



## **RAGHUVIR SYNTHETICS LIMITED**

REGD. OFF. : RAKHIAL ROAD, RAKHIAL, AHMEDABAD-380 023, INDIA

PHONE : 079-22911015 - 22911902 - 22910963

Email : raghuvirad1@sancharnet.in

Website : <http://www.raghuvir.com>

CIN : L17119GJ1982PLC005424

**DATE : 30<sup>TH</sup> AUGUST , 2019**

**To,  
BSE Limited,  
The Department of Corporate Services  
Department of Corporate Services  
Mumbai 400 001**

**SUBJECT: ANNUAL REPORT ( INCLUSIVE OF NOTICE ) OF 37<sup>TH</sup> ANNUAL GENERAL MEETING OF THE COMPANY**

**REF: SCRIP CODE: 514316**

Dear Sir,

Please find enclosed herewith Annual Report ( Inclusive of Notice ) of 37<sup>th</sup> Annual General Meeting of RAGHUVIR SYNTHETICS LIMITED which is scheduled to be held on 27<sup>th</sup> September, 2019 at 12.30 P.M at registered office of the company situated at M/s. Raghuvir Synthetics Limited, Nr. Gujarat Bottling, Rakhial Road, Rakhial, Ahmedabad – 380023

Kindly take the above information on your record and acknowledge the same.

Thanking you,

Yours Faithfully,

**FOR RAGHUVIR SYNTHETICS LIMITED**

**FOR, RAGHUVIR SYNTHETICS LIMITED**

**DIRECTOR/AUTHORIZED SIGNATORY**

**SUNIL R. AGRAWAL  
CHAIRMAN & MANAGING DIRECTOR  
DIN: 00265303**



## **RAGHUVIR SYNTHETICS LIMITED**

**NR. GUJARAT BOTTLING, RAKHIAL ROAD,**

**RAKHIAL, AHMEDABAD-380 023. (INDIA)**

**PHONE : 079-22910963-1015-1902**

**E-mail : raghuvirad1@sancharnet.in**

**Website Address : www.raghuvir.com**



**37<sup>th</sup>**  
**Annual Report**  
**2018-2019**



**BOARD OF DIRECTORS**

<b>SHRI SUNIL R. AGARWAL</b>	<b>CHAIRMAN &amp; MANAGING DIRECTOR</b>
<b>SHRI YASH S. AGARWAL</b>	<b>JOINT MANAGING DIRECTOR</b>
<b>SHRI HARDIK S. AGARWAL</b>	<b>JOINT MANAGING DIRECTOR</b>
<b>SMT PAMITADEVI S. AGARWAL</b>	<b>NON-EXECUTIVE DIRECTOR</b>
<b>SHRI ANUP R. AGARWAL</b>	<b>INDEPENDENT DIRECTOR</b>
<b>SHRI SAMIRBHAI R. SHETH</b>	<b>INDEPENDENT DIRECTOR</b>
<b>SHRI KAMALBHAI B. PATEL</b>	<b>INDEPENDENT DIRECTOR</b>
<b>SHRI NISHITBHAI C. JOSHI</b>	<b>INDEPENDENT DIRECTOR</b>

**MR. VIKRAM R. GUPTA** **CHIEF FINANCIAL OFFICER**

**MS. PRATIKA P. BOTHRA** **COMPANY SECRETARY & COMPLIANCE OFFICER**

**M/S. ASHOK K. BHATT & CO.** **STATUTORY AUDITORS**

**M/S AMRISH GANDHI & ASSOCIATES** **SECRETARIAL AUDITOR**

**M/S. ANILKUMAR SHETH & CO.** **INTERNAL AUDITOR**

**HDFC BANK LIMITED** **BANKER**

**M/S. LINK INTIME INDIA PVT. LTD.** **REGISTRAR AND SHARE TRANSFER AGENTS**  
**ADD: 506-508, AMARNATH BUSINESS CENTRE-1 (ABC-1) , BESIDE GALA BUSINESS CENTRE , NEAR XT XAVIERS**  
**COLLEGE CORNER, OFF C.G ROAD, AHMEDABAD- 380009, GUJARAT , INDIA (O) 079-26465179 EMAIL ID :**  
**ahmedabad@linkintime.co.in**

**M/S. RAGHUVIR SYNTHETICS LIMITED** **REGISTERED OFFICE & FACTORY**  
**ADD: NR. GUJARAT BOTTLING, RAKHIAL ROAD, RAKHIAL, AHMEDABAD- 380023 , GUJARAT INDIA**  
**(O) 079-22910963-1015-1902 EMAIL ID: [raghuvirad1@sancharnet.in](mailto:raghuvirad1@sancharnet.in) , Website address : [www.raghuvir.com](http://www.raghuvir.com)**

**NOTICE**

**NOTICE IS HEREBY GIVEN THAT THE 37<sup>TH</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF RAGHUVIR SYNTHETICS LIMITED WILL BE HELD ON 27<sup>TH</sup> DAY OF SEPTEMBER, 2019, AT 12.30 P.M. AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT RAKHIAL ROAD, RAKHIAL, AHMEDABAD - 380023, GUJARAT TO TRANSACT THE FOLLOWING BUSINESS:**

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2019, the Audited Statement of Profit and Loss for the year ended on that date and the Reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mrs. Pamitadevi S. Agarwal (DIN: 07135868), who retires by rotation and being eligible, offers herself for re-appointment.

**SPECIAL BUSINESS:**

3. To consider and if thought fit, to pass with or without modification, the following Resolution as an **Ordinary Resolution**:

**APPROVAL OF ESTIMATED MATERIAL RELATED PARTY TRANSACTIONS FOR THE FINANCIAL YEAR 2019-2020 WITH RAGHUVIR EXIM LTD:**

**“RESOLVED THAT** pursuant to provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (Listing Regulations) (including any statutory modification(s) or amendments(s) or re-enactments(s) thereof, for the time being in force), approval of the members be and is hereby accorded to the following Material Related Party transactions estimated / to be entered into and to be carried out in ordinary course of business and at arm's length price with Raghuvir Exim Ltd (Associates Company), a 'Related party' as defined under Section 2(76) of the Companies Act, 2013 and Regulation 2 (zb) of the Listing Regulations:-

<b>Sr. No.</b>	<b>Nature of Transaction</b>	<b>Estimated Value of transactions for the financial year 2019-2020</b>
1.	Purchase/Sale of Machinery / Equipment / Material / product / service or assigned the work on job work	Transaction Amount not Exceeding Rs. 80 Crores ( Rupees Eighty crores only)

**“RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof) be and is hereby authorized to do all such acts, deeds or things, as may be considered necessary, desirable and expedient, in order to give effect to the aforesaid resolution.”

4. To consider and if thought fit, to pass with or without modification, the following Resolution as an **Special Resolution**

**“RESOLVED THAT** pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 10th June, 2019 and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as “Listing Regulations”) (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the Members of the Company be and is hereby accorded for re-appointment of **MR. SAMIRBHAI SHETH (DIN: 01285752 )** whose current period of office expired on 31st March, 2019 and who has submitted a declaration confirming the criteria of Independence under Section

149(6) of the Companies Act, 2013 read with the Listing Regulations, as amended from time to time, and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013, Rules made there under and Listing Regulations and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, as an Independent Non-Executive Director of the Company, whose term shall not be subject to retirement by rotation, and to hold office for a second term of 5 (five) consecutive years on the Board of the Company w.e.f. 10/06/2019.

**“RESOLVED FURTHER THAT** the Board of Directors & Nomination and Remuneration Committee while considering the appointment of **MR. SAMIRBHAI SHETH (DIN: 01285752 )** as the Independent Director of the Company, had verified that the said person is not debarred from holding the office of director pursuant to any SEBI order respect to circular no. LIST/COMP/14/2018-19 dated June 20, 2018.

**“RESOLVED FURTHER THAT MR. SAMIRBHAI SHETH** has attained age of 62 years (21/04/1957), having rich and varied experience in the financial matters & Textile industry.

**“RESOLVED FURTHER THAT** Mr. Sunil R Agrawal, Chairman & Managing Director and/or Mr. Hardik S. Agarwal, Joint Managing Director and/or Yash Agarwal, Joint Managing Director of the Company be and is hereby authorized to sign and submit ROC E-Forms with the Registrar of Companies.

**5. To consider and if thought fit, to pass with or without modification, the following Resolution as an Special Resolution**

**“RESOLVED THAT** pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 10th June, 2019 and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as “Listing Regulations”) (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the Members of the Company be and is hereby accorded for re-appointment of **MR. KAMALBHAI PATEL (DIN: 02740853 )** whose current period of office expired on 31st March, 2019 and who has submitted a declaration confirming the criteria of Independence under Section 149(6) of the Companies Act, 2013 read with the Listing Regulations, as amended from time to time, and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013, Rules made there under and Listing Regulations and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, as an Independent Non-Executive Director of the Company, whose term shall not be subject to retirement by rotation, and to hold office for a second term of 5 (five) consecutive years on the Board of the Company w.e.f. 10/06/2019.

