

RISHAB SPECIAL YARNS LIMITED

25th ANNUAL REPORT 2012-2013

BOARD OF DIRECTORS :

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

AUDITORS :

**JAIN SHRIMAL & CO.
CHARTERED ACCOUNTANTS**

REGISTERED OFFICE :

**2070, RASTA BARA GANGORE
JAIPUR - 302 003**

Rishab Special Yarns Ltd. 25th Annual Report – 2012-13

NOTICE

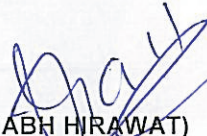
NOTICE is hereby given that Twenty Fifth Annual General Meeting of the Company will be held on Saturday the 28th September 2013 at 12.00 Noon at the Registered Office of the Company at 2070, Rasta Bara Gangore, Jaipur-302 003 (Rajasthan) to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt audited Balance Sheet as at 31st March, 2013 and the Profit & Loss account for the year ended on that date, along with the Reports of Directors and Auditors there on.
2. To appoint a Director in place of Shri Pradeep Loiwal , who retires by rotation and is eligible for reappointment.
3. To appoint a Director in place of Shri Chandra Mohan Khandelwal, who retires by rotation and is eligible for reappointment
4. To appoint auditors and fix their remuneration.

FOR AND ON BEHALF OF THE BOARD

Registered Office :
2070, Rasta Bara Ganagore,
Jaipur - 302003
Dated : 02/09/2013


(AMITABH HIRAWAT)
MANAGING DIRECTOR

Notes :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
The instrument appointing a proxy and the power of attorney, if any, under which it is signed, should be deposited at the registered office of the Company not less than 48 hours before the time for holding the Annual General Meeting.
2. The Register of Members and Share Transfer books of the Company will remain closed from 24th September to 28th September , 2013 (both days inclusive)
3. All documents referred to in Notice are open for inspection at the Registered Office of the Company during office hours on all working days, except holidays between 11.00 a.m. and 1.00 p.m. up to the date of meeting.
4. The members are requested to notify change of their addresses, if any, at the Registered Office of the Company without any delay.
5. The work of share transfer is presently done by the Company itself at its Registered Office.
6. The ministry of corporate affairs (MCA), government of India, through its circular No. 17/2012 dated 23rd July 2012 has directed companies to upload on the companies website informations regarding unpaid and unclaimed dividend.
In terms of the circular, the company has uploaded the details of unpaid and unclaimed dividend on its website and the same can be viewed as www.rishabspecial.com
7. a) Members are requested to notify immediately any change of address to the company or its RTA together with a proof of address viz : Electricity bill, Telephone bill, Ration card, Voter ID card, Passport, Aadhar card etc.
b) members are requested to provide their pincode if not mentioned in the address given on the annual report.
8. As per the provisions of the Act, facility for making nominations is now available to Individuals holding shares in the company. Members may obtain the nomination form from the company's registered office or its RTA or can download the form from company's website viz. www.rishabspecial.com

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9. In terms of circulars issued by SEBI, it is now mandatory to furnish a copy of PAN card to the company or it's RTA in the following cases viz. transfer of shares, deletion of name, transmission of shares and transposition of shares. Shareholders are requested to furnish copy of PAN card for all the above mentioned transactions.
10. The MCA, Government of India, through it's circular nos. 17/2011 dated 21st April 2011 and 18/2011 dated 29th April 2011, respectively has allowed companies to send documents viz. Notice of meetings, Annual reports and other shareholders communication to their shareholders electronically as part of its Green initiatives in corporate governance.

The listing agreement with stock exchanges also permits sending the afresaid documents through electronic mode to members who have registered their email address with the company for this purpose. The company supports the measures in the Green Initiative. Members are also requested to join the company in this initiative by registering their email ID with the company or it's RTA. A green initiative form can be downloaded from the company's website viz. www.rishabspecial.com for registering the email ID.

11. Members who holds shares in multiple folios is identical names or joint holding in the same order of names are requested to send the share certificate to the company for consolidation into single folio.
12. Non resident Indian Members are requested to inform company immediately of change in their residential status on return to India for permanent settlement.
13. As required under clause 49 (vi) of the Listing Agreement, brief resume including experience, other Directorship and Committee membership of the person proposed for reappointment as director is given below :

SHRI PRADEEP KUMAR LOIWAL

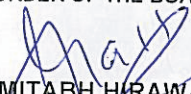
Date of Birth	:	12.06.1957
Date of Appointment	:	26.12.2005
Education	:	B.E.
Experience	:	34 Years in Business & Industry
Other Directorship	:	Nav Bharat Machineries Pvt. Ltd. Thar Akshay Urja Pvt. Ltd.
Committee membership	:	3
Committee Chairmanship	:	Nil

SHRI CHANDRA MOHAN KHANDELWAL

Date of Birth	:	14 -11-1956
Date of Appointment	:	11-07-2011
Education	:	B.Com., L.L.B.
Experience	:	30 Years in Business
Other Directorship	:	Shree Shine Glass Stones Pvt. Ltd.
Committee membership	:	2
Committee Chairmanship	:	1

Registered Office :
2070, Rasta Bara Gangore
Jaipur - 302003
Dated : 02/09/2013

BY ORDER OF THE BOARD


(AMITABH HIRAWAT)
MANAGING DIRECTOR

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DIRECTORS' REPORT

TO

The Members of

RISHAB SPECIAL YARNS LIMITED

JAIPUR

The Board of Directors here with presents the Twenty Fifth Annual Report together with Audited Statement of Accounts of the Company for the year ended on 31st March, 2013.

