

## **ERRATA.**

This is to inform you that due to printing errors in the Notice convening the Annual General Meeting of the Company, the Date of Annual General Meeting either wrongly mentioned and / or omitted. The Corrected Notice of the Annual General Meeting Scheduled to be held on Saturday the 29th September, 2012 at 10.30 a.m. at Diamond Plaza, 7th Floor, 391, Dr. D. B. Marg, Mumbai-400004, is being reproduced below and is being send to the Members of the Company by way of abundant caution and good Corporate Practice :

### **RAJKAMAL SYNTHETICS LIMITED NOTICE**

NOTICE is hereby given that the 31st ANNUAL GENERAL MEETING of the members of RAJKAMAL SYNTHETICS LIMITED will be held at Diamond Plaza, 7th Floor, 391, Dr. D. B. Marg, Mumbai – 400 004 on Saturday, the 29th September, 2012 at 10.30 a.m. to transact the following business :

#### **ORDINARY BUSINESS.**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012 and Profit and Loss Account for the year ended on that date and Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Rajendra R. Nangalia who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors Messers N. K. Jalan & Co. (Reg. No. 104019W) as Auditors of the Company to hold Office from the conclusion of this Annual General Meeting until the conclusion of Next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

#### **SPECIAL BUSINESS.**

4. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution :  
“RESOLVED THAT in accordance with the provisions of Section 260 of the Companies Act, 1956 and any other applicable provisions, if any Shri Ashok Kumar H. Jakhotia who was appointed as an Additional Director of the Company by the Board of Directors on 25 / 01 / 2012 and who hold office under Section 260 of the Companies Act, 1956 up to the date of this Annual General Meeting and in respect of whom, the Company has received a Notice in writing under Section 257 of the Companies Act, 1956 from a member proposing the candidature of Mr. Ashok Kumar H. Jakhotia for the office of the Director, be and is hereby elected and appointed as a Director of the Company and who shall be subject to retire by rotation.”
5. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution :  
“RESOLVED THAT in accordance with the provisions of Section 260 of the Companies Act, 1956 and any other applicable provisions, if any Shri Jagdish B. Ladha who was appointed as an Additional Director of the Company by the Board of Directors on 25/01/2012 and who hold office under Section 260 of the Companies Act, 1956 up to the date of this Annual General Meeting and in respect of whom, the Company has received a Notice in writing under of Section 257 of the Companies Act, 1956 from a member proposing the candidature of Mr. Jagdish B. Ladha for the office of the Director, be and is hereby elected and appointed as a Director of the Company and who shall be subject to retire by rotation.”

Diamond Plaza,  
391, Dr.D.B.Marg,  
Mumbai – 400 004.  
Dated : 7th August,2012.

BY ORDER OF THE BOARD OF DIRECTORS  
SD/-  
(SHEODUTT SANGHAI)  
CHAIRMAN AND MANAGING DIRECTOR

**BOOK POST**  
**PRINTED MATTER**

*If undelivered please return to :*

**SATELLITE CORPORATE SERVICES PVT. LTD.**

**(Unit - RAJKAMAL SYNTHETICS LTD.)**

B-302, Sony Apt., Opp. St. Jude's High School,  
Off Andheri Kurla Road, Jarimari, Sakinaka,  
Mumbai-400072. Tel. : 28520461/62

**RAJKAMAL**  
**SYNTHETICS LIMITED**

**ISIN NO. INE 376L01013**

**31st Annual Report**  
**2011-2012**

# RAJKAMAL SYNTHETICS LIMITED

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## BOARD OF DIRECTORS

SHEODUTT SANGHAI	Chairman
SUSHIL SANGHAI	Director
RAJENDRA NANGALIA	Director
ASHOK JAKHOTIA	Director
JAGDISH LADHA	Director

## BANKERS

Citi Bank N.A.

## AUDITOR

N. K. Jalan & Co.  
2A, Mayur Apt.,  
Dadabhai Cross Road No. 3,  
Vile Parle (W), Mumbai - 400 056.

## REGISTERED OFFICE

Diamond Plaza,  
391, Dr. D. B. Marg, Mumbai - 400 004.

## REGISTRAR AND SHARE TRANSFER AGENT

**Satellite Corporate Services Pvt. Ltd.**  
B-302, Sony Apt., Opp. St. Jude's High School,  
Off Andheri Kurla Road, Jarimari, Sakinaka,  
Mumbai-400072. Tel. : 28520461/62

31st Annual General Meeting  
on 29th September, 2012  
Saturday, 10.30 A. M. at  
**DIAMOND PLAZA**  
7th Floor, 391, Dr. D. B. Marg,  
Mumbai - 400 004.

Members are requested to bring their copy of the Annual Report alongwith them at the Annual General Meeting, as copies of the Report will not be distributed at the Meeting.

# 31st ANNUAL REPORT 2011-2012

## RAJKAMAL SYNTHETICS LIMITED NOTICE

NOTICE is hereby given that THE 31<sup>st</sup> ANNUAL GENERAL MEETING of the members of RAJKAMAL SYNTHETICS LIMITED will be held at Diamond Plaza, 7<sup>TH</sup> Floor , 391, Dr. D. B. Marg, Mumbai – 400 004 on the September, 2012 at 10.30 a.m. to transact the following business :

### ORDINARY BUSINESS.

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2012 and Profit and Loss Account for the year ended on that date and Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Rajendra R Nangalia who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration.

### SPECIAL BUSINESS.

4. To consider and, if thought fit ,to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:  
"RESOLVED THAT in accordance with the provisions of Section 260 of the Companies Act, 1956 and any other applicable provisions, if any Shri Ashok Kumar H. Jakhotia who was appointed as an Additional Director of the Company by the Board of Directors on 25/01/2012 and who hold office under Section 260 of the Companies Act, 1956 on up to the date of this Annual General Meeting and in respect of whom, the Company has received a Notice in writing along with a Deposit of Rs. 500/- in terms of Section 257 of the Companies Act, 1956 from a member proposing the candidature of Shri Ashok Kumar H Jakhotia for the office of the Director, be and is hereby elected and appointed as a Director of the Company and who shall be subject to retire by rotation.
5. To consider and, if thought fit ,to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:  
"RESOLVED THAT in accordance with the provisions of Section 260 of the Companies Act,1956 and anyother applicable provisions, if any Shri Jagdish B. Ladha who was appointed as an Additional Director of the Company by the Board of Directors on 25/01/2012 and who hold office under Section 260 of the Companies Act, 1956 on up to the date of this Annual General Meeting and in respect of whom, the Company has received a Notice in writing along with a Deposit of Rs 500/- in terms of Section 257 of the Companies Act, 1956 from a member proposing the candidature of Shri Jagdish B Ladha for the office of the Director, be and is hereby elected and appointed as a Director of the Company and who shall be subject to retire by rotation.

Diamond Plaza,  
391, Dr.D.B.Marg,  
Mumbai – 400 004.  
Dated : August,2012.