**“RESOLVED FURTHER THAT** the Board of Directors & Nomination and Remuneration Committee while considering the appointment of **MR. KAMALBHAI PATEL (DIN: 02740853 )** as the Independent Director of the Company, had verified that the said person is not debarred from holding the office of director pursuant to any SEBI order respect to circular no. LIST/COMP/14/2018-19 dated June 20, 2018.

**“RESOLVED FURTHER THAT MR. KAMALBHAI PATEL** has attained age 64 years (21/09/1954), having rich and varied experience in the financial matters & Textile industry.

**“RESOLVED FURTHER THAT** Mr. Sunil R Agrawal, Chairman & Managing Director and/or Mr. Hardik S. Agarwal, Joint Managing Director and/or Yash Agarwal, Joint Managing Director of the Company be and is hereby authorized to sign and submit ROC E-Forms with the Registrar of Companies.



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

**“RESOLVED THAT** Pursuant to the SEBI (Listing Obligations and Disclosure Requirement) (Amendment) Regulations, 2018 as notified w.e.f 9<sup>th</sup> May, 2018 requires that the remuneration of single non –executive director exceeds 50 percent of the pool being distributed to the non-executive directors as whole requires, approval of shareholder by special resolution every year.

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 and Schedule V to the Companies Act, 2013 (“the Act”) read with Companies (Appointment and Remuneration to Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Rules made there under to the extent applicable, consent of members at the 37<sup>TH</sup> Annual General Meeting is hereby accorded for payment of commission amounting to Rs. 12 lakhs per annum to Mrs. Pamita S Agarwal, Non-executive Non Independent Women Director of the company (DIN:- 07135868) for the F.Y 2019-2020 respect to duration of appointment, provided that variation or increase in the payment of commission may be done on the approval of members, specified under the relevant provisions of Section 196, 197 and Schedule V to the Companies Act, 2013 on the such terms and conditions as mentioned below:-

1.	<b>Commission</b>	Rs. 12 lakhs/- Per annum
3	<b>Other terms &amp; Conditions</b>	Reimbursement of entertainment expenses actually and properly incurred in course of business of the Company shall be allowed.
		No sitting fees shall be paid for attending the meeting of the Board of Director or Committee thereof.

**“RESOLVED FURTHER THAT** If director draws or receives, directly or indirectly, by way of commission any such sums in excess prescribed by this section or without approval required under this sections, she shall refund such sums to the company, within two years or such lesser period as may be allowed by the company, and until such sum is refunded, hold it in trust for the company. The company shall not waive the recovery of any sum refundable to it unless approved by the company by special resolution within two years from the date the sum becomes refundable and in accordance with the provisions of Schedule V of the Companies Act 2013.

**“RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, Mr. Sunil R. Agrawal, Chairman & Managing Director and/or Mr. Yash S. Agarwal, and/or Mr. Hardik S Agarwal, Joint Managing Directors of the Company be and are hereby authorised to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, expedient, usual and proper in the best interest of the Company.

**BY ORDER OF THE BOARD OF DIRECTORS  
FOR, RAGHUVIR SYNTHETICS LIMITED**

**DATE : 10/08/2019**  
**PLACE : AHMEDABAD**  
**Regd. Office :**  
**Rakhial Road, Rakhial,**  
**Ahmedabad-380023, Gujarat**  
**CIN :- L17119GJ1982PLC005424**

**SUNIL R. AGARWAL**  
**CHAIRMAN & MANAGING DIRECTOR**  
**DIN:-00265303**

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER. PROXY IN FORM NO MGT-11 TO BE EFFECTIVE SHOULD REACH THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Proxies, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 21<sup>st</sup> September, 2019 to 27<sup>th</sup> September, 2019 (both days inclusive) for the purpose of 37<sup>th</sup> Annual General Meeting of the Company.
4. The members desired to change address / bank details / KYC updation / having any query / intimation/ updation / alteration, for any process respect to their data in the records of the company are requested to write the application letter seeking the procedure for bringing the change into effect along with quoting their Folio No. or Client ID No., their PAN CARD, AADHAR CARD self attested copy, supporting evidences to the Registrar and Transfer Agent (RTA) at following address M/S. LINK INTIME INDIA PVT. LTD., 506 TO 508, AMARNATH BUSINESS CENTRE – 1 ( ABC-1 ), BESIDE GALA BUSINESS CENTRE, NEAR XT. XAVIER'S COLLEGE CORNER, OFF. C. G. ROAD, NAVRANGPURA, AHMEDABAD – 380009. The RTA will guide/ act in accordance of the receipt of the documents lodged by the members.
5. Members desiring any information on Accounts are requested to write to the Company at least one week before the meeting so as to enable the management to keep the information ready. Replies will be provided at the meeting.
6. As a measure of economy, copies of Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to bring their copies of Annual Report and the attendance slip at the Annual General Meeting.
7. Nomination facility is available to the Share holders in respect of share held by them.
8. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio number in the attendance slip for attending the meeting.
9. Members who hold shares in the dematerialized form and want to provide/change/correct the bank account details should send the same immediately to their concerned Depository Participant and not to the Company. Members are also requested to give the MICR Code of their bank to their Depository Participants. The Company will not entertain any direct request from such members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details. While making payment of Dividend, the Registrar and Share Transfer Agent is obliged to use only the data provided by the Depositories, in case of such demat shares.

10. Referring to the SEBI Circular No SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20<sup>th</sup> April 2018 & BSE Circular No LIST/COMP/15/2018-19 dated 5<sup>th</sup> July 2018 by which they have directed all the listed companies to record the PAN, Bank account details of all their shareholders and advise them to dematerialise their physical securities. Accordingly, the Company already have send letter following 2 reminders to the members holding shares in physical form are advised to submit particulars of their bank account, viz. name and address of the branch of the bank, MICR code of the branch, type of account and account number and PAN details (including joint holders if any) to our Registrar and Share Transfer Agent, LINK INTIME INDIA PVT. LTD., 506 TO 508, AMARNATH BUSINESS CENTRE – 1 (ABC-1), BESIDE GALA BUSINESS CENTRE, NEAR XT. XAVIER'S COLLEGE CORNER, OFF C G ROAD, NAVRANGPURA, AHMEDABAD – 380009 quoting their Folio No. or Client ID No. We would also like to register other KYC details such as specimen signature and nomination.
11. Members who have not registered their e-mail address and mobile number with the Company are requested to submit their valid e-mail address to LINK INTIME INDIA PVT. LTD., 506 TO 508, AMARNATH BUSINESS CENTRE – 1 (ABC-1), BESIDE GALA BUSINESS CENTRE, NEAR XT. XAVIER'S COLLEGE CORNER, OFF C G ROAD, NAVRANGPURA, AHMEDABAD – 380009 quoting their Folio No. or Client ID No.. Members holding shares in demat form are requested to register/update their e-mail address and mobile number with their Depository Participant(s) directly.
12. Members who are holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or Company's Registrar and Share Transfer Agent the details of such folios together with the share certificates for consolidating their holding in one folio. The share certificates will be returned to the members after making requisite changes, thereon. Members are requested to use the share transfer form SH-4 for this purpose.
13. Non-resident Indian shareholders are requested to inform about the following immediately to the Company or its Registrar and Share Transfer Agent or the concerned Depository Participant, as the case may be, immediately of:-
  - a. The change in the residential status on return to India for permanent settlement.
  - b. The particulars of the NRE account with a Bank in India, if not furnished earlier.
14. Members are requested to disclose their significant beneficial ownership to the company respect to their shareholding in the company pursuant to SEBI circular vide no. SEBI/HO/CFO/CMD1/CIR/P/2018/149 dated 7<sup>th</sup> December, 2018
15. The Registers under the Companies Act, 2013 will be available for inspection at the Registered Office of the Company during business hours between 11.00 am to 1.00 pm on all working days except on holidays. The said Registers will also be available for inspection by the members at the AGM.
16. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the special business under item number 3 to 6 are annexed.
17. Information relating to the Director proposed to be appointed and those retiring by rotation and seeking re-appointment at this Meeting, as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to this Notice.