FINANCIAL RESULTS

	Amount in rupees	
	2013	2012
Net Sales/ Income From Operations	-	-
Other Income	594931	886000
Profit/(Loss) before depreciation, finance cost, exceptional items & taxes.	(102503)	66990
Less: Finance Cost	1192	3695
Profit/(Loss) before depreciation, exceptional items & taxes.	(103695)	63295
Less : Depreciation	-	417053
Profit/(Loss) before exceptional items & taxes	(103695)	(353758)
Exceptional items : Profit on sale of land & building	4559379	-
Profit/(Loss) before tax	4455684	(353758)
Provision for Taxation	-	-
Profit/ (Loss) after tax	4455684	(353758)
Balance Brought forward from the last year	(110507811)	(110154053)
Balance Carried to Balance Sheet	(106052127)	(110507811)

PERFORMANCE : Due to financial constraints, manufacturing activities stand discontinued. During the year under review company has earned a profit of Rs. 44.56 lakhs on sale of extra land, the company has now been able to pay off all its secured lenders and can now look forward to a new beginning. The management is examining various options to gainfully utilize factory assets at Abu Road.

FUTURE PROSPECTS : The company is in process of examining the possibility of starting some business to utilize the existing assets gainfully. The proposed activities shall be finalized and implemented based on final view of board and availability of funds. Also, company is considering reviving of the activity of texturising of polyester yarn (part of existing business) but stands deferred till change in indirect tax structure or GST regime, is made applicable, at a new location identified by the management. As soon as the management is able to finalize any business plans, it shall keep the valued shareholders informed through available mode of communications.

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

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

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

FIXED DEPOSITS : The company has not accepted any fixed deposit from the public within the meaning of Section 58-A of Companies Act, 1956 and the Companies (Acceptance of Deposit) Rules, 1975 during the year.

DEPOSITORY SYSTEM : The company's shares are not tradable in electronic form. Although the company has appointed Share Transfer Agent but the formalities of dematerialisation are yet to be completed. As soon as this is done, trading of company's shares shall commence in demat form.

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DIRECTORS : Shri Chandra Mohan Khandelwal and Shri Pradeep Loibal, Directors of the Company retire by rotation pursuant to Section 256 of the Companies Act, 1956 and being eligible offer himself for reappointment.

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

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

DIRECTORS RESPONSIBILITY STATEMENT

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

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

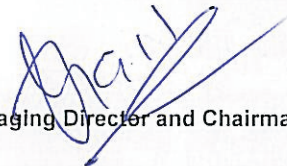
CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO : Information in accordance with Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in Report of Board of Directors) Rules, 1988 are set out in Annexure-IV forming part of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

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

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

Jaipur -
Date : 30/05/2013

For & on behalf of the Board of Directors


Managing Director and Chairman

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ANNEXURE - 1

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

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

Declaration for Compliance with Code of Conduct : Pursuant to clause 49 1 (D) of the Listing Agreement with the Stock Exchanges, it is hereby declared that all Board Members and senior Management team of the Company have affirmed compliance with the company's code of conduct for the financial year ended 31st March, 2013.

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

Board of Directors : The Board of Directors consists of 4 directors (One Managing Director and Three Non Executive Directors out of which two are independent Directors). During the year Board Meetings were held on 15 May 2012, 13 August 2012, 01 November 2012, 14 November 2012, 12 December 2012, 14 February 2013 and one resolution passed by circulation on 09 October 2012. The Board was presented with the relevant and necessary information at its meetings. The attendance of each Director at the Board Meeting during the year and at the last Annual General Meeting and Extra Ordinary General Meeting and also the other Companies and Committees where he is a director/member is tabulated below:

Name of Directors	Category	Attendance Particulars		No of other Directorship and Committee Member/Chairmanship		
		Board Meeting	Last AGM/ EOGM	Other Directorship	Committee Membership	Committee Chairmanship
Sh. Amitabh Hirawat	Managing Director & Promoter	6	Yes	5	1	-
Sh. Chandrā Mohan Khandelwal	Non Executive Director & Promter	6	Yes	1	2	1
Sh. Pradeep Loiwal	Non Executive Independent Director	6	Yes	2	3	-
Sh. Kamal Kishore Kalani	Non Executive Independent Director	3	Yes	-	1	1

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

Name of Directors	Category of Directorship & Designation	Qualifications	No. of Meeting Attended
Sh. Chandra Mohan Khandelwal	Non Executive Member of the Committee	B.Com., LLB	4
Sh. Pradeep kumar Loiwal	Independent, Non Executive Member of the Committee	B.E.	2
Sh. Kamal Kishore Kalani	Independent, Non executive Chairman of the committee	B.Com., F.C.A.	4

During the year under review, the audit committee met 4 times on 15.05.2012, 13.08.2012, 14.11.2012 and 14.02.2013. Its meetings were also attended by the Managing Director and the Statutory Auditors.

The Chairman of the audit committee along with other members attended the last Annual General Meeting of the company held on 28th September, 2012.