BY ORDER OF THE BOARD OF DIRECTORS  
SD/-  
(SHEODUTT SANGHAI)  
CHAIRMAN AND MANAGING DIRECTOR

### NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
2. Proxies in order to be effective must be received by the Company at the Registered Office not less than 48 hours before the meeting.
3. The Register of members and Share Transfer Books of the Company will remain closed from Monday the 24th September,2012 to Saturday, the 29th September, 2012 (Both days inclusive)
4. Members / Proxies should bring the Attendance Slip sent herewith duly filled for attending the Meeting.
5. Corporate Members are requested to send a duly certified copy of the Board Resolution, pursuant to Section 187 of the Companies Act, 1956, authorizing their representative to attend and vote at the Annual General Meeting.
6. The Explanatory Statement pursuant to Section 173 (2) of the Companies Act is annexed herewith.
7. Members who wish to obtain information on the Company may send their queries at least 10 days before the Annual General Meeting to the Company at its Registered Office of the Company.
8. Members are requested to notify change in Address, if any immediately to the Company or its Registrars: M/s Satellite Corporate Services Pvt. Ltd. B - 302, Sony Apartment, Opp. St. Jude's High School, Off Andheri Kurla Road, Jari Mari, Saki Naka, Mumbai - 400072.
9. Pursuant to the requirements of the Listing Agreement of Stock Exchange on Corporate Governance, the information about the Directors proposed to be appointed / re-appointed is given in the Annexure to the Notice.
10. As per the requirement of Clause 49 of the Listing Agreement on Corporate Governance for the appointment of the Directors / re - appointment of the Retiring Directors, a statement containing details of the Concerned Director is given below.
11. As per the provisions of Section 205 C and any other applicable provisions, if any of the Companies Act, 1956 the amount of Unclaimed Debenture payment of Rs. 3,37,680/- is lying unpaid or unclaimed. This to be transferred Investor Education and Protection Fund (IEPF). During the Current Financial Year, the Company will be required to transfer to IEPF, the unclaimed Debenture payment of 141 Debenture holders as on date to IEPF. Debenture Holders who have not claimed their Debenture dues are therefore requested to make their claims to Company within 6 months from the date of Final Notice to claim their dues.

# RAJKAMAL SYNTHETICS LIMITED

## ANNEXURE TO THE NOTICE

Details of the Directors seeking Appointment / Re-appointment in Forthcoming Annual General Meeting.

Name of the Director.	Mr. Rajendra R. Nangalia
Age	52 years
Date of Appointment	17/06/1997
Expertise in Specific functional Areas	Marketing
Qualifications	B. Com.
List of Companies in which Outside Directorship held as On 7th August, 2012 (Excluding Private Companies.)	Nil
Chairman/Member of the Committees of the Boards of The Other Companies in which he is a Director as on 7th August, 2012	Nil

Name of the Director.	Mr. Ashok Kumar Hukamichand Jakhotia
Age	52 years
Date of Appointment	25/01/2012
Expertise in Specific functional Areas	Accounts and Finance
Qualifications	M. Com.
List of Companies in which Outside Directorship held as On 7th August, 2012 (excluding Private Companies.)	Nil
Chairman/Member of the Committees of the Boards of The Other Companies in which he is a Director as on 7th August, 2012	Nil

Name of the Director.	Mr. Jagdish Bhagirath Ladha
Age	50 years
Date of Appointment	25/01/2012
Expertise in Specific functional Areas	Accounts and Finance
Qualifications	B. Com.
List of Companies in which Outside Directorship held as On 7th August, 2012 (excluding Private Companies.)	Nil
Chairman/Member of the Committees of the Boards of The Other Companies in which he is a Director as on 7th August, 2012	Nil

## ANNEXURE TO THE NOTICE

### **EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT,1956.**

#### **ITEM NO.4.**

Shri Ashok Kumar H. Jakhotia was appointed as Additional Director of the Company w.e.f. 25/01/2012 and who holds the Office up to the date of this Annual General Meeting pursuant to Section 260 of the Companies Act, 1956.

Notice U/s. 257 of the said Act, has been received from Member signifying his intention to propose the Name of Shri Ashok Kumar H. Jakhotia for appointment as a Director of the Company. Shri Ashok Kumar H. Jakhotia has already filed his consent to Act, as a Director with the Company.

Your Directors recommend the approval of Proposed Resolution by the Members.

None of the Directors of the Company are interested in the Resolution.

#### **ITEM NO.5.**

Shri Jagdish B. Ladha was appointed as Additional Director of the Company w.e.f. 25/01/2012 and holds the Office up to the date of this Annual General Meeting pursuant to Section 260 of the Companies Act, 1956.

Notice U/s. 257 of the said Act, has been received from Member signifying his intention to propose the Name of Shri Jagdish B. Ladha for appointment as a Director of the Company. Shri Jagdish B. Ladha has already filed his consent to Act, as a Director with the Company.

Your Directors recommend the approval of Proposed Resolution by the Members.

None of the Directors of the Company are interested in the Resolution.

Diamond Plaza,  
391, Dr. D.B. Marg,  
Mumbai - 400 004.  
Dated : 7th August, 2012

BY ORDER OF THE BOARD OF DIRECTORS

(SHEODUTT SANGHAI)  
CHAIRMAN AND MANAGING DIRECTOR

## DIRECTORS' REPORT

To  
The Members,

Your Directors hereby present the 31st ANNUAL REPORT of the Company together with Audited Statement of Accounts for the year ended on 31st March, 2012.

### FINANCIAL RESULTS :

	(Amount in Rs.)	
	Current Year 31-3-2012 Rs.	Previous Year 31-3-2011 Rs.
Profit/ (Loss) for the Year	2,40,651/-	2,42,686/-
<b>Less</b> : Provision for Taxation	73,440/-	46,770/-
<b>Less</b> : Prior period adjustment	2,980/-	23,570/-
<b>Add</b> : Transfer from Investment Reserve	---	369,390/-
<b>Less</b> : Capital Receipts Remission on Debentures	(11,48,915)	1,35,708/-
<b>Add</b> : Surplus / (Deficit) on appropriation appropriation account brought forward from previous year	(54,120,994)	(54,798,438)
Profit / (Losses) carried to balance sheet	(55,105,678)	(54,120,994)

### DIVIDEND :

In view of Carried forward losses of Earlier Years. Your Directors regret their inability to recommend any dividend for the year under Review.

### OPERATIONS:

Receipts during the year were of Rs.8.96 Lacs as against Rs.138.97 Lacs during the previous year.

### FUTURE PLANS :

Your Directors are happy to inform you that due to consistent efforts put in by all involved in reviving of the Company for the Second consecutive year. Company has been able to post Profits of Rs. 2.41 Lakhs as compared to the profits of Rs. 2.43 lakhs (L. Y.). The Company so as to tide over its present position is considering to engage in Marketing and Manufacturing of Textiles, Synthetics and allied products. The Company is confident that with a better Mix of products and Activities and with present infusion of Capital the Company can achieve good Results in near future.

### DIRECTORS :

Shri Rajendra R. Nangalia, Director retires by rotation and being eligible offers himself for re-appointment.

Mr. Ashok Kumar H. Jakhotia and Mr. Jagdish B. Ladha were appointed as Additional Directors w.e.f. 25/01/2012. They hold office up to the date of ensuing Annual General Meeting. Notices have been received in writing from the Members proposing their Appointments as Directors. The Company has also received their consent to act as Directors of the Company.

### FIXED DEPOSIT :

The Company has not accepted any fixed deposit from the Public during the year under review.

### AUDIT COMMITTEE :

The Audit Committee consist 4 Directors out of whom 3 are Independent Directors, namely Shri Ashok Kumar H. Jakhotia - Chairman, Shri Sheodutt B. Sanghai - Director, Shri Rajendra R. Nangalia - Director and Shri Jagdish B. Ladha - Director. The constitution of Audit Committee meets the requirements of Section 292 A of the Companies Act, 1956 and Clause 49 of the Listing Agreement with Stock Exchange.