The Directors have furnished the requisite declaration with other details provided as under for their re-appointment at the ensuing Annual General Meeting and is eligible, to offer themselves for re-appointment :



<b>Name</b>	<b>Mrs. Pamita Sunil Agarwal</b>	<b>Mr. Samirbhai R. Sheth</b>	<b>Mr. Kamalbhai B. Patel</b>
<b>Date of Birth</b>	01 / 04 / 1966	21 / 04 / 1957	21 / 09 / 1954
<b>DIN No.</b>	07135868	01285752	02740853
<b>No. of Equity Shares held in the Company</b>	871921	—	—
<b>Relationship with other Directors/ Manager/KMP</b>	Wife of Mr. Sunil R Agarwal & Mother of Mr. Yash S Agarwal & Mr. Hardik S Agarwal	—	—
<b>Education Qualification</b>	B.COM ( 1 <sup>st</sup> Year )	B.COM & LLB	B.COM
<b>Profile &amp; Expertise in Specific functional Areas</b>	She has over 4 years of experience in textile sector	He has more than 10 years of experience in textile sector	He has more than 10 years of experience in textile sector
<b>List of other Directorship/ Partnership / Committees membership in other Companies and LLP as on 31st March, 2019.</b>	1. Raghuvir Exim Limited 2. The Sagar Textile Mills Private Limited 3. HYS Developers LLP 4. HYS Lifecare LLP	1. Raghuvir Exim Limited 2. Achal Engineering Private Limited 3. Indian Weaving and Clothing Pvt. Ltd. 4. Anveshan Textile Limited 5. Reliance Brands Limited 6. Reliance Lifestyle Holdings Limited 7. Aranya Engineering Private Ltd. 8. Neelvrata Foundation	1. Raghuvir Exim Limited
<b>Terms and Conditions of appointment or re-appointment</b>	Non-Executive Director, liable to retire by rotation	Non-Executive Independent Director, not liable to retire by rotation. Reappointment for the second tenure of 5 years.	Non-Executive Independent Director, not liable to retire by rotation. Reappointment for the second tenure of 5 years.

18. Any Shareholder of the Company interested in obtaining a physical form of Annual Report may write to the Company at the registered office of the Company and the same is uploaded on the Company's website [http://www.raghuvir.com/annual\\_report.html](http://www.raghuvir.com/annual_report.html) which may accessed by the members.
19. Voting through electronic means:  
The Company is pleased to offer e-voting facility to all its members to enable them to cast their vote electronically in terms of Section 108 of the Companies Act, 2013 read with the Companies (Management and

Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 (including any statutory modification or re-enactment thereof for the time being in force). Accordingly, a member may exercise his vote by electronic means and the Company may pass any resolution by electronic voting system in accordance with the above provisions.

**Voting Process and other instructions regarding Remote e-voting:**

**SECTION A - E-VOTING PROCESS**

Step 1 : Open your web browser during the voting period and log on to the e-Voting Website: [www.evotingindia.com](http://www.evotingindia.com).

Step 2 : Click on “Shareholder” to cast your vote(S)

Step 3 : Please enter User ID –

- a) For account holders in CDSL :- Your 16 digits beneficiary ID
- b) For account holders in NSDL :- Your 8 Character DP ID followed by 8 Digits Client ID
- c) Members holding shares in Physical Form should enter Folio Number registered with the Company

Step 4 : Enter the Image Verification as displayed and Click on “LOGIN”

Step 5 : If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used. If you have forgotten the password, then Enter the User ID and the image verification code and click on “FORGOT PASSWORD” and enter the details as prompted by the system.

Step 6 : If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)-  For members who have not updated their PAN with the Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN Field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.  If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction Step 5.

Step 7 : After entering these details appropriately, click on “SUBMIT” tab.

Step 8 : Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of

any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(i) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice

(ii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.

Step 9: Click on the EVSN of the Company i.e. **190823011** to vote.

Step 10: On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option ‘YES/NO’ for voting. Select the relevant option as desired YES or NO and click on submit.

Step 11: Click on the “RESOLUTION FILE LINK” if you wish to view the Notice.

Step 12: After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

Step 13: Once you ‘CONFIRM’ your vote on the resolution, you will not be allowed to modify your vote. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.

#### **SECTION B - COMMENCEMENT OF E-VOTING PERIOD AND OTHER E-VOTING INSTRUCTIONS**

- i. The e-voting period commences on 24<sup>th</sup> September, 2019 9.00 a.m. and ends on 26<sup>th</sup> September, 2019 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on cut off date of 20<sup>th</sup> September, 2019 may cast their vote electronically. The e-Voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- ii. The voting rights of shareholders shall be in proportion to their shares of the Paid Up Equity Share Capital of the Company.
- iii. Shareholders can also cast their vote using Mobile app - “m - Voting” for e voting . m - Voting app is available on Apple, Android and Windows based Mobile. Shareholders may log in to m - Voting using their e voting credentials to vote for the company resolution(s).
- iv. The shareholder who voted prior to the 37<sup>th</sup> Annual General Meeting via e-voting would not be entitled to vote at the meeting venue.
- v. Note for Non – Individual Shareholders and Custodians
  - \* Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - \* A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - \* After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - \* The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

\* A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- vi. Mr. Amrish N. Gandhi, Practicing Company Secretary [Fellow Membership No. 8193] (and failing him Mr. Samsad A. Khan, Practicing Company Secretary) [Membership No. 28719] has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner for the 37<sup>th</sup> Annual General Meeting of the company.
- vii. The Scrutinizer shall, within a period not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any and submit forth with to the Chairman of the Company.
- viii. The Results shall be declared on the date of AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.raghuvir.com](http://www.raghuvir.com) and on the website of CDSL <https://www.evotingindia.co.in> within two days of the passing of the resolutions at the AGM of the Company and communicated to the Stock Exchange(s), where the shares of the Company are listed.
- ix. For Members holding shares in physical form, the password and default number can be used only for e-Voting on the resolutions given in the notice.
- x. You can also update your mobile number and E-mail ID in the user profile details of the folio which may be used for sending communication(s) regarding CDSL e-Voting system in future. The same may be used in case the Member forgets the password and the same needs to be reset.
- xi. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- xii. Further :
  - (1) Web site Address of CDSL (e Voting Agency) where notice of meeting is displayed – [www.evotingindia.com](http://www.evotingindia.com)
  - (2) Name, Designation, Address, E Mail ID and Phone no. of official responsible for grievances connected with facility of e voting :
 

Name of Official - Mr. Rakesh Dalvi  
 Designation - Manager  
 Address - 25th Floor, A Wing, Marathon Futurex, Mafatlal Mills Compound, NM Joshi Marg, Lower Parel (E), Mumbai - 400 013  
 E Mail ID - [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)  
 Phone No. - 1800225533

**VOTING AT ANNUAL GENERAL MEETING:-**

The members attending the meeting, who have not already casted their vote by remote e-voting, can exercise their voting rights at the Annual General Meeting of the company. Facility for voting through ballot paper shall also be made available at the AGM.

CONTACT DETAILS	
Company	RAGHUVIR SYNTHETICS LIMITED
Registrar and Transfer Agent	<p>M/s. LINK INTIME INDIA PVT. LTD</p> <p>506 TO 508, AMARNATH BUSINESS CENTRE-1 ( ABC-1 ),            BESIDE GALA BUSINESS CENTRE ,            NEAR XT XAVIER'S COLLEGE CORNER            OFF C G ROAD, NAVRANGPURA , AHMEDABAD-380009            Ph no. 079-26465179            Email : <a href="mailto:ahmedabad@linkintime.co.in">ahmedabad@linkintime.co.in</a></p>
E-Voting Agency	<p>CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED            E-mail: <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a></p>
Scrutinizer	<p>CS AMRISH N. GANDHI,            PRACTICING COMPANY SECRETARY            Email : <a href="mailto:amrishgandhi72@gmail.com">amrishgandhi72@gmail.com</a> Ph: 9825654756</p>

BY ORDER OF THE BOARD OF DIRECTORS  
 FOR, RAGHUVIR SYNTHETICS LIMITED  
 SUNIL R. AGARWAL  
 CHAIRMAN & MANAGING DIRECTOR  
 DIN : 00265303

Place: Ahmedabad  
 Date : 10/08/2019

**EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013**

**The following Statement sets out all material facts relating to the Special Business mentioned in the Notice item No. 3**

**Approval of Estimated Material Related Party Transactions For The Financial Year 2019-2020 With Raghuvir Exim Ltd**

As a part of its regular business, the Company Purchase or Sale Machinery / Equipment / material / product / service or assigned the work on job works from/to Raghuvir Exim Limited, at arm's length price.

The Audit Committee at its meeting has reviewed and after due consideration, accorded omnibus approval for the estimated value of transactions mentioned in the item No. 3 of the Notice for the Financial year 2019-2020 (estimated). An analysis of all the Related Party Transactions (RPTs) estimated / to be entered into by the Company during the year for the Financial year 2019-2020 (estimated). The Audit Committee upon review of such analysis is of the view that all these RPTs by the Company are at Arm's Length price.

Raghuvir Exim Limited is a Associate Company of the Company and is a "Related Party" as per the definition under Section 2(76) of the Companies Act, 2013 and Regulation 2(zb) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

Respective of the SEBI LODR regulation amendment 2018 , company have revised the contract entered between Raghuvir Synthetics Limited & Raghuvir Exim Limited w.e.f 2<sup>nd</sup> April, 2019 with terms & conditions as mentioned in the contract for the period of 3 (Three) years.

As per the provisions of Companies Act, 2013 and Listing Regulations, based on past trend, the transactions as described hereunder are likely to exceed 10% of the annual turnover of the Company as per the last audited financial statements of the Company (2018-19) and may exceed the materiality threshold as prescribed by Listing Regulations. Thus, in terms of the Listing Regulations, 2015 this transactions would require the approval of the members by way of an Ordinary Resolution.