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

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

Share holding of the Directors in the company as on 31st March, 2013

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

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

Besides seeking general information pertaining to status of Company, listing of shares of the Company, Price of the Shares quoted at Stock Exchanges, reasons of non trading of Company's Shares, position of dematerialisation of company shares, total 5 complaints were received. The complaints were resolved to the satisfaction of the shareholders and no complaint was pending as on 31.03.2013.

During the year 3 meetings of share transfer committee/investor's grievance committee were held on 10.10.2012, 10.12.2012, and 06.02.2013, and 4400 shares of 19 share holders were transferred.

Compliance Officer : Amitabh Hirawat - Managing Director

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

AGM/EOGM	Date	Time	Venue	No. of Special Resolution passed
22nd AGM	30.09.2010	12 Noon	2070, Rasta Bara Gangore, Jaipur-302003	-
23rd AGM	11.07.2011	12 Noon	2070, Rasta Bara Gangore, Jaipur-302003	1 No.
24 th AGM	28.09.2012	12 Noon	2070, Rasta Bara Gangore, Jaipur-302003	2 Nos.

Resolution Passed By Postal Ballot : We wish to inform the shareholders that pursuant to Section 192 A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011 your company has passed two Special Resolution for the alteration in Main Object Clause and Other Object Clause of the Memorandum of Association of the company by way of Postal Ballot and Notice for the same was sent on 05.09.2012. The last date for receipt of postal ballot forms, duly completed by the shareholders in self addressed postage pre-paid envelope was 15th October, 2012.

Shri C. M. Bindal, Company Secretary was appointed as the scrutinizer's for this purpose and he has given his report dated 17th October, 2012 which has been taken note of by Mr. Amitabh Hirawat, Managing Director of the Company at the registered office on October 17, 2012, according to it the shareholders of the company have accorded their assent to the Special Resolutions for the alteration of Main Object Clause and Other Object Clause of Memorandum of Association of the Company. The Detail of voting on the Special Resolution through Postal Ballot is given hereunder:

S. No.	Particular	No. of Postal Ballots	No. of Shares Voted	%Age of Valid Votes Casted
1	No. of Total Votes		3560700	-
2	Total Votes Casted/Postal Ballots Received from the Shareholders	32	1569670	-
3	Total Valid votes casted	32	1569670	-
4	Invalid Postal Ballots/Votes	Nil	Nil	-
5	Total Votes in favour of both the resolutions	32	1569670	100%
6	Votes against the Resolutions	Nil	Nil	-

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The above detail clearly shows that both the Special Resolutions have been approved by the requisite majority. The company has adopted the procedure given in the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011.

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

There were no instances of material non-compliance and no major strictures or penalties imposed on the company either by SEBI, Stock Exchange or any statutory authorities on any matter related to capital markets during the last three years. An amount of Rs. 99,270/- was paid to BSE towards reinstatement fees during the last year.

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

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

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

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

General Shareholders' Information:

25th Annual General Meeting

Date & Time : 28th September, 2013 at 12 : 00 Noon
Venue : 2070, Rasta Bara Gangore, Jaipur-302 003

Financial Calendar for the year 2013 - 2014

Financial Year : 1st April 2013 to 31st March, 2014
First Quarter Results : Second Week of August, 2013
Second Quarter Results : Second Week of November, 2013
Third Quarter Results : Second Week of February, 2014
Yearly results (un-audited) : Second Week of May, 2014
Date of Book Closure : 24th September to 28th September, 2013
(Both days inclusive)

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

List of Stock Exchanges:

The Bombay Stock Exchange Ltd., Mumbai

The Delhi Stock Exchange Ltd., New Delhi

Jaipur Stock Exchange Limited, Jaipur

The company had paid Annual Listing fees of the Bombay Stock Exchange, Mumbai and Jaipur Stock Exchange Ltd. up to 2013-14 and to The Delhi Stock Exchange Ltd. upto 2004-05.

Scrip ID is : RISHYRN and Scrip Code is : 514177

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

Registrar and Transfer Agents : Presently there is in house Share Transfer System at the Registered office 2070, Rasta Bara Gangore, Jaipur-302 003. The company has appointed System Support Services 209, Shivai industrial Estate, Near Logitech Park, 89, Andheri Kurla Road, Saki Naka, Andheri (E), Mumbai, as Share Transfer Agents and is in the process of completing all requirements for enabling dematerialisation of its shares.

Rishab Special Yarns Ltd. 25th Annual Report – 2012-13

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

Shareholders of Rishab Special Yarns Limited with more than one percent holding at 31st March, 2013 are as under :

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

Distribution of Shareholding as at 31st March, 2013

Shareholding		Shareholders		Shares Held	
From	To	Number	% of Total	No. of Shares	% of Total
1	500	13542	98.145	1633020	45.862
501	5,000	234	1.696	295710	8.305
5001	10000	9	0.065	61300	1.722
10,001	& above	13	0.094	1570670	44.111
TOTAL		13798	100.00	3560700	100.00

Disclosure with respect to shares lying in suspense account:-

Particular	Shareholders	Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	37	3700
Number of shareholders who approached Company Rishab Special Yarns Limited for transfer of shares from suspense account during the year	37	3700
Number of shareholders to whom shares were transferred from suspense account during the year	37	3700
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	Nil	Nil

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Shareholding Pattern as on 31st March, 2013:-