### INVESTORS GRIEVANCE COMMITTEE :

The Investors Grievance Committee consists of 4 Directors out of whom 3 are Independent Directors. Committee consists of Shri Sheodutt B. Sanghi - Chairman, Shri Ashok Kumar H. Jakhotia - Director, Shri Rajendra R. Nangalia - Director and Shri Jagdish B. Ladha - Director. The constitution of Investors Grievance Committee meets the requirements of Section 292 A of the Companies Act, 1956 and Clause 49 of the Listing Agreement with Stock Exchange.

### REMUNERATION COMMITTEE :

The Remuneration Committee consists of 4 Directors out of whom 3 are Independent Directors, namely, Shri Jagdish B. Ladha - Chairman, Shri Ashok Kumar H. Jakhotia - Director, Shri Rajendra R. Nangalia - Director and Shri Sheodutt B. Sanghi - Director. The constitution of Remuneration Committee meets the requirements of Section 292 A of the Companies Act, 1956 and Clause 49 of the Listing Agreement with Stock Exchange.

### CORPORATE GOVERNANCE :

Your Company's Philosophy is to enhance Stakeholders Value by adopting and implementing the best of Corporate Governance practices. A detailed Report on Corporate Governance Compliance duly certified by the Practicing Company Secretary forms part of this Report.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT :

As required by Clause 49 of the Listing Agreement with Stock Exchange, a Management Discussion and Analysis Report is appended to the Annual Report, it also forms part of this Report of your Directors.

### DIRECTORS RESPONSIBILITY STATEMENT :

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956, with respect to Directors Responsibility Statement, it is hereby confirmed.

- i. That in preparation of the Accounts for the financial year ended 31st March, 2012, the applicable Accounting Standards have been followed along with proper explanation relating to material departures.

# RAJKAMAL SYNTHETICS LIMITED

- ii. That the Directors have selected such accounting policies and applied them consistently and made judgment and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the company for the year under review.
- iii. That the Directors have taken prior and sufficient care for the maintenance of adequate Accounting records in accordance with the provisions of the Companies Act, 1956 for safe guarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv. That the Directors have prepared the accounts for the financial year 31st March, 2012 on a going concern basis.

## ENVIRONMENT:

Information pursuant to Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors ) Rules 1988 are not given since there was no manufacturing activity during the year under review. Foreign exchange earning / outgo during the year and also during the previous year was Nil.

## RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION ADAPTATION AND INNOVATION :

As there is no Manufacturing activity hence information pertaining to Research & Development etc is not given.

## PARTICULARS OF EMPLOYEES :

No employee has drawn a remuneration of Rs. 24,00,000/- per annum nor Rs. 2,00,000/- per month during part of the year.

## AUDITORS :

The Observations made in the Auditor's Reports are self explanatory and as such they do not require any explanation under Section 217 (3) of the Companies Act, 1956.

The Auditors M/s N.K. Jalan & Co., Chartered Accountants will retire at the conclusion of the ensuing Annual General Meeting. They have given their consent to act as Auditors of the Company if re-appointed, Members are requested to re-appoint them and fix their remuneration.

## ACKNOWLEDGEMENTS :

Your Directors take this opportunity to express their sincere Appreciation for the excellent support and co-operation extended by Debenture holders, Creditors, Shareholders, Employees, Bankers, Financial Institutions and other Business Associates in helping the Company to become a Zero Debt Company with a Positive Net Worth. Your Company's Directors are putting in all possible efforts to improve the activities of the Company but the future of the Company depends to a large extent on the Financial Assistance and support from the Banks and Financial Institutions.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place : Mumbai

Dated : 7th August, 2012

(SHEODUTT SANGHAI)

CHAIRMAN AND MANAGING DIRECTOR

## CORPORATE GOVERNANCE REPORT – CLAUSE 49 OF THE LISTING AGREEMENT

### A. Company's Philosophy :

Rajkamal Synthetics Limited believes that for a Company to grow and maintain a Sustained level of Growth the Company must maintain Global Standards of Corporate conduct towards its Employees, Shareholders, Consumers, Investors and Society.

The Primary objective of the Company is to create and imbibe a Corporate culture of conscience and consciousness, transparency and openness towards them.

### B. Board of Directors:

i) Composition:

Details of Composition of the Existing Board of Directors as on 31<sup>st</sup> March, 2012 is given below:

Sr. No.	Name of Directors	Category	No. of Shares held	Attendance Particulars.			
				Annual General Meeting	Board Meeting	Member ship in other Public Ltd. Company	Chairman ship/Member ship in other Public Ltd. Company
1.	Mr. Sheodutt B. Sanghai	P, NE, S	312590	Yes	6	No.	No.
2.	Mr. Sushil S. Sanghai	P, NE, S	377625	Yes	6	No.	No.
3.	Mr. Rajendra R. Nangalia	1	Nil	Yes	6	No.	No.
4.	Mr. Ashok H. Jakhotia (w.e.f. 25/01/2012)	1	Nil	No	1	No.	No.
5.	Mr. Jagdish B. Ladha (w.e.f. 25/01/2012)	1	Nil	No	1	No.	No.

Abbreviations:

P= Promoter, E= Executive Director, NE = Non Executive Director, I= Independent Non Executive, S= Shareholder, C= Chairman, M= Member, SI= Strategic Investor.

### ii) Details of the Date of Board Meetings.

During the year 2011 -12, the Board of Directors met 6 times on the following dates:

30/4/2011; 31/5/2011; 30/7/2011; 25/10/2011; 7/11/2011 and 25/1/2012

## C. COMMITTEES OF THE BOARD.

The Committee constituted by the Board as on date are mentioned below:

### 1. AUDIT COMMITTEE.

The Audit Committee consists of the following 4 Directors of whom 3 are independent Directors as on 31-03-2012. This Committee was constituted on 25/1/2012.

Mr. Ashok Jakhotia - Chairman (Independent)  
 Mr. Sheodutt B Sanghai - Director.  
 Mr. Rajendra R Nangalia - Director. (Independent)  
 Mr. Jagdish B Ladha - Director. (Independent)  
 The Compliance Officer of the Company Mr. M. S. Yadav also acts as a Secretary to the Committee.

Terms of reference

The terms of reference stipulated by the Board of Directors to the Audit Committee are as laid down under Clause 49 of the Listing Agreement.

Meetings of the Audit Committee of Board of Directors were held on 25/1/2012.

The details of Attendance of Members of the audit Committee are as follows.

Sr. No.	Name of the Member	Designation	Number of Meetings Attended (1/4/2011 to 31/3/2012)
1.	Mr. Ashok H. Jakhotia	Chairman	1
2.	Mr. Sheodutt B. Sanghai	Director	1
3.	Mr. Rajendra R. Nangalia	Director	1
4.	Mr. Jagdish B. Ladha	Director	1

### 2. REMUNERATION COMMITTEE.

The Remuneration Committee consists of 4 Directors of whom 3 are Independent Directors as on 31-03-2012. This Committee was constituted on 25/1/2012.

Mr. Jagdish B. Ladha - Chairman (Independent)  
 Mr. Sheodutt B. Sanghai - Director.  
 Mr. Rajendra R. Nangalia - Director. (Independent)  
 Mr. Ashok H. Jakhotia - Director. (Independent)

The Compliance Officer of the Company Mr M S Yadav also acts as a Secretary to the Committee.

Terms of reference

To recommend payment of Remuneration to the Managing Director /Executive Director from time to time.

No Meetings of the Remuneration Committee of Board of Directors were held during the year, under review.