As per the provisions of Listing Regulations, all entities falling under the definition of related parties shall abstain from voting on the resolution and accordingly, the promoters will not vote on item No. 3

**The following Statement sets out all material facts relating to the Special Business mentioned in the Notice item No. 4**

Pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder and the erstwhile Clause 49 of the Listing Agreement with the stock exchanges, at the Annual General Meeting held on 30th September, 2014, **MR. SAMIRBHAI SHETH** was appointed as an Independent Director of the Company for a period of 5 (five) consecutive years for a term expired on 31/03/19. Company required to fill the casual vacancy caused with in the office of independent director maximum within 3 months of such vacancy. On the recommendation of Nomination and Remuneration Committee, the Chairman placed before the Board of directors the proposal to re-appointment **MR. SAMIRBHAI SHETH** as Independent Director to hold office for a second term of 5 (five) consecutive years on the Board of the Company subject to the approval of the members in the ensuing 37<sup>TH</sup> Annual General Meeting.

**MR. SAMIRBHAI SHETH** has attained age of 62 years (21/04/1957), having rich and varied experience in the financial matters & Textile industry. As per the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 10<sup>th</sup> June, 2019, subject to approval of Members at this Annual General Meeting and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies

(Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Listing Regulations (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on his skills, rich experience, knowledge, contributions, continued valuable guidance to the management made by him during his tenure and outcome of performance evaluation of the Independent Directors, the approval of the Members of the Company be and is hereby accorded for re-appointment of **MR. SAMIRBHAI SHETH** as an Independent Non-Executive Director of the Company, for a second term of 5 (five) consecutive years on the Board of the Company w.e.f. 10/06/2019 subject to the approval of the members in the ensuing 37<sup>TH</sup> Annual General Meeting and it will be considered as requisite approval from shareholders as required in the Amendment Regulations, 2018.

Further **MR. SAMIRBHAI SHETH** shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013. The Company has received a declaration from **MR. SAMIRBHAI SHETH**, being eligible for re-appointment as Independent Director for the second term providing his consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended from time to time. The Company has also received a declaration from **MR. SAMIRBHAI SHETH** confirming the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and under the Regulation 16(b) of the Listing Regulations, as amended from time to time. **MR. SAMIRBHAI SHETH** is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013, as amended from time to time. In the opinion of the Board, he fulfills the conditions specified in the Companies Act, 2013 and is independent of the management. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services. Accordingly, consent of the Members is sought for passing Special Resolution as set out in this item of the Notice for re-appointment of **MR. SAMIRBHAI SHETH** as an Independent Director of the Company. Except **MR. SAMIRBHAI SHETH** being an appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4. This Explanatory Statement may also be regarded as an appropriate disclosure under the Listing Regulations.

**The following Statement sets out all material facts relating to the Special Business mentioned in the Notice item No. 5**

Pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder and the erstwhile Clause 49 of the Listing Agreement with the stock exchanges, at the Annual General Meeting held on 30th September, 2014, **MR. KAMALBHAI PATEL** was appointed as an Independent Director of the Company for a period of 5 (five) consecutive years for a term expired on 31/03/19. Company required to fill the casual vacancy caused with in the office of independent director maximum within 3 months of such vacancy. On the recommendation of Nomination and Remuneration Committee, the Chairman placed before the Board of directors the proposal to re-appointment **MR. KAMALBHAI PATEL** as Independent Director to hold office for a second term of 5 (five) consecutive years on the Board of the Company subject to the approval of the members in the ensuing 37<sup>TH</sup> Annual General Meeting.

**MR. KAMALBHAI PATEL** has attained age of 64 years (21/09/1954), having rich and varied experience in the financial matters & Textile industry. As per the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 10<sup>th</sup> June, 2019, subject to approval of Members at this Annual General Meeting and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Listing Regulations (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on his skills, rich experience, knowledge, contributions, continued valuable guidance to the management made by him during his tenure and outcome of performance evaluation of the Independent Directors, the approval of the Members of the



Company be and is hereby accorded for re-appointment of **MR. KAMALBHAI PATEL** as an Independent Non-Executive Director of the Company, for a second term of 5 (five) consecutive years on the Board of the Company w.e.f. 10/06/2019 subject to the approval of the members in the ensuing 37<sup>TH</sup> Annual General Meeting and it will be considered as requisite approval from shareholders as required in the Amendment Regulations, 2018.

Further **MR. KAMALBHAI PATEL** shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013. The Company has received a declaration from **MR. KAMALBHAI PATEL**, being eligible for re-appointment as Independent Director for the second term providing his consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended from time to time. The Company has also received a declaration from **MR. KAMALBHAI PATEL** confirming the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and under the Regulation 16(b) of the Listing Regulations, as amended from time to time. **MR. KAMALBHAI PATEL** is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013, as amended from time to time. In the opinion of the Board, he fulfills the conditions specified in the Companies Act, 2013 and is independent of the management. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services. Accordingly, consent of the Members is sought for passing Special Resolution as set out in this item of the Notice for re-appointment of **MR. KAMALBHAI PATEL** as an Independent Director of the Company. Except **MR. KAMALBHAI PATEL** being an appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 5. This Explanatory Statement may also be regarded as an appropriate disclosure under the Listing Regulations.

**The following Statement sets out all material facts relating to the Special Business mentioned in the Notice item No. 6**

On the recommendation of the Audit Committee, Nomination & Remuneration Committee and the Board of Directors, members at the Extra ordinary General Meeting held on 4<sup>th</sup> February, 2019 have approved payment of commission amounting to Rs. 12 lakhs per annum to Mrs. Pamita S Agarwal, Non-executive Non Independent Women Director of the company (having DIN:- 07135868, belonging to Promoter Group of the company & holding 871921 shares of the company) w.e.f 4<sup>th</sup> February, 2019 for remaining duration of appointment upto three years from the effective date i.e 4<sup>th</sup> February, 2019 – 3<sup>rd</sup> February, 2022, provided that variation or increase in the payment of commission may be done on the approval of members, specified under the relevant provisions of Section 196, 197 and Schedule V to the Companies Act, 2013. However respect to SEBI (Listing Obligations and Disclosure Requirement) (Amendment) Regulations, 2018 as notified w.e.f 9<sup>th</sup> May, 2018 requires that the remuneration of single non-executive director exceeds 50 percent of the pool being distributed to the non-executive directors as whole requires, approval of shareholder by special resolution every year.

Henceforth pursuant to the provisions of Section 196, 197, 203 and Schedule V to the Companies Act, 2013 (“the Act”) read with Companies (Appointment and Remuneration to Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Rules made there under to the extent applicable, consent of members at the 37<sup>TH</sup> Annual General Meeting is required for payment of commission amounting to Rs. 12 lakhs per annum to Mrs. Pamita S Agarwal, Non-executive Non Independent Women Director of the company (DIN:- 07135868) for the F.Y 2019-2020 respect to duration of appointment.

Mrs. Pamita S. Agrawal has attained age of 52 years ( D.O.B) 1<sup>st</sup> April, 1966. Mrs. Pamita S. Agrawal has rich and varied experience in the industry and has been involved in the operations of the sCompany from 26<sup>th</sup> March, 2015 as the Non-executive Non Independent Director of the company. She is also the Non-executive Non Independent Director of Raghuvir Exim Limited, which is associate company of Raghuvir Synthetics Limited. It would be in the interest of the Company to continue to avail of his considerable expertise . She has an understanding to deal with the



board & committee meetings respect to ethical and fiduciary responsibilities. She have the ability to review the strategy through constructive questioning and suggestion and contribute to the effective decision making of the board. She have knowledge in current management thinking on employment, engagement, strategic decisions . Henceforth it can be said that she is truly fulfilling a director's duties and responsibilities, acting ethically, putting the organisation's interests before personal interests; She works as an effective team member and also have the curiosity to ask questions and the courage to persist in robust discussions with management and fellow board members where required. She is an active contributor with genuine interest in the company and its business, She Provide an input into company strategy and ensure that the company has the resources to carry it out. She truly contributes in establishing the company's values and standards.

The Board of Director recommends the relevant resolution for member consideration and approval as a Special Resolution

Mrs. Pamita S. Agarwal , herself and three other directors Sunil R. Agrawal , Chairman & Managing Director , Yash Sunil Agarwal and Mr. Hardik Sunil Agarwal, Joint Managing Director of the Company being related to Mrs. Pamita S. Agarwal and may be deemed to be concerned or interest in the resolution. There are no other directors and key managerial personnel of the Company who are concerned or interest in the above resolution.