Category	No of share holders		Voting Strength %		No. of Ordinary Shares	
	31.03.13	31.03.12	31.03.13	31.03.12	31.03.13	31.03.12
A. Share holding of Promoters and Promoters group						
1. Indian						
(a) Individuals/HUF	12	12	25.92	25.92	922970	922970
(b) Bodies corporate	4	4	18.31	18.31	652000	652000
2. Foreign Promoters	nil	nil	nil	nil	nil	Nil
3. Person Acting in concert	nil	nil	nil	Nil	Nil	Nil
Total A	16	16	44.23	44.23	1574970	1574970
B. Public Share holding						
1. Non-resident Indians	3	3	0.04	0.04	1400	1400
2. Bodies Corporate	22	12	0.48	0.44	17100	15600
3. Individual share holders						
(a) holding nominal share capital upto Rs. 1 Lakh	13756	13800	54.82	54.82	1952030	1953530
(b) holding nominal share capital in excess of Rs. 1 lakh	1	1	0.43	0.43	15200	15200
Total B	13782	13816	55.77	55.77	1985730	1985730
Total A + B	13798	13832	100.00	100.00	3560700	3560700

Physical / Eletronic share holding pattern : Your company 100% shares are in physical form and we are in process of demat the shares.

Note: Promoters have not Pledged their shares

Plant Location : E-38 & 39, Ambaji Industrial Area, Abu Road

The company had stopped production of Synthetic Yarn at all Units due to operations being unviable.

Address for Correspondence :

Rishab Special Yarns Limited

2070, Rasta Bara Gangore, Jaipur-302003

Rishab Special Yarns Ltd. 24th Annual Report – 2012-13

Annexure –II

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To the shareholders of Rishab Special Yarns Limited

We have examined the compliance of conditions of Corporate Governance by Rishab Special Yarns Limited for the year ended on 31st March, 2013 as stipulated in Clause 49 of the Listing Agreement of the Company with Stock Exchanges in India.

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

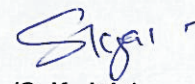
In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of corporate Governance as stipulated in the above mentioned listing agreements, which were required to be complied with up to 31st March, 2013.

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

PLACE: JAIPUR
DATED: 02/09/2013



FOR JAIN SHRIMAL & CO.
Chartered Accounts
FRN 001704C


(S. K. Jain)
PARTNER

Rishab Special Yarns Ltd. 25th Annual Report – 2012-13


DECLARATION FOR COMPLIANCE WITH CODE OF CONDUCT

To the members of RISHAB SPECIAL YARNS LIMITED

Pursuant to clause 49 1(D) of the Listing Agreement with the Stock Exchanges, I hereby declare that all Board Members and senior management personnel of the Company have affirmed compliance with the Company's Code of Conduct as applicable to them.

PLACE: JAIPUR

DATED: 30/05/2013


Amitabh Hirawat
Managing Director

Annexure –III :

REPORT ON MANAGEMENT DISCUSSION AND ANALYSIS

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

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

Opportunity and Threat :-

Opportunity: The company sees a possible opportunity of entering new businesses and is examining various business opportunities like , Granite cutting and polishing, PET Bottle recycling, polypropylene recycling and manufacturing of other plastics or synthetic products to utilize the existing land and building at Abu Road, gainfully. Also, reviving of the business activity of texturing of polyester yarn (part of existing business) at a new location identified by the management which has become a major center for consumption of textured yarn and where demand is being presently met from supplies coming from Silvaasa is still under consideration but is being deferred till GST regime become applicable.

Threat: Apart from slow down in overall economy of the world in general and of India in particular entering new business at this stage is risky and in absence of definitive introduction of GST regime, the viability of yarn manufacturing business at new locations would also be difficult.

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

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

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

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

Discussion on financial performance with respect to operational performance: The company has now been able to pay off its secured lenders. The company has discontinued its operations and now look forward to utilize its assets gainfully and is examining various options to do so out of which Granite cutting and polishing, PET Bottle recycling, Polypropylene recycling and manufacturing of other plastics or synthetic products to utilize the existing land and building of Abu Road are under active consideration.

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

Rishab Special Yarns Ltd. 25th Annual Report – 2012-13

ANNEXURE - IV :

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

A. CONSERVATION OF ENERGY :

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

B. TECHNOLOGY ABSORPTIONS:

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

C. FOREIGN EXCHANGE EARNING AND OUTGO :

Particular	(Rupees)	
	2013	2012
Earning	Nil	Nil
Outgo		
Expenditure in Foreign Currency	Nil	Nil

Annexure - V

CHIEF EXECUTIVE OFFICER (CEO) CERTIFICATION

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

(a) I have reviewed the financial statements and cash flow statement for the year ended 31-03-2013 and based on my knowledge and belief, it is stated that:

(i) These Statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading.

(ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) It is further stated that to the best of my knowledge and belief, there are no transactions entered in to by the company during the year, which are fraudulent. I hereby declare that all the members of the Board of Directors and Management Committee have confirmed compliance with the code of conduct as adopted by the company.

(c) I am responsible for establishing and managing internal controls and evaluating the effectiveness of the same over the final reporting of the company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) I have indicated, wherever applicable, to the Auditors and Audit Committee:

(i) Significant changes, if any, in the internal control over financial reporting during the year;

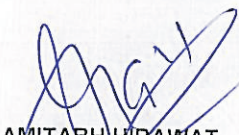
(ii) Significant changes, if any, in the accounting policies made during the year and ;

(iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the company's internal system over financial reporting.