**No sitting Fees have been paid to Non Executive Directors for the year 2011-12.**

### 3. SHARE TRANSFER AND INVESTORS GRIEVANCE COMMITTEE.

a) The Share Transfer and Investors Grievance Committee focused on Shareholder's Grievances and strengthening of Investor relations. The functions of the Committee include specifically looking into redressal of Investors' grievances pertaining to Transfer of shares, Dematerialization of Shares, replacement of lost/ stolen/mutilated share certificates and other related issues.

b) Composition and details of attendance of members of the Committee are as follows :

Sr. No.	Name of the Member	Designation	Number of Meetings Attended (1/4/2011 to 31/3/2012)
1.	Mr. Sheodutt B. Sanghai	Chairman	19
2.	Mr. Rajendra R. Nangalia	Director (Independent)	19
3.	Mr. Jagdish B. Ladha	Director (Independent)	4
4.	Mr. Ashok H. Jakhotia	Director (Independent)	4

c) Meeting of Share Transfer and Investors Grievance Committees were held on 30/04/2011; 04/05/2011; 16/05/2011; 27/05/2011; 15/06/2011; 30/06/2011; 15/07/2011; 16/08/2011; 30/08/2011; 30/09/2011; 15/10/2011; 15/11/1011; 30/11/2011; 16/01/2012; 23/01/2012; 31/01/2012; 29/02/2012; 15/03/2012 and 31/03/2012.

d) Number of Shareholders Complaints / requests received during the year.:

During the year under review, only One Investor's complaints, was received pertaining to Non receipt of Annual Report. The said Investor was sent Copy of Annual Report. As of 31st March, 2012. No Complaint was pending for more than 30 days.

## D. GENERAL BODY MEETINGS:

(i) The details of General Meetings held in the last Three years are given hereunder:

# RAJKAMAL SYNTHETICS LIMITED

Date	Type of Meeting	Location	Time	No. of Special Resolutions
29/09/2009	Annual General Meeting	Diamond Plaza 7th Floor, 391, Dr. D. B. Marg, Mumbai - 400 004.	10.30 AM	3
30/09/2010	Annual General Meeting	Diamond Plaza 7th Floor, 391, Dr. D. B. Marg, Mumbai - 400 004.	10.30 AM	Nil
30/05/2011	Annual General Meeting	Diamond Plaza 7th Floor, 391, Dr. D. B. Marg, Mumbai - 400 004.	10.30 AM	1
30/08/2011	Extra Ordinary General Meeting	Diamond Plaza 5th Floor, 391, Dr. D. B. Marg, Mumbai - 400 004.	11.00 AM	1

(ii) Details of Special Resolutions passed in the last three years are given hereunder.

Date	Location	No. of Special Resolutions	Special Resolutions Passed
29/09/2009	Diamond Plaza 7th Floor, 391, Dr. D. B. Marg, Mumbai - 400 004.	Three	a) Alteration of Memorandum of Association for Increase in Authorised Capital from Rs. 3 Crore to Rs. 7 Crore b) Alteration of Articles of Association for Increase in Capital to Rs. 7.00 Crore c) Raising of Funds under Section 81 (1A) and other applicable provisions of the Companies Act, 1956 up to Rs. 4.75 Crores.
30/09/2010	Diamond Plaza 7th Floor, 391, Dr. D. B. Marg, Mumbai - 400 004.	Nil	Nil
30/05/2011	Diamond Plaza 7th Floor, 391, Dr. D. B. Marg, Mumbai - 400 004.	One	Modified Resolution for raising of funds under Section 81 (1A) and other applicable provisions of the Companies Act, 1956 up to Rs. 4.75 Crores.
30/08/2011	Diamond Plaza 5th Floor, 391, Dr. D. B. Marg, Mumbai - 400 004.	One	Modified Resolution for raising of funds under Section 81 (1A) and other applicable provisions of the Companies Act, 1956 up to Rs. 4.75 Crores.

(iii) During the year under report no resolution was passed through postal ballot.

## E. MANAGEMENT DISCUSSION AND ANALYSIS.

Management Discussion and Analysis of the Company is separately given in the Annual Report.

## F. DISCLOSURES.

- There are no transactions with related parties during the year under review.
- There was no non-compliance of any law or regulations (during the last three years) and hence no penalties / strictures.
- Certification by CEO/CFO – Certificate obtained from Managing Director on the financial statements of the Company in terms of Clause 49 of the Listing Agreement was placed before the Board Meeting, who took the same on record.
- Brief resume of Directors being appointed/ reappointed :-

### Mr. Rajendra R. Nangalia

Age 52 Years  
Expertise in Specific  
Functional areas Marketing  
Qualifications B. Com.  
Date of Appointment 17/06/1997.

## G. MEANS OF COMMUNICATION.

The Board of Directors of the Company approved and took on record the unaudited results for the quarter ended on 30-6-2011; 30-9-2011; 31-12-2011 and 31-03-2012 and forwarded the results to the Stock Exchange and published the same in The Free Press Journal (E) and Navshakti Mumbai edition .

## H. GENERAL SHAREHOLDER INFORMATION.

The Next Annual Genral Meeting of the Company shall be held at:-

- Venue: Diamond Plaza 7th Floor, 391, Dr. D. B. Marg, Mumbai - 400 004.
- Date of Book Closure :- From : Monday, the 24th September, 2012. To : Saturday, the 29th September, 2012
- Dividend Payment date : No dividend has been declared by the Company for the financial year 2011-12.
- Listing on Stock Exchanges and Codes  
The securities of the Company are listed on The Bombay Stock Exchange (Scrip Code - 514028.)
- Market Price Data- High - Low Quotations on Bombay Stock Exchange Limited Mumbai, during each month from April 1, 2011 to March 31, 2012 is as follows:

## 31st ANNUAL REPORT 2011-2012

Month	Market Price		Sensex	
	High Price	Low Price	High	Low
April - 2011	8.50	8.08	19811.14	18976.19
May - 2011	7.71	7.35	19235.87	17786.13
June - 2011	8.26	7.50	18873.39	17314.38
July - 2011	00	00	19131.70	18131.86
Aug - 2011	7.13	6.47	18440.07	15765.53
Sept - 2011	00	00	17211.80	15801.01
Oct - 2011	6.25	6.25	17908.13	15745.43
Nov - 2011	7.22	6.56	17702.26	15478.69
Dec - 2011	8.29	7.58	17003.71	15135.86
Jan - 2012	00	00	17258.97	15358.02
Feb - 2012	00	00	18523.78	17061.55
Mar - 2012	8.00	7.61	18040.69	16920.61

vi) The Transfers of the Company are being done by **Satellite Corporate Services Pvt. Ltd.**, the R and T Agents, having their address at :

Contact Person : Mr. Michael Monteiro – Director,

B - 302, Sony Apartment, Opp. St. Jude's High School, 90, Feet Road, Jari - Mari, Saki Naka, Mumbai - 400 072. Tel. : 022-2852 0461/2.

vii) Distribution of Shareholding of Equity Shares as on 31<sup>st</sup> March, 2012 is as follows:

Shareholding of Nominal Value Rs	Total Holders		Amount	
	(In Nos)	% of Total	In Rs.	% of Total
1 - 5000	5964	94.30	8967840	13.80
5001 - 10000	240	3.79	1964910	3.02
10001 - 20000	64	1.01	963500	1.48
20001 - 30000	20	0.32	534600	0.82
30001 - 40000	2	0.03	75000	0.11
40001 - 50000	4	0.06	170980	0.26
50001 - 100000	8	0.13	621000	0.97
100001 and above.	23	0.36	51702170	79.54
	6325	100.00	65000000	100.00

viii) 5282547 Equity Shares constituting 81.27 % of the Share Capital are in demat form as on 31/03/2012.

ix) **Address for Correspondence** : Diamond Plaza, 391, Dr. D. B. Marg, Mumbai - 400 004.

x) E-mail : ashok@seantometal.com • website : www.rajkamalsynthetics.com

**DECLARATION** : As provided under Clause 49 of the Listing Agreement with the Stock Exchange, it is hereby declared that all the Board Members of the Company have affirmed their compliance with the Conduct for the year ended 31st March, 2012.