**Registered Office:-**  
**Rakhial Road, Rakhial,**  
**Ahmedabad-380023.**  
**Gujarat**  
**CIN:L17119GJ1982PLC005424**

**BY ORDER OF THE BOARD OF DIRECTORS**  
**FOR, RAGHUVIR SYNTHETICS LIMITED**

**SUNIL R. AGARWAL**  
**CHAIRMAN & MANAGING DIRECTOR**  
**DIN : 00265303**

**Place: Ahmedabad**  
**Date: 10/08/2019**

**IMPORTANT COMMUNICATION TO MEMBERS**

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respects of electronics holding with the Depository through their concerned Depository Participants and Members holding shares in physical mode are requested to register their e-mail ID's with M/s. Link Intime India Pvt. Ltd., the Registrars & Share Transfer Agents of the Company.

**DIRECTOR'S REPORT****DEAR SHAREHOLDERS,**

The Directors are pleased to present their 37<sup>th</sup> Annual report on the business and operations of the Company and the Audited financial accounts for the Year ended 31<sup>st</sup> March, 2019.

**FINANCIAL RESULTS :**

(Rs. In Lakhs)

Particulars	For the year ended on 31 <sup>st</sup> March, 2019	For the year ended on 31 <sup>st</sup> March, 2018
Net Total Income	5938.41	3854.60
<b>Less:</b> Operating and Admin. Exps	5256.84	3432.25
Profit before depreciation and Taxes	681.57	422.35
<b>Less:</b> Depreciation	377.95	280.99
Extraordinary/Exceptional Items	0	0
<b>Profit before Tax (PBT)</b>	<b>303.62</b>	<b>141.36</b>
<b>Less:</b> Taxes (including deferred tax )	80.82	81
<b>Profit after Tax (PAT)</b>	<b>222.80</b>	<b>60.36</b>
Other Comprehensive Income	(0.38)	(0.13)
Tax	0.11	0.039
Total Comprehensive Income	(0.27)	(0.091)
<b>Balance Available for appropriation</b>	<b>222.53</b>	<b>60.27</b>
Which the Directors propose to appropriate as under:		
(i) Proposed Dividend	NIL	NIL
(ii) Corporate Dividend Tax	NIL	NIL
Surplus Carried to Balance Sheet	222.53	60.27
<b>Earnings Per Equity Share</b>		
<b>Basic</b>	<b>5.75</b>	<b>1.57</b>
<b>Diluted</b>	<b>5.75</b>	<b>1.57</b>

Note: Figures of previous year have been regrouped whenever necessary, to confirm to current year's presentation.

**HIGHLIGHTS OF PERFORMANCE:**

The total revenue of the Company has increased from Rs. 38.54 Crores to Rs. 59.38 Crores and the profit

before tax of the Company has increased from Rs. 141.36 Lakhs to Rs. 303.62 Lakhs. Subsequently, the net profit after tax has increased to Rs. 222.80 Lakhs as compared to previous year's net profit of Rs. 60.36 Lakhs. We remained resolute and relentless in our quest for strengthening our cost-competiveness, better management of working capital and operational excellence across all businesses.

**DIVIDEND:**

Keeping in view the financial results and in order to conserve financial resources for the future requirement of the fund, your directors do not recommend any dividend during the year under review.

**PUBLIC DEPOSITS:**

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

**SUBSIDIARY/JOINT VENTURE/ ASSOCIATE COMPANY:**

As on 31<sup>st</sup> March, 2019, Your Company has 2 associate Company.

Sr. No	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	Applicable Section
1.	<b>Raghuvir Exim Limited</b> Address:- Nr. Gujarat Bottling, Rakhial Road, Rakhial, Ahmedabad, Gujarat	<b>U51909GJ1992-PLC018496</b>	<b>Associate</b>	<b>2(6)</b>
2.	<b>The Sagar Textile Mills Private Limited</b> Address:- Ramkumar Mills Compound, Saraspur, Ahmedabad-380018, Gujarat	<b>U17119GJ1957 PTC000876</b>	<b>Associate</b>	<b>2(6)</b>

**DEPOSITORY SYSTEM:**

As members are aware, the company's shares are compulsorily tradable in the electronic form. As on March 31, 2019 almost 86.92% of the Company's total paid-up capital representing 33,68,186 shares were in dematerialized form. In view of the numerous advantages offered by the Depository system, members

holding shares in physical mode are advised to avail of the facility of dematerialization on either of the Depositories.

#### EXPORTS:

The company has found export opportunities for the same line of textile products which they were doing Job work presently. Till yet company was involved in Job work but now with the view of export opportunities, company taken the lead towards the export in simultaneous with Job Work. The total exports of the Company amounted to 1268.39 lakhs representing about 22% percent of the gross sales.

#### SHARE CAPITAL:

The Company's paid up equity Share Capital continues to stand at Rs. 385.41 Lakhs as on 31st March, 2019. During the year, the Company has not issued any Shares or Convertible Securities.

#### EXTRACT OF ANNUAL RETURN AS PER SECTION 92 (3) OF COMPANIES ACT 2013:

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as "Annexure -A".

#### BOARD MEETINGS HELD DURING THE YEAR:

Sr. No.	Date on which board Meetings were held	Total Strength of the Board	No of Directors Present
1.	09/04/2018	8	8
2.	24/04/2018	8	8
3.	28/05/2018	8	8
4.	30/07/2018	8	8
5.	10/08/2018	8	7
6.	17/09/2018	8	6
7.	01/10/2018	8	8
8.	05/10/2018	8	6
9.	29/10/2018	8	7
10.	05/11/2018	8	8
11.	19/11/2018	8	7
12.	08/12/2018	8	8

13.	04/01/2019	8	8
14.	22/01/2019	8	8
15.	04/02/2019	8	8
16.	13/02/2019	8	8
17.	21/02/2019	8	7
18.	12/03/2019	8	6

#### ATTENDANCE OF DIRECTORS AT BOARD MEETINGS:

Sr. No.	Name of Directors	No. Of Meeting Held	No. of Meeting Attended
1.	Sunil Agrawal	18	18
2.	Yash Agarwal	18	16
3.	Hardik Agarwal	18	16
4.	Anup Agarwal	18	17
5.	Samirbhai Sheth	18	16
6.	Kamalbhai Patel	18	16
7.	Pamitadevi Agarwal	18	17
8.	Nishitbhai Joshi	18	18

#### DIRECTORS AND KEY MANAGERIAL PERSONNEL:

- ★ In terms of Section 152 of the Companies Act, 2013, Mrs. Pamita Sunil Agarwal is liable to retire by rotation at forthcoming AGM and being eligible offer himself for re-appointment.
- ★ During the Year under review, pursuant to the provisions of Section 196, 197, 203 and Schedule V to the Companies Act, 2013 ("the Act") read with Companies (Appointment and Remuneration to Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Rules made there under to the extent applicable, on the recommendation of Audit Committee, Nomination & Remuneration Committee & Board of Directors, consent of members at the Extra ordinary General Meeting held on 4th February, 2019 be and is hereby accorded for revision in payment of remuneration amounting to Rs. 168 lakhs per annum to **Mr. Sunil R. Agrawal**,

Chairman & Managing Director of the company (DIN:- 00265303) w.e.f 1st April, 2018 for remaining duration of re-appointment upto three years from the effective date, provided that such variation or increase is within specified limit as under the relevant provisions of Section 196, 197 and Schedule V to the Companies Act, 2013 on the such terms and conditions of revision of remuneration.

- ★ During the Year under review, pursuant to the provisions of Section 196, 197, 203 and Schedule V to the Companies Act, 2013 ("the Act") read with Companies (Appointment and Remuneration to Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Rules made there under to the extent applicable, on the recommendation of Audit Committee, Nomination & Remuneration Committee & Board of Directors, consent of members at the Extra ordinary General Meeting held on 4<sup>th</sup> February, 2019 be and is hereby accorded for change of designation of **Mr. Yash S. Agarwal** (holding DIN 02170408) as Joint Managing Director of the Company for a period of five years from 4<sup>th</sup> February, 2019 - 3<sup>rd</sup> February, 2024, who is already Managing Director in Raghuvir Exim Limited, a unlisted public company and associate company of Raghuvir Synthetics Limited, on the terms and conditions of appointment including the payment of remuneration amounting to Rs. 168 lakhs per annum, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall include the Nomination and Remuneration Committee of the Board ) to alter and vary the terms and conditions of the said appointment and / or remuneration as it may deem fit.
- ★ During the Year under review, pursuant to the provisions of Section 196, 197, 203 and Schedule V to the Companies Act, 2013 ("the Act") read with Companies (Appointment and Remuneration to Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Rules made there under to the extent applicable, on the

recommendation of Audit Committee, Nomination & Remuneration Committee & Board of Directors, consent of members at the Extra ordinary General Meeting held on 4<sup>th</sup> February, 2019 be and is hereby accorded for change of designation of **Mr. Hardik S. Agarwal** (holding DIN 03546802) as Joint Managing Director of the Company for a period of five years from 4<sup>th</sup> February, 2019 - 3<sup>rd</sup> February, 2024, who is already Managing Director in Raghuvir Exim Limited, a unlisted public company and associate company of Raghuvir Synthetics Limited, on the terms and conditions of appointment including the payment of remuneration amounting to Rs. 168 lakhs per annum, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall include the Nomination and Remuneration Committee of the Board ) to alter and vary the terms and conditions of the said appointment and / or remuneration as it may deem fit.