PLACE : JAIPUR

DATE : 30/05/2013

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


AMITABH HIRAWAT
MANAGING DIRECTOR (C.E.O.)

INDEPENDENT AUDITOR'S REPORT

The Members
Rishab Special Yarns Limited
Jaipur

Report on the Financial Statements

We have audited the accompanying financial statements of Rishab Special Yarns Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

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

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013

(b) in the case of the Statement of Profit and Loss , of the profit for the year ended on that date; and

(c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

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

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

Place : Jaipur
Dated : 30.05.2013



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

(S.K.Jain)

Partner

M. No. 10145

RE : RISHAB SPECIAL YARNS LIMITED, JAIPUR

ANNEXURE TO THE AUDITOR'S REPORT
(Referred to in Paragraph 3 of our report of even date)

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of the Tangible Assets.
(b) As explained to us, the Tangible Assets have been physically verified by the management during the year at regular intervals, which in our opinion is reasonable having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.
(c) *The company has decided to discontinue the manufacturing operations due to non viability and has disposed off its entire Tangible Assets except major part of Land & Building and some Furniture. Accordingly, the going concern status of the company has affected.*
2. The Company did not have any inventory during whole of the year under audit.
3. (a) The company has not granted unsecured loans during the year to the persons specified under section 301 of The Companies Act 1956.
(d) The company has taken interest-free unsecured loans, repayable on demand, from four parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 2,25,78,117/- and the year end balance of loans taken from such parties was Rs. 2,00,85,360/-. As the loans are interest free and repayable on demand, sub clause (f) and (g) are not applicable.
4. In our opinion and according to the information and explanation give to us, there are adequate internal control procedures commensurate with the size of the company and nature of its business with regard to purchase and also for the sale of goods and services. During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal controls.
5. As explained to us, there has not been any transaction required to be entered in the register maintained under section 301 of the Companies Act, 1956 aggregating during the year to Rs. 5,00,000/- or more in respect of each such party.
6. In our opinion and according to the information and explanations given to us, the company has not accepted deposits from the public. Hence the provisions of Section 58A, 58Aa or any other relevant provisions of the Companies Act, 1956 and the Rules framed there under are not applicable.
7. As explained to us, in view of no business activities being carried on by the company, no internal audit was carried out.
8. As explained to us, there was no manufacturing activity during the year, as such the clause regarding maintenance of cost records U/s 209(1)(d) of the Companies Act, 1956 is not applicable.
9. a. The company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues with appropriate authorities, wherever applicable to it.
b. According to the information and explanations given to us, as at 31st March, 2013, except a sum of Rs. 14623/- in respect of Sales Tax, no undisputed amounts payable in respect of income tax, wealth tax, service tax, sales tax, custom duty, excise duty and cess were in arrears for a period exceeding six months from the date they become payable.



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

Name of Statute	Nature of Dues	Period to which the amount relates	Amount	Forum
Excise & Customs	Excise Duty (NCCD)	2002-2003	834610	Customs, Excise & Service Tax Appellate Tribunal
Textile Committee	Textile Committee Cess	1989-1997	826749	Rajasthan High Court

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

Place: Jaipur
Dated : 30.05.2013



FOR Jain Shrimal & CO.
CHARTERED ACCOUNTANTS
(FRN.001704C)

S.K. Jain
[S.K. JAIN]
PARTNER
(M. No. 010145)

RISHAB SPECIAL YARNS LIMITED, JAIPUR
BALANCE SHEET AS AT 31ST MARCH 2013

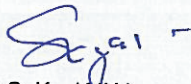
(Amount in ₹)

Particulars	Note No.	As at 31st March,2013	As at 31st March,2012
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share capital	3	35,716,000	35,697,500
Reserves and surplus	4	(49,649,492)	(54,105,176)
Non-Current Liabilities			
Long Term Borrowings	5	16,585,360	19,985,360
Long Term Provisions	6	427,681	427,681
Current Liabilities			
Short-term borrowings	7	3,500,000	2,590,832
Trade Payable	8	1,125,758	1,521,589
Other current liabilities	9	1,099,732	729,025
		8,805,039	6,846,811
ASSETS			
Non-Current Assets			
Tangible Assets	10	2,598,783	4,835,919
Long-Term Loans & Advances	11	25,500	25,500
Current Assets			
Short Term Loans & Advances	12	2,500,000	-
Cash and cash equivalents	13	1,784,854	83,886
Other Current Assets	14	1,895,902	1,901,506
		8,805,039	6,846,811
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS	2		

AUDITORS' REPORT

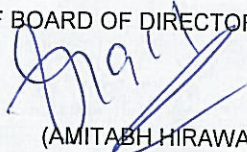
As per our report of even date

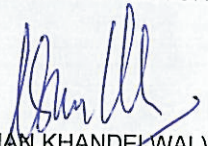
For JAIN SHRIMAL & CO.
CHARTERED ACCOUNTANTS
(FRN 001704C)


(S. K. JAIN)
PARTNER
M.No. 10145
Place : Jaipur
Date: 30.05.2013



FOR AND ON BEHALF OF BOARD OF DIRECTORS


(AMITABH HIRAWAT)
MANAGING DIRECTOR


(CHANDRA MOHAN KHANDELWAL)
DIRECTOR

RISHAB SPECIAL YARNS LIMITED JAIPUR

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH 2013

(Amount in ₹)

