amount
i)	M/s. Veenadevi & Swatidevi Mohota	Rent (Expenses)	1,08,000 (1,08,000)
ii)	M/s. Crome Textiles Pvt. Ltd.	Sales (Goods & Material}	16,53,97,493 (33,31,13,227)
		Purchase (Goods & Material)	15,71,33,668 (35,65,93,768)
		Job Work (Services)	- (1,45,166)
iii)	M/s. Navrang Enterprises	Rent (Expenses)	4,28,500 (6,24,000)
		Sale (Goods & Material)	3,28,66,322 (-)
		Purchase (Goods & Material)	18,72,18,190 (30,36,84,999)
2.	Key Management Personnel		
i)	Shri Vinod Kumar Mohota	Rent (Expenses)	2,94,000 (2,94,000)
		Remuneration (Expenses)	12,76,800 (11,98,800)
ii)	Shri Vinay Kumar Mohota	Rent (Expenses)	4,80,000 (4,80,000)
		Remuneration (Expenses)	11,42,400 (10,65,600)
iii)	Shri Shantilal B. Singhvi	Remuneration (Expenses)	5,05,400 (4,72,560)
iv)	Shri Mukesh B. Mahajan	Salary (Expenses)	7,07,668 (6,05,002)
v)	Shri Sachin N. Kanojiya	Salary (Expenses)	2,63,507 (-)
3.	Relatives of Key Management Personnel		
i)	Executor (Smt.Suryakantadevi Mohota)	Rent (Expenses)	90,000 (90,000)
ii)	Smt. Kirandevi Bhagat	Rent (Expenses)	48,000 (48,000)
iii)	Smt. Vibha Agarwal	Rent (Expenses)	36,000 (36,000)
iv)	Smt. Veenadevi Mohota	Rent (Expenses)	2,40,000 (2,40,000)
v)	Shri Vaibhav Kumar Mohota	Rent (Expenses)	2,40,000 (2,40,000)
		Salary (Expenses)	3,82,431 (3,71,695)

27. Earning per share	31.03.2016		31.03.2015	
Face value per share	₹	10	₹	10
Profit after tax	₹	3,34,50,150	₹	2,14,91,792
Less : Preference dividend	₹	28,40,000	₹	28,40,000
	₹	3,06,10,150	₹	1,86,51,792
No. of Shares used in computing EPS				
Number of Shares		14589445		14589445
Earning per Share - basic and diluted	₹	2.09	₹	1.28

28. In accordance with Accounting Standard 22 issued by the Institute of Chartered Accountants of India, In view of carried forward Business losses and Un-absorbed depreciation as per Income Tax Act, The Company has not recognized Deferred Tax Assets.

29. In accordance with the Accounting Standard (AS-28) on "Impairment of Assets" issued by the Institute of Chartered Accountants of India, the Company during the year carried out an exercise of identifying the assets that may have been impaired in respect of each cash generating unit in accordance with the said Accounting Standard. Accordingly, there is no impairment of the assets during the current year.

30. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions; Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent Liabilities; Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent Assets; Contingent Assets are neither recognized or disclosed in the financial statements.

31. The Company is in the process of closing its old weaving shed and is in discussions with the workers for settlement of their retrenchment dues aggregating ₹ 300 lacs (approx) closure and settlement of dues is subject to government / court approvals.

Pending such approvals and outcome of discussions with workers, no provision has been made in the books of account as on March 31, 2016.