- ★ During the Year under review, pursuant to the provisions of Section 196, 197, 203 and Schedule V to the Companies Act, 2013 ("the Act") read with Companies (Appointment and Remuneration to Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Rules made there under to the extent applicable, on the recommendation of Audit Committee, Nomination & Remuneration Committee and Board of Directors, consent of members at the Extra ordinary General Meeting held on 4<sup>th</sup> February, 2019 is hereby accorded for payment of commission amounting to Rs. 12 lakhs per annum to **Mrs. Pamita S Agarwal**, Non-executive Non Independent Women Director of the company (DIN:- 07135868) w.e.f 4th February, 2019 for remaining duration of appointment upto three years from the effective date i.e 4th February, 2019 – 3rd February, 2022, provided that variation or increase in the payment of commission may be done on the approval of members, specified under the relevant provisions of Section 196, 197 and Schedule V to the

Companies Act, 2013 on the such terms and conditions as approved by members.

- ★ During the Year under review, the Board of Directors approved the resignation of Mr. Dilip P. Nirmal , Chief Financial officer and appointed in his place **Mr. Vikram R. Gupta** as Chief Financial officer w.e.f 5<sup>th</sup> November, 2018.
- ★ Respect to the provisions of Section 149, 152 read with schedule IV and Section 161(1) read with Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable provisions, sections, rules of the Companies Act, 2013 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), on the recommendation of Nomination & Remuneration Committee and subject to approval of members at the 37<sup>th</sup> Annual General Meeting, consent of the Board of Directors be and is hereby accorded for recommending for the approval of members for appointment of **MR. SAMIRBHAI SHETH (DIN: 01285752 )** as Independent Director, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company w.e.f. 10/06/2019.
- ★ Respect to the to the provisions of Section 149, 152 read with schedule IV and Section 161(1) read with Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable provisions, sections, rules of the Companies Act, 2013 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), on the recommendation of Nomination & Remuneration Committee and subject to approval of members at the 37<sup>th</sup> Annual General Meeting, consent of the Board of Directors be and is hereby accorded for recommending for the approval of members for appointment of **MR. KAMALBHAI PATEL** as

Independent Director, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company w.e.f 10/06/2019.

- ★ A brief resume of directors being appointed / re-appointed with the nature of their expertise, their shareholding in the Company as stipulated under as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to this Notice of the ensuing Annual General Meeting.
- ★ The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- ★ All the directors of the Company have confirmed that they are not disqualified from being appointed as directors in terms of Section 164 of the Companies Act, 2013.

#### **MATTERS AS PRESCRIBED UNDER SUB-SECTIONS (1) AND (3) OF SECTION 178 OF THE COMPANIES ACT 2013:**

The policy of the Company on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Sub section (3) of Section 178 of the Companies Act, 2013, adopted by the Committee, is appended in the Corporate Governance Report. We affirm that the remuneration paid to the directors is as per the terms laid out in the nomination and remuneration policy of the Company.

#### **POLICY ON REMUNERATION:**

The company have adopted the "POLICY RELATING TO THE REMUNERATION FOR THE EXECUTIVE DIRECTOR, NON-EXECUTIVE / INDEPENDENT DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL" & the policy is updated on the website of the company [www.raghuvir.com](http://www.raghuvir.com) and also forms the part of this report in **Annexure F**

**BOARD EVALUATION:**

Pursuant to the provisions of the Act and the Listing Regulations, a structured questionnaire was prepared after taking into consideration the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Directors was completed during the year under review. The performance evaluation of Chairman and the Non-Independent Directors was carried out by the Independent Directors and Non-Executive Director. The Board of Directors expressed their satisfaction with the evaluation process.

However to comply with the various provisions under Regulation 19 and Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR") and the Companies Act, 2013 ("Companies Act"), the Board of Directors adopted/amended the **DIRECTORS' PERFORMANCE EVALUATION POLICY** with the effect from 2<sup>nd</sup> April, 2019. Respectively, the Nomination & Remuneration Committee shall evaluate the performance of each Board of Directors of the Company with reference of the authority under the Nomination and Remuneration Policy of the Company framed in accordance with the provisions of section 178 of the Companies Act, 2013 and based on their functions as mentioned in the Code of Conduct of the Directors and the criteria for the evaluation of the performance as prescribed in this policy.

Evaluation of the Executive / Non –Executive Directors of the Company shall be carried out by entire Board except the Director being evaluated. Evaluation of Independent Director shall also be carried on by the entire Board in the same way as it is done for the Executive Directors of the Company except the Director getting evaluated. The meeting for the purpose of evaluation of performance of Board Members shall be held at least once in a year. The **DIRECTORS' PERFORMANCE EVALUATION POLICY** is also disclose web site of the company [www.raghuvir.com](http://www.raghuvir.com)

**SEPARATE MEETING OF THE INDEPENDENT DIRECTORS:**

The Independent Directors of your Company, in a separate meeting held on 13<sup>th</sup> March, 2019 to carry out the evaluation for the financial year 2018-19 and inter alia, discussed the following:

- ★ Reviewed the performance of Non-Independent Directors of the Company and the Board as a whole.
- ★ Reviewed the performance of the Chairman of the Company taking into account the views of Executive Directors and Non-executive Directors.
- ★ Assessed the quality, quantity and timelines of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonable perform their duties.

All Independent Directors of the Company were present at the Meeting.

**AUDITORS:**
**★ Statutory Auditors**

Pursuant to the Provisions of Section 139, 141, 142 and other applicable Provisions, if any, of the Companies Act, 2013, (the Act) and the Rules made there under, (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the resolution passed by the Members at the 35<sup>th</sup> Annual general meeting to appoint M/s. Ashok K. Bhatt & Co., Chartered Accountants, Ahmedabad, [ Firm Registration No. : 100657W ] as new Statutory Auditor of the Company to hold office for a period of 5(Five) till the conclusion of 40<sup>th</sup> Annual general meeting of the company ( i.e from 2017-2018 to 2021-2022). Pursuant to the amendments made to Section 139 of the Companies Act, 2013 by the Companies (Amendment) Act, 2017 effective from May 7, 2018, the requirement of seeking ratification of the Members for the appointment of the Statutory Auditors has been withdrawn from the Statute. Hence the resolution seeking ratification of the Members for continuance of their appointment at this AGM is not being sought.

There is no audit qualification, reservation or adverse remark for the year under review.

★ **Secretarial Auditor**

Mr. Amrish N. Gandhi of Amrish Gandhi & Associates, Practicing Company Secretaries is re-appointed to conduct the secretarial audit of the Company for the financial year 2018-19, as required under Section 204 of the Companies Act, 2013 and Rules there under. Your Company has received consent from Mr. Amrish N. Gandhi to act as the auditor for conducting audit of the Secretarial records for the financial year ending 31st March, 2019. The secretarial audit report in form MGT 9 for FY 2018-2019 forms part of the Annual Report as 'Annexure C' to the Board's report.

**DIRECTOR'S RESPONSE TO SECRETARIAL AUDIT REPORT:**

The Secretarial Audit Report issued by Mr. Amrish N. Gandhi of Amrish Gandhi & Associates, Practicing Company Secretaries is self explanatory; however no qualification is raised by Secretarial Auditor for the financial year 2018-2019.

★ **Internal Auditor**

The Board appointed Mr. Kiritkumar K. Patadia (PAN : AFAPP6208G) as Internal Auditor of your company for the financial year 2019-2020 and is hereby eligible for appointment for the financial year 2019-2020 pursuant to the provisions of the Companies Act, 2013. The report prepared by the Internal Auditors is to be reviewed by the Statutory Auditors & Audit Committee.

**INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY:**

The details in respect of internal financial control and their adequacy are included in the Management Discussion & Analysis Report, which forms part of this report.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:**

Details of Loans, Guarantees and Investments under the provisions of Section 186 of the Companies Act, 2013

are not applicable to the Company.

**AUDIT COMMITTEE:**

Audit Committee comprises of four members and all members are Independent Directors. All transactions with related parties are on an arm's length price. During the year, there are no instances where the Board had not accepted the recommendations of the Audit Committee. The composition and the functions of the Audit Committee of the Board of Directors of the Company is disclosed in the Report on Corporate Governance, which is forming a part of this report.

**NOMINATION AND REMUNERATION COMMITTEE:**

Nomination and Remuneration Committee comprises of four members and all members are Independent Directors. The composition and the functions of the Nomination and Remuneration Committee of the Board of Directors of the Company is disclosed in the Report on Corporate Governance, which is forming a part of this report

**RELATED PARTY TRANSACTIONS:**

All Related Party Transactions that were entered into during the financial year were on arm's length price and were in the ordinary course of business and are in compliance with applicable provisions of Companies Act, 2018 & SEBI. All Related Party Transactions were placed before the Audit Committee of the Board of Directors for their approval.