Particulars	Note No.	For the year 2012-13	For the year 2011-12
REVENUE			
Other Income	15	594,931	886,000
Total		594,931	886,000
EXPENSES			
Employees Benefits Expenses	16	-	300,000
Finance Cost	17	1,192	3,695
Depreciation and amortization Expenses	10	-	417,053
Other Expenses	18	697,434	519,010
Total		698,626	1,239,758
Profit (Loss) before Exceptional items & Tax		(103,695)	(353,758)
Exceptional Items (Profit On Sale of Fixed Assets)	19	4,559,379	-
Profit (Loss) before Tax		4,455,684	(353,758)
Less: Provision for Tax		-	-
Profit (Loss) After Tax		4,455,684	(353,758)
Earning per share (Basic & Diluted) (Face value of Rs.10/-- each)		1.25	(0.10)
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS			

AUDITORS' REPORT

As per our report of even date

For JAIN SHRIMAL & CO.
CHARTERED ACCOUNTANTS
(FRN 001704C)

(S. K. JAIN)

PARTNER

M.No. 10145

Place : Jaipur

Dated: 30.05.2013



FOR AND ON BEHALF OF BOARD OF DIRECTORS

(AMITABH HIRAWAT)
MANAGING DIRECTOR

(CHANDRA MOHAN KHANDELWAL)
DIRECTOR

RISHAB SPECIAL YARNS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2013

PARTICULARS	YEAR ENDED 31.03.2013	YEAR ENDED 31.03.2012
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) Before Tax & Extraordinary Items	(103,695)	(353,758)
Adjustment for:-		
Depreciation	0	417,053
Operating Profit Before Working Capital Changes	<u>(103,695)</u>	<u>63,295</u>
Decrease (Increase) in Sundry Debtors	0	0
Decrease (Increase) in Other Current Assets	5,604	(245)
Increase (Decrease) In Other Current liabilities	370,707	(52,297)
Increase (Decrease) In Short Term Borrowings	909,168	0
Increase (Decrease) In Trade Payable	(395,830)	(7,471)
	<u>889,649</u>	<u>(60,013)</u>
Cash Generated from Operating Activities	<u>785,953</u>	<u>3,282</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Increase in Short Term Loan & Advances	(2,500,000)	0
Net Realisation from Fixed Assets	6,796,515	0
Net Cash in the Investing Activities	<u>4,296,515</u>	<u>0</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase in Share Capital	18,500	0
Increase/(Decrease) in Secured Loans	0	0
Increase/(Decrease) in Unsecured Loans	-3,400,000	44,305
	<u>-3,381,500</u>	<u>44,305</u>
Net Changes in Cash and Cash Equivalents (A+B+C)	1,700,968	47,587
Cash and Cash Equivalents as at 1st April 2012	83,886	36,299
Cash and Cash Equivalents as at 31st March 2013	1,784,854	83,886

AUDITORS' REPORT

As per our report of even date

For JAIN SHRIMAL & CO.
CHARTERED ACCOUNTANTS
(FRN 001704C)

(S. K. JAIN)

PARTNER

M.No. 10145

Place : Jaipur

Dated: 30.05.2013



FOR AND ON BEHALF OF BOARD OF DIRECTORS

(AMITABH HIRAWAT)
MANAGING DIRECTOR

(CHANDRA MOHAN KHANDELWAL)
DIRECTOR

RISHAB SPECIAL YARNS LIMITED
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

1. CORPORATE INFORMATION:

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

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

Due to incurrence of continuous losses year after year the company has decided in its Board Meeting held on 29.10.2005 to discontinue the business operations of the company. Subsequently the company is trying to revive the business and evaluating various options to utilize its available assets gainfully.

2. SIGNIFICANT ACCOUNTING POLICIES:

i. Basis of Accounting

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

ii. Revenue Recognition

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

iii. Investments

Investments are stated at cost.

iv. Tangible Assets

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

v. Impairment of Assets

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

vi. Depreciation

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

vii. Valuation of Inventory

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

viii. Retirement Benefits

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



ix. Taxes on Income

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

NOTES ON ACCOUNTS

1. Contingent Liabilities – Not Provided for:

S. No.	Particulars	Amount (Rs. in Lacs) 31.03.2013	Amount (Rs. in Lacs) 31.03.2012
a)	In respect of Cess demanded by Textile Committee under the Textile Committee (Cess) Rules, 1975, for the period from 1989 to 1997, against which company has filed writ petition at Raj. High Court for holding the levy of Cess and for setting aside the demand (Rs. 400000/- deposited under protest & Rs. 426749/- retained as security against the demand by The Office of NHAI land acquisition, Abu Road which is included in Loans & Advances)	8.27	8.27
b)	In respect of Excise Duty (NCCD) and Penalty demanded by Excise Department for clearances during March, 2003, against which the company has filed appeal with Hon'ble Tribunal Excise Custom & Service Tax, New Delhi (Rs. 801632/- Deposited included in Loans & Advances).	8.34	8.34

2. Figures of the previous year have been regrouped and rearranged to correspond to current year's classification.
3. **Provision for Current and Deferred Tax**
No provision for tax for the year has been made in view of availability of brought forward losses for set off against current year's income and in view of uncertainty of future business deferred tax assets has not been recognized.
4. **Due to Micro, Small & Medium Enterprises**
To the extent of information available with management, there are no SSI units to whom Company owes money for more than 30 days.