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

33. Income Tax Assessment of the company has been completed up to A. Y. 2012-2013.

34. Raw Material Consumed

	2015-2016			2014-2015		
	Quantity	Value		Quantity	Value	
Cotton	Kgs. 742109	₹ 10,55,21,803		Kgs. 944183	₹ 11,66,04,772	
Man-made Fibre	Kgs. 3389481	₹ 32,17,48,703		Kgs. 3664024	₹ 38,99,04,932	
Grey Cloth	Mtrs. 11037985	₹ 63,01,18,441		Mtrs. 16293216	₹ 1,20,11,71,224	
Yarn	Kgs. 7302072	₹ 97,34,29,146		Kgs. 1319328	₹ 24,14,73,951	
		₹ <u>2,03,08,18,093</u>			₹ <u>1,94,91,54,879</u>	

(a) C.I.F. Value of Imports :

	2015-2016	2014-2015
i) Raw Material	₹ 0	₹ 52,16,126
ii) Stores, Spares, Dyes & Chemicals	₹ 10,95,022	₹ 31,65,093
iii) Capital Goods	₹ 0	₹ 15,30,482
(b) i) Value of Imported raw materials consumed. Percentage of total raw material consumed.	₹ 0 0%	₹ 52,16,126 0.27%
ii) Value of indigenous raw materials consumed. Percentage of total raw material consumed.	₹ 2,03,08,18,093 100%	₹ 1,94,39,38,753 100%
iii) Value of imported stores and spare parts & dyes and chemicals consumed. Percentage of total stores, spares parts and dyes & chemicals consumed.	₹ 10,95,022 0.73 %	₹ 31,65,093 1.91%
iv) Value of indigenous stores and spare parts & dyes & chemicals consumed. Percentage of total stores spares parts and dyes & chemicals consumed.	₹ 14,94,18,132 99.27%	₹ 16,27,51,675 98.09%

35. Earning in Foreign Exchange Export at FOB value.

* Manufacturing Export	– ₹ 42,70,299
Trading Export	– ₹ 41,88,00,959

36. Expenditure in Foreign Currency

* Overseas Commission	– ₹ 19,46,774
Purchase of Spares, Stores & Capital Goods	– ₹ 10,95,022

₹ 42,30,71,258 *	₹ 60,74,81,423
₹ 30,41,796 *	₹ 1,34,68,895

37. Segment Information

The Company operates in one business segment namely "Textiles". The Company's secondary segments are the geographical distribution of activities. Revenue and receivables are specified by location of customers. The following table present revenue, expenditure and certain information regarding Company's geographical segments:

₹ in Lacs

PARTICULARS	Figures for the Year Ended	
	31.03.2016	31.03.2015
Segment Revenue		
(a) India	28,545	25,605
(b) Rest of the World	4,376	6,257
Net Sales / Income from Operation	32,921	31,862
Segment Profit Before Interest & Taxes		
(a) India	1,245	1,245
(b) Rest of the World	27	110
Segment Total	1,272	1,355
Less : Finance Cost	853	1,052
Less : Taxes	84	88
Total Profit After Tax	335	215

Fixed Assets used in the company's business and liabilities contracted have not been identified with any of the reportable segments, as the fixed assets and services are used interchangeably between segments. The Company believes that it is not practical to provide segment disclosures relating to Capital Employed.

38. In accordance with Accounting Standard on Leases (AS-19) notified under companies (Accounting Standards) Rules, 2006 disclosures in respect of Leases are made below:

Operating Leases (Company as Lessee)

- The Company has taken certain office/factory premises on operating lease basis. Lease payments in respect of such leases recognised in the statement of profit and loss of ₹ 25.47 Lacs (P. Y. ₹ 25.56 Lacs)
- Except for escalation contained in certain lease arrangements providing for increase in the lease payment by specified percentage /amounts after completion of specified period. Further the lease terms do not contain any exceptional / restrictive covenants other than prior approval of the lessee before the renewal of lease.
- There are no restrictions such as those concerning dividend and additional debt other than in some cases where prior approval of lesser is required for further leasing. There is no contingent rent payment.

- 39.** (a) Previous year figures have been regrouped / reclassified wherever necessary to correspond with the current year classification / disclosure.
 (b) Current year figures are shown in bold prints.

For and on behalf of the Board of Directors

Sd/-
Dr.Ranchhoddas Mohota
 Chairman

Sd/-
Vinod Kumar Mohota
 Managing Director

Sd/-
Mukesh Mahajan
 C. F. O.

Sd/-
Vinay Kumar Mohota
 Director

Sd/-
Shantilal B. Singhvi
 Director

Sd/-
Sachin Kanojiya
 C. S.