Place : Mumbai - 400 004.

Dated : 7th August, 2012

(SHEODUTT SANGHAI)

CHAIRMAN AND MANAGING DIRECTOR

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

**Pursuant to Clause 49 (IV) (F) of the Listing Agreement, your Directors report as follows :**

#### MACRO ECONOMIC OVERVIEW :

The Indian Economy witnessed 6.5 per cent growth in F.Y. 2011-12 after having grown at the rate of 8.4 per cent in each of the two preceding years. With Agriculture and services continuing to perform well, India's slowdown can be attributed almost entirely to weakening Industrial growth. Monetary policy was tightened by the Reserve Bank of India (RBI) during the year to control inflation and curb inflationary expectation.

On the International front 2011-12 was a challenging year across the global economic and political spectrum : there was sluggish economic growth; recession in Greece for the fifth consecutive year; political instability across the Middle East and North Africa; deepening European crisis and a fragile US recovery. The liquidity infusions by the European Central Bank (ECB) have significantly improved the global financial markets. Nevertheless, an acceptable solution to the Euro Zone crisis is still not in sight. The emerging economies are also witnessing slowdown, largely due to the trickledown effect of the Global slowdown and domestic pressures. The World Bank has predicted a modest global GDP growth of 2.5 per cent in 2012, increasing to 3 per cent in 2013 and 3.3 per cent in 2014.

However the long term economic prospects of India appear bright, compared to most countries of the World. The World Bank has marginally raised India's Growth Forecast for 2012-13 to 6.9 per cent, from its January estimate of 6.8 per cent.

#### The Company Introduction and its Performance

The Company was incorporated in the Name and style "Shree Balaji Calendaring House Private Limited on 2nd May, 1981. It was converted into a Public Company on 17th December, 1982. The Company commenced its Textile Processing Activities in January 1982 on rental machineries and in 1983, it set up a Cotton cum Synthetic Textile processing unit at Dombivili in Thane District of Maharashtra. This Unit was set up for processing, bleaching and calendaring of Fabrics and Sarees. The

# RAJKAMAL SYNTHETICS LIMITED

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Change of Name of the Company to Rajkamal Synthetics Ltd was effected on 4th March 1986. The Company shifted and erected a Modern Process house at Sachin in Surat in 1986-87 and had purchased the latest MODern Plant and Machinery which was operational in March 1990. This was financed by issue of Debentures in favour of term Lending Institutions/Public and term Loan facilities from ICICI Bank and U.T.I. The Plant and Machinery including electrical installation in Sachin was damaged in the Cyclone in 1992. The Company could not restore production and was forced to discontinue its production activities inspite of best efforts put in by promoters. The Company entered into one time settlement of its outstanding dues with term lending institutions and Institutional Debenture holders. The fixed Assets of the Company was disposed off by ICICI Bank on behalf of Term Lending institutions and Debenture Holders against their Outstanding dues. Subsequently the Company's request to Bombay Stock Exchange for revocation of Suspension in Trading of Company's Shares was accepted. The Company has obtained permission from Bombay Stock Exchange for conversion of Shares in Dematerialised Form. The Company applicaiton for Preferential Issue of Shares to Bombay Stock Exchange was accepted in 2011 in favor of Unsecured Creditors and promoers/co partners for Rs.425 lakhs. The paid up Capital of the Company Increased from Rs.225 lakhs to Rs.450 lakhs. After the above preferential Issue the Company's Net Worth Converted from Negative to a Positive Net Worth. The Company has Become a Debt free Company. Rajkamal Synthetics is presently engaged in trading of Textiles, Synthetics and allied businesses. The Company has successfully been able to become a Zero Debt Company and it can even after the Adverse circumstances it has encountered it has been able to resume its Business Activities. The Company so as to tide over its present position is in also conternplating to engage in Marketing and Manufacturing of above activities.

The Company has during the year managed to earn Net Profit before of Rs.2.41 laksh. Thus as it would be observed that tehre is a consistency in earning of profits of the Company over the past two years and the Company is confident that it will be able to turn corner in very near future.

## **Opportunities**

Since your Company is in a Product range of Trading in Textiles, Synthetics and Allied activities, the Company is confident that with a better Mix of Products and Activites and with present infusion of Capital the Company can achieve good Results and pay back its investors in very near future.

## **Threats, Risks and concerns**

The Company has to depend on Trading of products which are not being directly manufactured in a way there is threat that the Company is creating market for its competitors. Thus this is a risk and concern which would mitigate once the Company starts its own manufacturing activities.

## **Risk Management**

Rajkamal's Risk mitigating initiatives is a result of its detailed risk management framework that comprises prudent norms, structured reporting and control. The risk management approach conforms to the Company's Strategic direction, in line with Shareholders desired returns and its desired risk appetite.

## **Internal Control Systems and its adequacy**

The Company has a policy of reviewing and if necessary revising its systems and procedures to ensure controls at appropriate levels. All operating parameters are periodically monitored and strengthened. The Audit committee of the Board of Directors reviews and effectiveness of internal controls and suggests improvements for strengthening them whenever required.

## **Development of Human Resources**

The Company endeavors to keep work place and working environment cheerful by having good HR practices, implementation of various welfare Schemes, celebration of certain events by having active participation of all employees, developing leadership qualities amongst them etc. The Company aims to retain deserving employees who can also be nurtured to take Leadership roles. The Company has been aiming to have behavioral as well as technology related training programmes to improve the general attitude and also to upgrade the competency of the employees.

## **Corporate Social Responsibility**

The Company is flagship organization of Rajkamal Group of Companies. The Group is alive to and collectively undertake its corporate Resonsibility towards society. The Group has continued to carry out socially beneficial activities.

## **Cautionary Statements**

Certain statements in the Management Discussion and Analysis Report relating to the Company's objectives, projections, outlook, expectations estimates etc may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results may differ from such expectations, projections etc whether express or implied. Several factors could make significant difference to the Company's operations. These include climatic conditions, economic conditions affecting demand and supply, government regulations and taxation, natural calamities and other force majeure conditions etc. over which the company has no control.

## **CEO/CFO CERTIFICATE :**

We (1) Sheodutt B. Sanghai, CEO and the Managing Director of Rajkamal Synthetics Limited hereby certify that :

- a) We have received financial statement and the Cash Flow statement for the year 31st March, 2012 and that to the best of our knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statement that may be misleading ;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transaction entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept the responsibility for establishing and maintaining Internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining and we have disclosed to the Auditors and the Audit committee deficiencies in the design of operation of such internal controls, if any of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit committee.
  - (i) Significant changes in the internal control over financial reporting during the year.
  - (ii) Significant changes in the accounting policies during the year and that the same have been disclosed in the financial statements; and
  - (iii) There are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : Mumbai

Dated : 7th August, 2012

**(SHEODUTT SANGHAI)**  
CHAIRMAN AND MANAGING DIRECTOR

## **Certificate on Compliance of Conditions of Corporate Governance under Clause 49 of the Listing Agreement.**

TO THE MEMBERS OF RAJKAMAL SYNTHETICS LIMITED.