The company entered in contract with The Sagar Textile Mills Pvt. Ltd., Raghuvir Lifestyle Pvt. Ltd, Raghukaushal Textile Pvt. Ltd and Raghuvir Exim Limited and transactions that were entered into during the financial year were on arm's length price and were in the ordinary course of business. A prior omnibus approval of Audit committee is obtained on yearly basis for the transactions entered with Related parties as per the contract agreed between the parties. The transaction entered in pursuant to omnibus approval, a statement giving details of all related party transactions are placed before the Audit Committee for their approval, on a quarterly basis. The policy on Related Party Transactions as approved by the Board is available on the Company's website. (weblink : <http://www.raghuvir.com/policies.html>)



As per the provisions of the Companies Act, 2013 and Listing Regulation, all material RPTs require approval of the members by an ordinary resolution. Based on past trend, the transactions with Raghuvir Exim Ltd. (Associates Company) are likely to exceed 10% of the annual turnover of the Company as per the last audited financial statements of the Company and may exceed the materiality threshold as prescribed under the provisions of Listing Regulations. Thus, in terms of Listing Regulations, these transactions would require approval of the members.

The details of the related party transactions as per Accounting Standard 18 are set out in Note [37] to the Standalone Financial Statements forming part of this report.

**Transaction of the company with any of the person belonging to the promoter / promoter group which holds 10 percent or more shareholding in the company.**

**(a) Details of Related Parties**

Sr. No.	Name of Related Parties	Description of Relationship	Share Holding in the company
1	Sunil R. Agarwal	Key Management Personnel	Promoter, Managing Director and holding 1216624 shares of company
2	Yash S. Agarwal	Key Management Personnel	Belonging to Promoter Group, Joint Managing Director and holding 439203 shares of company
3	Hardik S. Agarwal	Key Management Personnel	Belonging to Promoter Group, Joint Managing Director and holding 374827 shares of company
4.	Pamita S. Agarwal	Wife of Mr. Sunil R. Agarwal and Mother of Mr. Yash S. Agarwal & Mr. Hardik S. Agarwal	Belonging to Promoter Group, Non-executive Non-Independent Director and holding 871921 shares of company

5.	Raghuvir Exim Ltd.	Enterprise over which key management personnel exercise significant influence by controlling interest.	Promoters/ Key Managerial Personnel
6.	The Sagar Textiles Mills Pvt. Ltd.		of company are Directors/Trustees in this company/ Trust. However this companies / trust do not hold any shares or voting rights in the Raghuvir Synthetics Ltd.
7.	Raghuvir Research Foundation Trust		
8.	Raghukaushal Textile Pvt. Ltd.	Enterprise over which relatives	Relatives of Promoters/ Key
9.	Raghuvir Life Style Pvt. Ltd.	of key management personnel exercise significant influence.	Managerial Personnel of company are Directors in this company. However this companies do not hold any shares or voting rights in the Raghuvir Synthetics Limited

**(b) Details of transactions with related parties for the year ended March 31, 2019 in the ordinary course of business:**

[Rs. in Lacs]

Sr. No.	Nature of Relationship/ Transaction	KMP & Relatives	Enterprise over which KMP and Relatives have significant influence	Total
1	<b>Managerial Remuneration</b> - Sunil R. Agarwal - Yash S. Agarwal - Hardik S. Agarwal	1 88.36 26.83 26.83	— — —	1 88.36 26.83 26.83
2	<b>Rent Expense</b> - Sunil R. Agarwal - Raghuvir Exim Ltd. - The Sagar Textile Mill Pvt. Ltd.	33.05 — —	— 2.03 2.54	33.05 2.03 2.54
3	<b>Sales Processing Charges and Other Income</b> - Raghukaushal Textile Pvt. Ltd. - Raghuvir Lifestyle Pvt. Ltd. - Raghuvir Exim Ltd.	— — —	160.03 8.11 2622.37	160.03 8.11 2622.37
4	<b>Finished Goods sales</b> - Raghuvir Exim Ltd.		5.10	5.10
5	<b>Purchase</b> - Raghuvir Exim Ltd.		1366.39	1366.39
6	<b>Donation</b> - Raghuvir Research Foundation Trust	—	15.00	15.00



(c) Amount due to / from related parties as at  
March 31, 2019

[Rs. in Lacs]

Sr. No.	Nature of Relationship/ Transaction	KMP & Relatives	Enterprise over which KMP and Relatives have significant influence	Total
1	<b>Due to Company</b> As Trade Receivables - Raghukaushal Textile Pvt. Ltd. - Raghuvir Lifestyle Pvt. Ltd.	— —	13.76 —	13.76 —
2	<b>Due by Company</b> <b>As Expenses</b> - Sunil R. Agarwal - Raghuvir Exim Ltd. - The Sagar Textile Mill Pvt. Ltd.	2.97 — —	— 0.18 1.77	2.97 0.18 1.77
3.	<b>As Advance from Customer/Trade Payable</b> Raghuvir Exim Ltd. <b>As Remuneration</b> - Sunil R. Agarwal - Yash S. Agarwal - Hardik S. Agarwal	— 2.50 8.75 8.85	572.61 — — —	572.61 2.50 8.75 8.85

The disclosure of related party transactions as required Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014) in Form AOC 2 is available in Annexure "B"

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:**

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

**MATERIAL CHANGES:**

There is no material changes and commitments, that would affect financial position of the company from the end of the financial year of the company to which the financial statements relate and the date of the directors report.

**RESERVES:**

The Company has transferred Rs. 160.21 Lakhs of profit of the Company to General Reserve as on 31<sup>st</sup> March, 2019.

**EMPLOYEE STOCK OPTION:**

The Company has not issued any Employee Stock Option.

**CASH FLOW ANALYSIS:**

The Cash Flow Statement for the year under reference in terms of Regulation 34(2)(c) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 with the stock exchanges forms part of the Annual Report.

**CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Additional information on Conservation of energy, technology absorption, foreign exchange earnings and outgo as required to be disclosed under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, are provided in "Annexure D" to the Directors' Report and forms part of this Report.

**CORPORATE GOVERNANCE:**

As per regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, report on "Corporate Governance" is attached and forms a part of Directors Report. A Certificate from Amrish Gandhi & Associates , Practicing Company Secretary regarding compliance of the conditions of Corporate Governance as stipulated under the Listing Regulation is annexed to this Report.

**MANAGEMENT DISCUSSION AND ANALYSIS:**

★ **Economic Scenario:**

India's textiles sector is one of the oldest industries in Indian economy dating back several centuries. The textiles sector has witnessed a spurt in investment during the last five years. The Indian government has come up with a number of export promotion policies for the textiles sector. It has also allowed 100 per cent FDI in the Indian textiles sector under the automatic route. The Directorate General of Foreign Trade (DGFT) has revised rates for incentives under the Merchandise Exports from India Scheme (MEIS) for two subsectors of Textiles Industry - Readymade garments and Made ups - from 2 per cent to 4 per cent. As of August 2018, the Government of India has increased the basic custom duty to 20 per cent from 10 per cent on

501 textile products, to boost Make in India and indigenous production. The Government of India announced a Special Package to boost exports by US\$ 31 billion, create one crore job opportunity and attract investments worth Rs 80,000 crore (US\$ 11.93 billion) during 2018-2020. As of August 2018 it generated additional investments worth Rs 25,345 crore (US\$ 3.78 billion) and exports worth Rs 57.28 billion (US\$ 854.42 million). The Government of India has taken several measures including Amended Technology Up-gradation Fund Scheme (A-TUFS), scheme is estimated to create employment for 35 lakh people and enable investments worth Rs 95,000 crore (US\$ 14.17 billion) by 2022. Integrated Wool Development Programme (IWDP) approved by Government of India to provide support to the wool sector starting from wool rearer to end consumer which aims to enhance the quality and increase the production during 2017-18 and 2019-20. The Cabinet Committee on Economic Affairs (CCEA), Government of India has approved a new skill development scheme named 'Scheme for Capacity Building in Textile Sector (SCBTS)' with an outlay of Rs 1,300 crore (US\$ 202.9 million) from 2017-18 to 2019-20.

The Indian textile and apparel market was worth \$ 90 bn in 2017. The market is further projected to reach \$198 bn by 2023, at a CAGR of around 14 per cent during 2018-2023. Today, the textile and apparel market has become a vital contributor to the Indian economy. The apparel export has seen a positive trend from November 2018 onwards. Between April-December 2018, Ready-made garments (RMG) exports from India stood at \$11,350.44 mn. India is the largest cotton producer in the world (35.1 mn bales of 170 kg each). The data on 'Quick estimates of textiles & clothing for the month of December 2018' recently released by DGCIS has shown that export of cotton textiles (yarn, fabrics, made-ups) under the purview of council have increased to \$8,394 mn during April-December 2018 from a level of \$7,531 mn during April-December 2017 recording a growth of 11 per cent.

★ **Industry Review:**

India is the world's second-largest exporter of textiles and apparels, with a massive raw material and manufacturing base. The textile industry is a significant contributor to the economy, both in terms of its domestic share and exports. It contributes about seven per cent to industry output, two per cent to the GDP and 15 per cent to the country's total exports earnings.