Place : Hinganghat
 Date : 30/05/2016

Date: 15th August, 2016

Dear Shareholders,

Sub.: Green Initiative in Corporate Governance – Electronic Mode of Service of Documents.

The Ministry of Corporate Affairs, Government of India, has by Circular Nos.: 17/2011, dated 21st April, 2011 and 18/2011, dated 29th April, 2011 respectively, clarified that a Company will have complied with the provisions of the Companies Act, 1956, if service of Notice(s) / Document(s) on its Shareholders has been made through Electronic Mode. This initiative by the Government is indeed commendable and your Company supports the same. We are sure, that as a responsible Shareholder, you too will support this initiative. By registering yourself with the Company for e-communication, you will be able to receive such Notice(s) / Document(s) etc. promptly and without loss in postal transit.

It is proposed that, henceforth documents like Notices of Meetings, Annual Reports, Director's Report, Auditor's Report and other Shareholders' communications will be sent electronically to the e-mail address provided by you and made available to the Company by the Depositories viz. NSDL / CDSL. As and when there are changes in your e-mail address, you are requested to keep your Depository Participant (DP) informed the same.

For shares held in Physical form, Shareholders can either register their e-mail address with the Company / RTA at info@rsrmm.com / finance@rsrmm.com / info@bigshareonline.com mentioning their name(s) and folio no. or return this business reply inland letter duly filled-in to the Company / RTA.

As most of the Shareholders are holding their shares in Dematerialised form, Board of Directors has decided to circulate hard copy of the Annual Report to all the Shareholders and hence forth the same will be communicated through Electronic Mode. Those who are still holding shares in Physical form, are requested to please get it converted in Electronic form with their Depository Participant at the earliest.

Kindly note that hence forth, if you still wish to get a hard copy of the above documents, the Company will send, free of cost, upon receipt of a request from you.

Thanking you,

Yours faithfully,

Sd/-

**S. N. Kanojiya
Company Secretary
& Compliance Officer.**



Folio No. / DP ID & Client ID :

Name of 1st Registered Holder :

Name of Joint Holder(s) :

E-mail Address (to be registered) :

Mobile No.:

Bank Details :

Bank's Name & Address:

Branch's Name:

Account No. :

IFSC / RTGS Code No. :

MICR Code No. :

Date :

Signature

Notes for Shareholder(s) :

- * This form is also available on the website of the Company www.rsmmm.com in "Investors Relation" Section with caption "Green Initiative".
- * Shareholders are requested to keep the Company informed of any change in their E-mail address. Shareholders holding the shares in Demat form are requested to also keep their Depository Participant informed of any change in their E-mail address.



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Form No. MGT-11

Proxy form

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

CIN : L99999MH1946 PLC005261
Name of the Company : The Rai Saheb Rekhchand Mohota Spg. & Wvg. Mills Ltd.
Registered office : Block No.15, 3rd Floor, Devkaran Mansion, Gate No.2, 63 Princess Street, Mumbai - 400 002.

Name of the Member(s):
Registered address:
E-mail Id:
Folio No/ Clint Id:
DP ID:

I/ We being the member(s) ofshares, of the above named Company hereby appoint

- 1. Name: Address: E-mail Id: Signature:
2. Name: Address: E-mail Id: Signature:
3. Name: Address: E-mail Id: Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 69th Annual General Meeting of members of the Company, to be held at registered office of the company at Block No.15, 3rd Floor, Devkaran Mansion, Gate No.2, 63 Princess Street, Mumbai - 400002 on Tuesday, the 27th September, 2016 at 10.30 A.M. and at any adjournment thereof in respect of such resolutions as are indicated below:

Table with 2 columns: Item No., Resolution. Contains 10 items including adoption of financial statements, dividend declaration, and director appointments.

Signature of Shareholder Signed this day of..... 2016

Signature of Proxy holder(s)



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.