We have examined the compliance of conditions of Corporate Governance by Rajkamal Synthetics Limited, for the year ended on 31st March, 2012, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange.

The compliance of condition of Corporate Governance is the responsibility of the management. Our examination was limited to procedure and implementation there of, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. In our opinion and to the best of our information and according to the explanation as given to us, we certify Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that in respect of investor's grievance received during the year ended ended on 31st March, 2012, the Registrar and Share Transfer Agents of the Company have certified that as at 31st March, 2012, there were no investor's grievances remaining unattended / pending for more than 30 days.

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

Place : Mumbai

Dated : 7th August, 2012

**A. L. Makhija :-**  
Membership No. 5087  
Practising Company Secretary, C.P. No. 3410,

# RAJKAMAL SYNTHETICS LIMITED

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## AUDITORS' REPORT TO THE MEMBERS OF M/S. RAJKAMAL SYNTHETICS LIMITED

We have audited the attached Balance Sheet of M/S. RAJKAMAL SYNTHETICS LIMITED, for the year ended 31st March, 2012, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our Audit.

We conducted our Audit in accordance with Auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amount and disclosures in the financial statements. An audit includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956 we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said order.

Further to our comments in the Annexure referred to above, we report that :-

- (i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (ii) In our opinion, proper Books of Account as required by the law have been kept by the Company so far as appears from our examination of those books;
- (iii) The Balance Sheet and the Profit & Loss Account and the cash flow statement dealt with by this report are in agreement with the Books of Accounts;
- (iv) In our opinion, the Balance Sheet, Profit and Loss Account and the Cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
- (v) On the basis of written representations received from the directors, as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2012, from being appointed as a director in terms of clause (g) of Sub-section (1) of section 274 of the Companies Act, 1956:
- (vi) *The Company incurred a net profit of Rs.1,64,231/- during the year ended March 31, 2012 and total liabilities exceeded from its total assets by Rs.55,105,678/- The Company has repaid part of its secured loan. For the revival of the company, Company has started its business activities and management is confident in its revival.***
- (vii) Subject to the above, and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principle generally accepted in India:
  - (i) In the case of Balance Sheet of the State of affairs of the Company as at 31st March, 2012
  - (ii) In the case of the Profit and Loss Account of the Profit of the Company for the year ended on that date; and
  - (iii) In case of Cash Flow Statement, of the cash flow for the year ended on that date.

PLACE : MUMBAI  
DATED : 7th August, 2012

For **N. K. JALAN & CO.**,  
CHARTERED ACCOUNTANTS  
(N.K. JALAN)  
PROPRIETOR

## **ANNEXURE TO THE AUDITORS'S REPORT**

### **(REFERRED TO IN PARAGRAPH-2 OF OUR REPORT OF EVEN DATE)**

- (i) There are no fixed Assets with the Company.
- (ii) There is no stock with the Company.
- (iii) (a) The company has given advances in the nature of loan.  
(b) The company had taken loan from two parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs 55,00,000 / - and the year-end balance of loan taken from such parties was Rs. NIL.  
(c) In our opinion, the rate of interest and other terms and conditions on which loans have been taken from/granted to companies, firms or other parties listed in register maintained under section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the company.  
(d) There is no overdue amount of loans taken from directors or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- (iv) According to information given to us we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) (a) According to the information and explanation given to us, we are of the opinion that the transactions that needed to be entered have been entered in the register maintained under section 301 of the Companies Act, 1956.  
(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975. The Company has not accepted deposits from the public.
- (vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (viii) The Company is not required to maintain cost records u/s. 209(1) (d) of the Companies Act, 1956. Accordingly the provision of clause 4(viii) of the order 2003 is not applicable to this Company.
- (ix) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, custom duty, excise duty and other statutory dues applicable to it.  
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty, excise duty were in arrears, as at 31<sup>st</sup> March, 2012 for a period of more than six months from the date they became payable  
(c) According to the information and explanations given to us, there are no dues of sales tax, custom duty, income tax wealth tax, excise duty and cess which have not been deposited on account of any dispute.
- (x) In our opinion, the accumulated losses of the company are more than fifty percent of its net worth. The company has earned profits in the current year and in the immediate preceding year..
- (xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to bank.
- (xii) The company has not granted any advances in the nature of loans on the basis of security by way of pledge of shares or other securities.
- (xiii) In our opinion, the company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Orders, 2003 is not applicable to this company.
- (xiv) In our opinion, the company is not dealing in or trading in share, securities, debentures and other investments, hence; the clause (xiv) of the order is not applicable.
- (xv) According to the information and explanation given to us, the company has not given any guarantees for loans taken by others from banks or financial institutions. Hence, the clause (xv) of the order is not applicable.
- (xvi) In our opinion, there is no Term Loan taken by the Company during the year.
- (xvii) According to the informations and explanations given to us and on an overall examination of the balance sheet of the company, we report that there are no funds raised on short-term basis that have been used for long-term investment. No long-term funds have been used to finance short-term assets.
- (xviii) The Company has made any preferential allotment of shares during the year.
- (xix) During the period covered by our audit, the company has not issued any debentures. Hence, the clause (xix) of the Order is not applicable.
- (xx) The Company has not raised any money by public issue during the period covered by our audit. Accordingly, the provision of clause 4(xx) of the order,
- (xxi) Accordingly to the information and explanations given to us, no fraud on or by the company has been noticed during the course of our audit.

**FOR N. K. JALAN & CO.,**  
CHARTERED ACCOUNTANTS.  
FIRM NO. 104019W

PLACE : MUMBAI.

DATED : 7th August, 2012

(N.K. JALAN) PROPRIETOR  
Membership No. 11878

# RAJKAMAL SYNTHETICS LIMITED

M/s. RAJKAMAL SYNTHETICS LIMITED  
Balance Sheet as at 31 March, 2012

Particulars	NOTE NO.	CURRENT YEAR Rs.	PREVIOUS YEAR Rs.
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
(a) Share Capital	2.1	65,000,000	22,500,000
(b) Reserves and Surplus	2.2	-55,105,678	-54,120,994
<b>2 Non-current liabilities</b>			
(a) Long - Term Borrowings	2.3	337,680	31,609,488
<b>3 Current Liabilities</b>			
(a) Trade payables	2.4	115,248	77,412
(b) Short - Term Provisions	2.5	—	46,770
<b>TOTAL</b>		<b>10,347,250</b>	<b>112,676</b>
<b>B ASSETS</b>			
<b>Current Assets</b>			
(a) Cash and Cash Equivalents	2.6	24,307	112,676
(b) Short Term Loans & Advances	2.7	10,322,943	—
<b>Notes To Accounts &amp; Significant Accounting Policies</b>	<b>1 &amp; 2</b>		
<b>TOTAL</b>		<b>10,347,250</b>	<b>112,676</b>