The Company has not received any communication from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act have not been given.
5. In the opinion of management, loans and advances and other assets are approximately of the value stated, if realized in the ordinary course of business unless and otherwise stated. The provisions of all liabilities are adequate and not in excess of the amount reasonably necessary.
6. Additional information pursuant to the provisions of paragraphs 3 and 4 of Part II of Schedule VI of the Companies Act, 1956 is not applicable.



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

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

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

a. Relationship

i. Key Management Personnel & their relatives

Mr. Amitabh Hirawat – Managing Director

Smt. Padam Devi Hirawat

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

Trepechy Trading Pvt. Ltd.

Shashwin Textiles Ltd.

Trepechy Textiles Pvt. Ltd,

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

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

Nature of Transactions	RELATED PARTIES	
	Referred in a(i) above	Referred in a(ii) above
Finance		
Amount Taken	2209169	490000
Amount Repaid	4700000	490000
Outstanding		
Payable	-	-
Receivable	-	-
Unsecured Loans	17190000	2490000



RISHAB SPECIAL YARNS LIMITED JAIPUR
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2013

(Amount in ₹)

NOTE 3 : SHARE CAPITAL	As at 31st March 2013	As at 31st March 2012
Particulars		
Authorised :		
60,00,000 Equity Shares of Rs 10/- each	60,000,000	60,000,000
Issued, Subscribed & Paid up:		
35,60,700 Equity Shares of Rs 10/- each	35,607,000	35,607,000
fully paid up	-	18,500
Less: Calls Unpaid (Other than Directors)	35,607,000	35,588,500
Add: Shares Forfeited	109,000	109,000
Total	35,716,000	35,697,500

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

(ii) Reconciliation of the number of shares outstanding

Particulars	As at 31st March 2013	As at 31st March 2012
Number of Shares outstanding at the beginning of the year	3,560,700	3,560,700
Add: Shares Issued during the year	-	-
Number of Shares outstanding at the end of the year	3,560,700	3,560,700

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

Name of Shareholder	As at 31st March 2013		As at 31st March 2012	
	No. of Shares held	% of Holding	No. of Shares	% of Holding
1. Shri Nath Mal Hirawat	305,360	8.58	305,360	8.58
2. Shri Amitabh Hirawat	324,800	9.12	324,800	9.12
3. M/s Shakti Vijay Steels Pvt. Ltd.	239,300	6.72	239,300	6.72
4. M/s Trepechy Textiles Limited	320,200	8.99	320,200	8.99
Total	1,189,660		1,189,660	

Note 4: Reserves & Surplus	(Amount in ₹)	
Particulars	As at 31st March 2013	As at 31 March 2012
(a) Capital Reserve	42,451,051	42,451,051
(b) General Reserve	13,951,584	13,951,584
(c) Surplus (Deficit) in Statement of Profit & Loss		
As per last Balance Sheet	(110,507,811)	(110,154,053)
Add: Net Profit(Loss) after tax transferred from Statement of Profit & Loss	4,455,684	(353,758.00)
Total	(49,649,492)	(54,105,176)



Note 5: Long Term Borrowings

(Amount in ₹)

Particulars	As at 31st March 2013	As at 31 March 2012
(UNSECURED)		
Loans from Directors	1,500,000.00	5,000,000.00
Loans from Related Parties	14,680,000.00	14,580,000.00
Loans from Others	405,360.00	405,360.00
Total	16,585,360.00	19,985,360.00

The Long Term Borrowing will be payable after 12 months.

Note 6: Long Term Provisions

(Amount in ₹)

Particulars	As at 31st March 2013	As at 31 March 2012
Provision for Gratuity	427,681	427,681
Total	427,681	427,681

Note 7: Short Term Borrowings

(Amount in ₹)

Particulars	As at 31st March 2013	As at 31 March 2012
(UNSECURED)		
Loans from Directors	3,500,000	2,490,832.00
Loans from Related Parties	-	100,000
Total	3,500,000	2,590,832

Note 8: Trade Payable

(Amount in ₹)

Particulars	As at 31st March 2013	As at 31 March 2012
For Goods	457,035	1,050,867
For Services	668,723	470,722
Total	1,125,758	1,521,589

Note 9: Other Current Liabilities

(Amount in ₹)

Particulars	As at 31st March 2013	As at 31 March 2012
Outstanding Liabilities	8,990	5,618
Statutory Liabilities	29,623	14,623
Other Liabilities	1,061,119	708,784
Total	1,099,732	729,025

Note 11: Long Term Loans & Advances

(Amount in ₹)

Particulars	As at 31st March 2013	As at 31 March 2012
(Unsecured Considered good)		
Deposits With Govt. Deptt.	25,500	25,500
Total	25,500	25,500

Note 12: Short Term Loans & Advances

Particulars	As at 31st March 2013	As at 31 March 2012
(Unsecured Considered good)		
Loans & Advances to body corporates	2,500,000	-
Total	2,500,000	-