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**Form No. MGT-12
Polling Paper**
Sr. No. _____

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

Name of the Company	:	THE RAI SAHEB REKHCHAND MOHOTA SPG. & WVG. MILLS LTD. CIN : L99999MH1946 PLC005261
Registered office	:	Block No.15, 3rd Floor, Devkaran Mansion, Gate No.2, 63 Princess Street, Mumbai – 400 002.

BALLOT PAPER

Sr. No.	Particulars	Details
1.	Name of the First named Shareholder (In block letters)	
2.	Postal address	
3.	Registered folio No./ * Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	Class of Share	Equity

I/We hereby exercise my/our vote in respect of Resolutions set out in the Notice of the **Annual General Meeting (AGM)** of the Company to be held on **Tuesday the 27th Sept., 2016** by sending my/our assent or dissent of the said Resolutions by placing the tick (√) in the appropriate boxes given below :-

No.	Item No.	No. of Shares held by me	I Assent to the Resolution (√)	I Dissent from the Resolution (√)
1.	Adoption of Financial Statements for the Financial Year ended 31 st March, 2016, reports of Board and auditor thereon.			
2.	Declaration of Dividend.			
3.	Re-appointment of Shri Ranchhoddas Mohota, who retires by rotation, as a Director.			
4.	Ratify the Appointment of M/s Batliboi & Purohit, Chartered Accountants, Mumbai as Statutory Auditors.			
5.	Appointment of Mrs. Ritu Kabra as an Independent Director.			
6.	Re-Appointment of Shri Vinod Kumar Mohota (DIN 00247348), as Managing Director. (Special Resolution)			
7.	Re-Appointment of Shri Vinay Kumar Mohota (DIN 00247340), as Whole Time Director. (Special Resolution)			
8.	Re-appointment of Shri Shantilal B. Singhvi (DIN 00247332), as Whole Time Director. (Special Resolution)			
9.	Approval of Cost Auditor's Remuneration.			
10.	To adopt a new set of Articles of Association of the Company. (Special Resolution)			

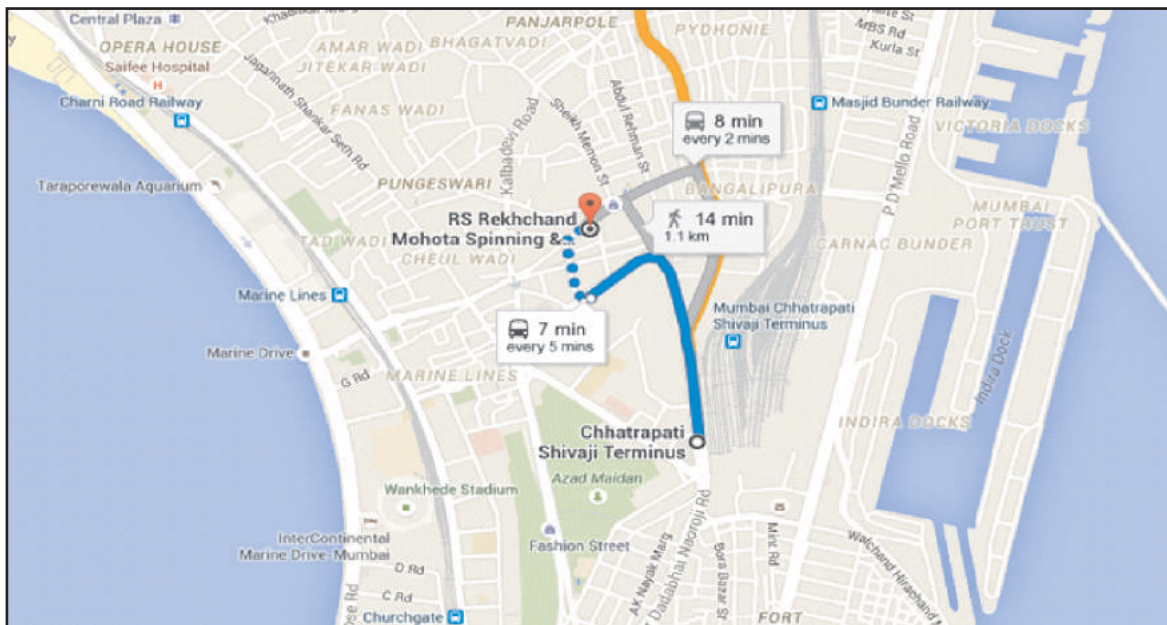
Place:

Date:

**Signature of the shareholder(s) /
Proxy Holder**

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Route Map: Registered office of The Rai Saheb Rekhchand Mohota Spg. & Wvg. Mills Ltd.