As per our report of Even Date

**For N. K. JALAN & CO.**  
Firm Reg. No. : 104019 W  
Chartered Accountants

**For RAJKAMAL SYNTHETICS LIMITED**

**CA N K JALAN**  
PROPRIETOR  
Mem. No. 11878

Place : Mumbai  
Date : 7th August, 2012

**Sheodutt Sanghai**  
Director

**Sushil Sanghai**  
Director

**Rajendra Nangalia**  
Director

## 31st ANNUAL REPORT 2011-2012

### Statement of Profit & Loss for the year ended 31 March, 2012

Particulars	NOTE NO.	CURRENT YEAR Rs.	PREVIOUS YEAR Rs.
<b>A CONTINUING OPERATIONS</b>			
1 Revenue from operations (gross)	2.8	-	13,897,317
Less : Excise Duty		-	-
Revenue from operations (Net)		-	13,897,317
2 Other Income	2.9	896,383	84,468
<b>3 Total Revenue (1+2)</b>		<b>896,383</b>	<b>13,981,785</b>
<b>4 Expenses</b>			
(a) Purchases of stock-in-trade	2.10	-	13,288,164
(b) Employee benefits expenses	2.10	138,641	139,420
(c) Other Expenses	2.10	517,091	311,515
<b>Total Expenses</b>		<b>655,732</b>	<b>13,739,099</b>
5 Profit / (Loss) before exceptional and extraordinary items and tax (3-4)		240,651	242,686
6 Tax Expense:			
(a) Current Tax expenses for current year		73,440	46,770
(b) Tax Adjustment relating to prior year		2,980	23,570
<b>7 Profit / (Loss) from continuing operations</b>		<b>164,231</b>	<b>172,346</b>
<b>8 Profit / (Loss) for the year</b>		<b>164,231</b>	<b>172,346</b>
Particulars	NOTE NO.	CURRENT YEAR Rs.	PREVIOUS YEAR Rs.
<b>9.i Earning per share (of Rs.10/- each):</b>			
(a) Basic			
(i) Continuing operations		0.03	0.08
(ii) Total Operations		0.03	0.08
(b) Diluted			
(i) Continuing operations		0.03	0.08
(ii) Total Operations		0.03	0.08
<b>9.ii Earnings per share (excluding extraordinary items) (of Rs.10/- each):</b>			
(a) Basic			
(i) Continuing operations		0.03	0.08
(ii) Total operations		0.03	0.08
(b) Diluted			
(i) Continuing operations		0.03	0.08
(ii) Total operations		0.03	0.08
As per our report of Even Date		<b>For RAJKAMAL SYNTHETICS LIMITED</b>	
<b>For N. K. JALAN &amp; CO.</b>			
Firm Reg. No. : 104019 W			
Chartered Accountants			
<b>CA N K JALAN</b>			
PROPRIETOR			
Mem. No. 11878			
Place : Mumbai		<b>Sheodutt Sanghai</b>	<b>Sushil Sanghai</b>
Date : 7th August, 2012		Director	Director
		<b>Rajendra Nangalia</b>	
		Director	

# RAJKAMAL SYNTHETICS LIMITED

## NOTE 2.1 - SHARE CAPITAL NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2012

Particulars	CURRENT YEAR		PREVIOUS YEAR	
	Number of Shares	Rs.	Number of Shares	Rs.
(a) Authorised Equity Shares of Rs.10 each	7,000,000	70,000,000	7,000,000	70,000,000
(b) Issued # Equity shares of Rs.10 each	6,500,000	65,000,000	2,250,000	22,500,000
(c) Subscribed and fully paid up Equity Shares of Rs.10 each	6,500,000	65,000,000	2,250,000	22,500,000
<b>Total</b>	<b>6,500,000</b>	<b>65,000,000</b>	<b>2,250,000</b>	<b>22,500,000</b>

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

Class of Shares / Name of Shareholder	CURRENT YEAR		PREVIOUS YEAR	
	Number of Shares held	% holding in that class of shares	Number of Shares held	% holding in that class of shares
Sushil Sanghai	377,625	5.81	--	--
Sheoduttrai Sanghai	368,775	5.67	--	--
Acolyte Infrastructure & Mining Ltd.	600,000	9.23	--	--
Plaza Diamond Properties P. Ltd.	350,000	5.38	--	--
Brejeshwari Trading & Investment Ltd.	365,079	5.62	125,079	5.56
Aajiwan Industries Ltd.	560,000	8.62	--	--
Paramount Minerals & Chemicals Ltd.	420,000	6.46	--	--
Gyaneshwar Infrastructure P. Ltd.	480,000	7.38	--	--
Decent Housing Pvt. Ltd.	420,000	8.00	--	--
Acolyte Properties Pvt. Ltd.	330,000	5.08	--	--

The company has only one class of shares referred to as Equity shares having a par value of Rs.10/- each and holder of equity share is entitled to one vote per share.

The company increased its issued share capital by issuing 42,50,000 shares of Rs.10 each to the Unsecured Loan Parties as against the amount pending for repayment.

### Note 2.2 Reserve and Surplus

Particulars	CURRENT YEAR	PREVIOUS YEAR
	Rs.	Rs.
(a) Surplus / (Deficit) in Statement of Profit and Loss		
Opening Balance	(54,120,994)	(54,798,438)
Add: Profit / (Loss) for the year	164,231	172,346
Amounts transferred from Investment Reserve	--	369,390
Less : Capital Receipts Remission on Debentures	<b>(1,148,915)</b>	<b>135,708</b>
Closing Balance		
<b>Total</b>	<b>(55,105,678)</b>	<b>(54,120,994)</b>

### Note 2.3 Long Term Borrowings

Particulars	CURRENT YEAR	PREVIOUS YEAR
	Rs.	Rs.
(a) Debentures		
Unsecured	337,680	2,116,288
(b) Loans and Advances from related parties		
Unsecured	--	--
Loan from Directors	--	500,000
from Others	--	28,993,200
<b>Total</b>	<b>337,680</b>	<b>31,609,488</b>

## 31st ANNUAL REPORT 2011-2012

### Note 2.4 Trade payables

Particulars	CURRENT YEAR	PREVIOUS YEAR
	Rs.	Rs.
Trade payables:		
Acceptances	115,248	77,412
Other than Acceptances	--	--
<b>Total</b>	<b>115,248</b>	<b>77,412</b>
Balance of Creditors are subject to confirmation and/or Reconciliation/consequential adjustments if any.		

### Note 2.5 Short Term Provisions

Particulars	CURRENT YEAR	PREVIOUS YEAR
	Rs.	Rs.
Provision for Tax	--	46,770
<b>Total</b>	<b>--</b>	<b>46,770</b>

As certified by the Management Contingent Liabilities are not provided for Rs. 39827 (P.Y. Rs.39827) in respect of ESIC matter in dispute and pending in appeal.

No provision has been made for interest on unsecured loan from Directors as the management has decided to account for the same on payment basis.

### Note 2.6 Cash and Cash Equivalents

Particulars	CURRENT YEAR	PREVIOUS YEAR
	Rs.	Rs.
(a) Cash on hand	4,062	703
(b) Balances with banks		
(i) in current accounts	20,245	111,973
<b>Total</b>	<b>24,307</b>	<b>112,676</b>

### Note 2.7 Short Term Loans & Advances

Particulars	CURRENT YEAR	PREVIOUS YEAR
	Rs.	Rs.
Net Advance Tax (Less of Provision)	16,199	--
Other Advances	10,306,744	--
<b>Total</b>	<b>10,322,943</b>	<b>--</b>

### Note 2.8 Revenue from Operations

Particulars	CURRENT YEAR	PREVIOUS YEAR
	Rs.	Rs.
Sales	--	13,897,317
<b>Total</b>	<b>--</b>	<b>13,897,317</b>

### Note 2.9 Other Income

Particulars	CURRENT YEAR	PREVIOUS YEAR
	Rs.	Rs.
Sundry Balance W/Off	--	84,468
Interest	896,383	--
<b>Total</b>	<b>896,383</b>	<b>84,468</b>