Note:10: TANGIBLE FIXED ASSTES

Particulars	GROSS BLOCK				DEPRECIATION				IMPAIRMENT LOSS				NET BLOCK		
	As at 01.04.2012	Additions	Deductions	As at 31.03.2013	As at 01.04.2012	During the year	Deductions	As at 31.03.2013	As at 01.04.2012	Additions	Deduction during the year	As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012
Lease Hold Land	2477192.00		2237136.00	240056.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	240056.00	2477192.00
Building	14922815.00	0.00	0.00	14922815.00	6500637.00	0.00	0.00	6500637.00	6072062.00	0.00	0.00	0.00	6072062.00	2350116.00	2350116.00
Furniture & Fixtures	18000.00			18000.00	7389.00	0.00	0.00	7389.00	2000.00	0.00	0.00	0.00	2000.00	8611.00	8611.00
TOTAL	17418007.00	0.00	2237136.00	15180871.00	6508026.00	0.00	0.00	6508026.00	6074062.00	0.00	0.00	0.00	6074062.00	2598783.00	4835919.00
Previous Year	17418007	0	0.00	17418007.00	6090973.00	417053.00	0.00	6508026.00	6074062.00	0.00	0.00	0.00	6074062.00	4835919.00	5252972.00



Note 13: Cash and Cash Equivalents

(Amount in ₹)

Particulars	As at 31st March 2013	As at 31 March 2012
Cash in hand	16,231	81,653
Balance with Banks in Current Accounts	1,768,623	2,233
Total	1,784,854	83,886

Note 14: Other Current Assets

(Amount in ₹)

Particulars	As at 31st March 2013	As at 31 March 2012
(Unsecured, considered good)		
Deposits with Govt. Deptt.	1,678,688.00	1,678,688.00
Advances To Staff	25,888	25,888
Advances recoverable in cash or in kind or for value to be received	61,891	78,745
Advance Income Tax A.Y. 2013-14	11,250	-
Income Tax Refundable A. Y.2008-09	118,185	118,185
Total	1,895,902	1,901,506

Note15: Other Income

(Amount in ₹)

Particulars	For the year 2012-13	For the year 2011-12
Rental Income	31,500	886,000
Interest Received	93,750	-
Sundry Balances Written Back	454,448	-
Prior Period Adjustments (Net)	15,233	-
Total	594,931	886,000

(Amount in ₹)

Note16: Employee Benefits Expenses

Particulars	For the year 2012-13	For the year 2011-12
Salary	-	300,000
Total	-	300,000

Note17: Finance Cost

(Amount in ₹)

Particulars	For the year 2012-13	For the year 2011-12
Bank Charges	1,192	565.00
Interest Paid	-	3,130.00
Total	1,192	3,695.00



Note 18: Other Expenses

(Amount in ₹)

Particulars	For the year 2012-13		For the year 2011-12	
Administrative Expenses:				
Auditors' Remuneration				
For Audit Fees	5,618		5,618	
For Certification Fee	3,372	8,990	-	5,618
Filing Fees		4,000		26,540
Legal & Professional Expenses		69,680		123,132
Rates & Taxes		216,908		-
Electricity & Water Charges		13,755		8,067
Travelling Expenses		14,275		37,565
Postage & Telephone Expenses		104,923		63,714
Advertisement Expenses		90,504		34,155
Printing & Stationery		95,695		33,960
Depository & Application Expenses		40,450		44,120
Stock Exchange Listing Fee		36,954		136,420
Miscellaneous Expenses		1,300		5,719
		697,434		519,010

Note 19: Exceptional Items

(Amount in ₹)

Particulars	For the year 2012-13		For the year 2011-12	
Surplus on Sale Of Land & Building	4,709,379		-	
Less: Brokerage Paid	150,000	4,559,379	-	-
		4,559,379		-

AUDITORS' REPORT

As per our report of even date

For JAIN SHRIMAL & CO.
CHARTERED ACCOUNTANTS
(FRN 001704C)

(S. K. JAIN)
PARTNER
M.No. 10145
Place : Jaipur
Dated: 30.05.2013



FOR AND ON BEHALF OF BOARD OF DIRECTORS

(AMITABH HIRAWAT)
MANAGING DIRECTOR

(CHANDRA MOHAN KHANDELWAL)
DIRECTOR

Rishab Special Yarns Ltd. 25th Annual Report – 2012-13

L.F. No. :

No. of Shares held :

ATTENDANCE CARD

We hereby record my/our presence at the Twenty Fifth Annual General Meeting of the Company held at 2070, Rasta Bara Gangore, Jaipur-302 003 on Saturday, 28th September 2013 at 12.00 Noon.

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

NOTES :

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

----- TEAR HERE -----

RISHAB SPECIAL YARN LIMITED
JAIPUR

L.F. No. :

No. of Shares held :

FORM OF PROXY

I/We of in the district of being a member/ members of the above named Company hereby appoint of as my/our proxy to vote for me/us on my/our behalf at the 25th Annual General Meeting of the Company to be held on Saturday, the 28th September 2013 at 12.00 noon, at registered office of the company or any adjournment thereof.

Signed on the day of 2013.

NOTES :

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

FORM A

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

1.	NAME OF THE COMPANY	RISHAB SPECIAL YARNS LIMITED
2.	ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED	31 ST MARCH 2013
3.	TYPE OF AUDIT OBSERVATION	UN-QUALIFIED
4.	FREQUENCY OF OBSERVATION	N.A.
5.	TO BE SIGNED BY	
	CEO/MANAGING DIRECTOR	SHRI AMITABH HIRAWAT
	AUDITOR OF THE COMPANY	SHRI S. K. JAIN, PARTNER JAIN SHRIMAL & CO., CHARTERED ACCOUNTANT
	DIRECTOR OF THE COMPANY	SHRI CHANDRA MAOHAN KHANDELWAL