THE RAI SAHEB REKHCHAND MOHOTA SPG. & WVG. MILLS LTD.

Registered office: Block No. 15, 3rd Floor, Devkaran Mansion Gate, No. 2, 63 Princess Street, Mumbai – 400 002

D.P. ID.*	
Client ID.*	

L.F. No.	
No of Shares	

ATTENDANCE SLIP

I/ We hereby record My/our presence at the 69th ANNUAL GENERAL MEETING of the company held at the Registered Office of the Company at Block No. 15, 3rd Floor, Devkaran Mansion Gate, No. 2, 63, Princess Street, Mumbai – 400 002 on Tuesday, the 27th September, 2016 at 10.30 A.M.

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

*Applicable for investors holding shares in Electronic Form.

Note:

- 1) You are requested to sign and hand over this slip at the Meeting Venue.
- 2) If you intend to appoint a proxy to attend the Meeting instead of yourself, the proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the Meeting.

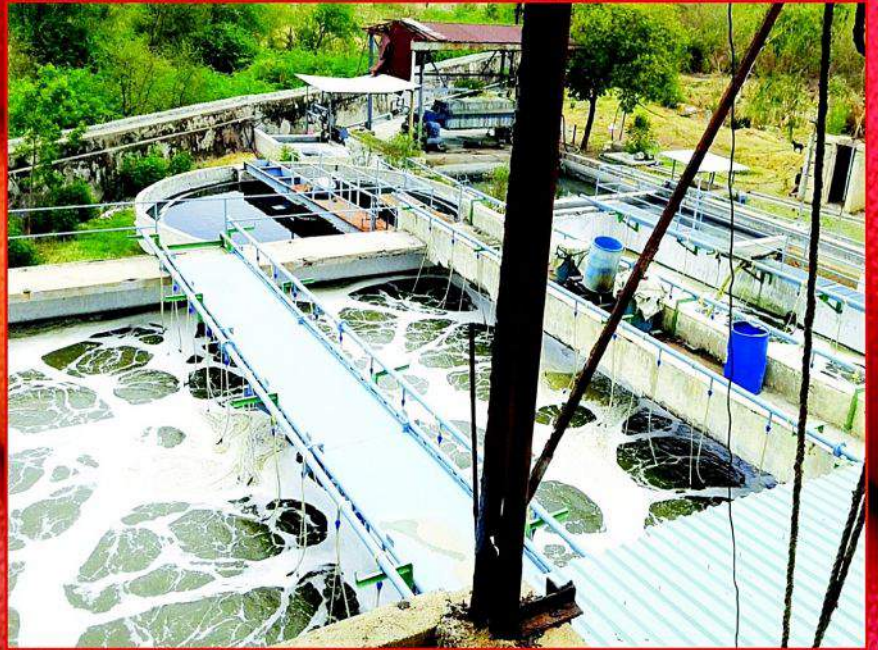


Notes

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Installed Lord Hanuman's Idol at Factory Premises, Hinganghat



R.O. Installation at Effluent Treatment Plant, Hinganghat



Blood Donation Camp on Founders Day 29 March, Hinganghat

THE RAI SAHEB REKHCHAND MOHOTA SPG. & WVG. MILLS LTD.

Corporate Office & Works

Ram Mandir Ward, Hinganghat - 442301., Dist. Wardha Maharashtra
Ph: 07153 - 244282, 244039 • Fax: 07153 - 244753
E-mail: info@rsrmm.com • Website: www.rsrmm.com