# RAJKAMAL SYNTHETICS LIMITED

## Note 2.10 Purchase of traded goods

Particulars	CURRENT YEAR	PREVIOUS YEAR
	Rs.	Rs.
Purchases	--	13,288,164
<b>Total</b>	<b>--</b>	<b>13,288,164</b>

## Note 2.10 Employee benefit expenses

Particulars	CURRENT YEAR	PREVIOUS YEAR
	Rs.	Rs.
Employee Remuneration	138,641	139,420
<b>Total</b>	<b>138,641</b>	<b>139,420</b>

## Note 2.10 other expenses

Particulars	CURRENT YEAR	PREVIOUS YEAR
	Rs.	Rs.
Audit Fees	22,472	27,575
Advertisement & Publicity	34,990	32,326
Printing and Stationery	55,461	33,947
Postage & Telegram	65,744	32,266
Travelling & Conveyance	4,082	3,408
General Expenses	52,594	50,556
Legal & Professional Fees	48,515	29,000
Listing Fees	137,875	13,788
Demat Charges	30,884	--
Share transfer maintenance Charges	64,474	88,649
<b>Total</b>	<b>517,091</b>	<b>311,515</b>

## Notes : (1)

Particulars	CURRENT YEAR	PREVIOUS YEAR
	Rs.	Rs.
(i) Payment to the auditors comprises (Net of service tax input credit, where applicable): As auditors - Statutory Audit	22,472	27,575
<b>Total</b>	<b>22,472</b>	<b>27,575</b>

## M/S. RAJKAMAL SYNTHETICS LIMITED.

### Company Overview :

Rajkamal Synthetics (RAJKSYN), incorporated on May 02, 1981 as a private limited company, was engaged in the business of manufacturing and marketing textiles and synthetic fabrics, cotton-cum-synthetic textiles but has stopped operations since 1993-1994. Earlier known as Balaji Prints, it got its present name in 1986. .

### 1. SIGNIFICANT ACCOUNTING POLICIES

(i) Basis of Preparation of financial statements:

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed by the Companies (Accounting Standards) Rules, 2006, the provisions of the Companies Act, 1956 and guide lines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or are vision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(ii) Revenue Recognition:

Expenses and Income considered payable and receivable respectively are accounted for on accrual basis except when no significant uncertainty as to determination or realization exists

(iii) Debenture Redemption Reserve :

As per the guidelines issued by the Ministry of Finance on 14th January, 1987, a Debenture Redemption Reserve is to be created by Companies raising resources through Debentures. The Company is of the view that these guidelines are not applicable to the Issue of Debentures opened prior to 14th January, 1987 and has therefore not created a Debenture Redemption Reserve.

(iv) Retirement and other Employee Benefit:

- (a) There is no defined contribution scheme prevailing in the Company except Gratuity.
- (b) Provision in respect of leave encashment is recognized as an Expense in Profit & Loss Account for the period in which the Employee has rendered services.
- (c) Expenses in respect of other short term benefit are recognized on the basis of the amount paid or payable for the year for which the services are rendered by the employee.

(v) Taxation:

Income Tax expenses is accrued in accordance with AS22 'Accounting for Taxes on Income' which includes current taxes and deferred taxes. Deferred income taxes reflects the impact of current year timing difference between taxable income and accounting income for the year. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable Income will be available.

(vi) Contingent Liability:

Contingent Liabilities are not provided for and are disclosed separately by way of notes.

AS PER OUR REPORT OF EVEN DATE  
FOR N. K. JALAN & CO.  
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD

(Sheodutt Sanghai)  
Director

(Sushil Sanghai)  
Director

(Rajendra Nangalia)  
Director

(N. K. JALAN) PROPRIETOR

Place: Mumbai.  
Dated: 7th August, 2012

# RAJKAMAL SYNTHETICS LIMITED      31st ANNUAL REPORT 2011-2012

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	CURRENT YEAR Rs.	PREVIOUS YEAR Rs.
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	240,651	242,686
Adjustments to reconcile profit before tax to cash provided by operating activities		
Depreciation and Amortisation Expense	--	--
Interest Received	896,383	--
Opening Profit before Working Capital Changes	-655,732	242,686
Changes in Assets and Liabilities		
Trade Payables	37,836	(6,000,255)
Income taxes paid	139,389	211,140
<b>NET CASH GENERATED BY OPERATING ACTIVITIES</b>	<b>(757,285)</b>	<b>(5,968,709)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payment towards Capital Expenditure	--	--
Purchase of Investment	--	--
Interest and dividend received	896,383	--
<b>CASH FLOWS FROM INVESTING ACTIVITIES BEFORE EXCEPTIONAL ITEM</b>	<b>896,383</b>	<b>--</b>
Dividend Income, net of taxes	--	--
<b>NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES</b>	<b>896,383</b>	<b>--</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Unsecured Loan Repaid	-31,271,808	5,888,071
Increase in Capital	42,500,000	--
Loan Given to Parties	-10,306,744	--
Capital Receipts Remission on Debentures	-1,148,915	135,708
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>-227,467</b>	<b>6,023,779</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>-88,369</b>	<b>55,070</b>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	112,676	57,606
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	24,307	112,676

As per our report of Even Date

**For N. K. JALAN & CO.**

Firm Reg. No. : 104019 W

Chartered Accountants

**For RAJKAMAL SYNTHETICS LIMITED**

**CA N K JALAN**

PROPRIETOR

Mem. No. 11878

Place : Mumbai

Date : 7th August, 2012

**Sheodutt Sanghai**

Director

**Sushil Sanghai**

Director

**Rajendra Nangalia**

Director

**RAJKAMAL SYNTHETICS LIMITED**

Regd. Office : Diamond Plaza, 391, Dr. D. B. Marg, Mumbai - 400 004.

**ATTENDANCE SLIP**

To be handed over at the Entrance of the Meeting Hall.

Name of the attending Member  
(In Block Letters)

Member's Registered  
Folio Number

Name of Proxy (in Block Letters)  
(To be filled in by the Proxy in attends instead of the Member)

No. of Share held \_\_\_\_\_

I hereby record my presence at the 31st Annual General Meeting at the Mumbai - 400 004.  
Saturday 29th September, 2012 at 10.30 a. m.

\_\_\_\_\_  
( Member's / Proxy's Signature )

(To be signed at the time of handing over his / her slip)

**RAJKAMAL SYNTHETICS LIMITED**

Regd. Office : Diamond Plaza,391, Dr. D. B. Marg,Mumbai - 400 004.

FORM OF PROXY

FOLIO NO.

I/We \_\_\_\_\_ of \_\_\_\_\_

being a Member / Members of the above named Company hereby appoint \_\_\_\_\_

\_\_\_\_\_ of \_\_\_\_\_ or failing him

\_\_\_\_\_ of \_\_\_\_\_ or failing him

\_\_\_\_\_ of \_\_\_\_\_ as my/our

proxy to vote of me/our behalf at the 31st Annual General Meeting of the Company to be held Saturday  
the 29th September, 2012.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2012.

Affix  
One Rupee  
Revenue  
Stamp

**Note :** This instrument of Proxy shall be deposited at the Registered Office of the Company not less than 48  
(FORTY EIGHT) hours before the time of holding the Meeting.





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*If undelivered please return to :*  
**SATELLITE CORPORATE SERVICES PVT. LTD.**  
**(Unit - RAJKAMAL SYNTHETICS LTD.)**  
B-302, Sony Apt., Opp. St. Jude's High School,  
Off Andheri Kurla Road, Jarimari, Sakinaka,  
Mumbai-400072. Tel. : 28520461/62