The Indian textiles industry is extremely varied, with the hand-spun and hand-woven textiles sectors at one end of the spectrum, while the capital intensive sophisticated mills sector at the other end of the spectrum. The decentralised power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of the textile industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles make the Indian textiles sector unique in comparison to the industries of other countries. The Indian textile industry has the capacity to produce a wide variety of products suitable to different market segments, both within India and across the world.

Industry faces a non-level playing field in many markets due to tariff barriers, however industry needs to improve its productivity levels, economies of scale and organise itself better for large production at competitive prices. In 2018, the Indian apparel industry was affected due to the introduction of GST (Goods and Services Tax). During the phase, exporters were majorly affected as they tend to book more orders per year, whereas after GST implementation they landed booking only 70-75 per cent throughout the year. In 2019 exporters were looking at becoming more competitive to book more orders, as government has made a major contribution in the Indian economy by reducing the GST for fabric yarns from 18 per cent to 5 -12 per cent now.

★ **Review and Future Outlook of the Company:**

The Company is continuously trying to accomplish the desired results. Steps have been taken for cost diminution and manufacturing quality products by various installed machineries of the Company. Various aspects of working conditions of workers, health related issues, minimizing risk of accidents at work place etc. are being taken care of by the Company. The Company will achieve more turnover by various marketing strategies, offering more quality products, launching new products etc. in coming years followed by increase in profit margin by way of various cost cutting techniques and optimum utilization of various resources of the Company. The company has found export opportunities for the same line of textile products which they were doing Job work presently. Till yet company was involved in Job work but now with the view of export opportunities, company taken the lead towards the export in simultaneous with Job Work

★ **Internal Control System:**

The Company has proper and adequate system of internal control, commensurate with the size and nature of its business. Regular Internal Audits and Checks carried out and also management reviews the internal control system and procedures to ensure orderly and efficient conduct of business and to ensure that all assets are safeguarded and protected against loss from unauthorised use or disposition and that transactions are authorised, recorded and reported correctly. The Company has well defined internal control system. The Company takes abundant care to design, review and monitor the working of internal control system. Internal audit in the organization is an independent appraisal activity and it measures the efficiency, adequacy and effectiveness of other controls in the organization. The Audit Committee, comprising Independent Directors, regularly reviews audit plans, significant audit findings, adequacy of internal controls, and compliance with Accounting Standards, among others.

**(A) Highlights of the Company's Financial Performance:**

(Rs. in lakhs)

PARTICULARS	31-03-2019	31-03-2018
Total Income ( inclusive of other income & income from operation )	5938.41	3854.60
Net Profit / (Loss) for the period (before Tax, Exceptional and/or Extraordinary items)	303.62	141.36
Net Profit / (Loss) for the period before tax (after Exceptional items and/or Extraordinary items)	303.62	141.36
Net Profit / (Loss) for the period after tax (after Exceptional and/or Extraordinary items)	222.80	60.36
Total Comprehensive Income for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	222.53	60.27
Paid up Equity Share Capital	385.41	385.41
Reserves (excluding Revaluation Reserve) as shown in the Audited Balance Sheet of the previous year	1555.11	1332.60
Earnings Per Share (of Rs. 10/- each) (for continuing and discontinued operations)	5.75	1.57
1) Basic:	5.75	1.57
2) Diluted:		

**(B) Details of significant changes (i.e. change as compared to immediate previous financial year) in key financial ratios:**

Ratios	2018-19(%)	2017-18(%)	CHANGE
Debtors Turnover Ratio	39.25	34.15	5.1
Inventory Turnover Ratio	11.72	22.04	(10.32)
Interest Coverage Ratio	11.96	2.65	9.31
Current Ratio	0.84	0.86	(0.02)
Debt Equity Ratio	1.63	1.51	0.12
Operating Profit Margin %	5.79	5.98	(0.19)
Net Profit Margin %	3.89	1.59	2.3
Return on Net Worth	11.48	3.51	7.97

**(c) Return on Net Worth during the year is 11.48% as compared to 3.51% in the previous year.**

★ **Human Resources:**

The Company believes that its people are its most important asset and thus continuously strives to scale up its employee engagement through well structured systems and a visionary HR

philosophy. The Company continues to lay emphasis on building and sustaining the excellent organization climate based on human performance. Performance management is the key word for the Company. Pursuit of proactive policies for industrial relations has resulted in a peaceful and harmonious situation in the Company. We are highly focused on developing our employees to perform with the same excellence for the challenges and huge business opportunities that are envisaged in future. The Company firmly believes that intellectual capital and human resources is the backbone of the Company's success.

★ **Cautionary Statement:**

This Management Discussion and Analysis statement of the Annual Report has been included in adherence to the spirit enunciated in the code of corporate governance approved by the Securities and Exchange Board of India. Statement in the Management Discussion and Analysis describing Company's objectives, projections, estimates, expectation may be forward-looking statements within the meaning of applicable securities laws and regulations. Actual result could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operation include economic conditions affecting demand/supply and price conditions in the Government regulations, tax laws and other status and other incidental factors. Further, the discussion following herein reflects the perceptions on major issues as on date and the opinion expressed here are subject to change without notice. The Company undertakes no obligations to publicly update or revise any of the opinions of forward looking statements expressed in this report, consequent to new information future events, or otherwise. Readers are hence cautioned not to place undue reliance on these statements and are advised to conduct their own investigation and analysis of the information contained or referred to this statement before taking any action with regard to specific objectives.

**RISK MANAGEMENT:**

The Board of Directors have developed & implemented a robust risk management policy which identifies the key elements of risks that threatens the existence of the Company. The Audit Committee reviews the Company's financial and risk management policies and steps taken by the Company to mitigate such risks at regular intervals.

**INSURANCE:**

The company adopted the Director's and Officer's Liability Insurance Policy and respectively the Board of Directors of the company are covered under Director's and Officer's Liability Insurance Policy. The provisions of indemnity to directors as per the section 197 of the companies Act, 2013 stating that the premium paid on insurance policy shall be treated as part of the remuneration of the officers only if such officer is found guilty.

**CORPORATE SOCIAL RESPONSIBILITY:**

This clause is not applicable.

**PREVENTION OF SEXUAL HARASSMENT POLICY:**

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner so as to ensure safety of all concerned, compliances of working environmental regulations.

In order to comply with provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, the Company has formulated and implemented a policy on prevention, prohibition and redressal of complaints related to sexual harassment of women at the workplace. All women employees either permanent, temporary or contractual are covered under the above policy. The said policy has been uploaded on the website of the company [www.raghuvir.com](http://www.raghuvir.com)

Your Directors state that during the year under review, there were no cases filed pursuant to the aforesaid Act.

**DIRECTOR'S RESPONSIBILITY STATEMENT:**

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge

and ability, state the following:

- ★ that in the preparation of the annual financial statements for the year ended March 31, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ★ that such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2019 and of the profit of the Company for the year ended on that date;
- ★ that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- ★ that the annual financial statements have been prepared on a going concern basis.
- ★ that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- ★ that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

#### KEY MANAGERIAL PERSON:

Mr. Sunil R. Agarwal, Chairman & Managing Director (Executive), Mr. Yash S. Agarwal & Mr. Hardik S. Agarwal, Joint Managing Directors (Executive), Mr. Vikram R. Gupta, Chief Financial Officer and Miss Pratika P. Bothra, Company Secretary & Compliance officer are the Key Managerial Personnel of the Company as on date.

#### ENVIRONMENT AND POLLUTION CONTROL:

The Company is well aware of its responsibility towards a better and clean environment. Our efforts in environment management go well beyond mere compliance with statutory requirements. The Company has always maintained harmony with nature by adopting

eco-friendly technologies and upgrading the same from time to time incidental to its growth programmes.

#### VIGIL MECHANISM/WHISTLE BLOWER POLICY:

Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors have formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177(10) of the Companies Act, 2013 and Regulation 22 of the SEBI (LODR), Regulations, 2015. Employees can raise any suspected or actual violations to the Code of Conduct. Specifically, employees can raise concerns regarding any discrimination, harassment, victimization, any other unfair practice being adopted against them or any instances of fraud by or against your Company. Your Directors state that during the year under review, there were no cases filed pursuant to the aforesaid Act.

#### THE CHANGE IN NATURE OF BUSINESS:

There is no any material change in the business of the Company during the year under review.

#### PARTICULARS OF EMPLOYEES:

A statement containing the names and other particulars of employees in accordance with the provisions of section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as "Annexure – E" to this report.

No employee has received remuneration in excess of the limits set out in rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 during FY 2018-19

#### CORPORATE ACTIONS IN PROTECTING INTEREST OF SHAREHOLDERS:

Circular to Listed Companies on July 05, 2018 informing about amendment to Regulation 40 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 vide Gazette notification dated June 8, 2018 has mandated that transfer of securities would be carried out in dematerialized form only. In order to implement the aforementioned Amendment in the Regulation your company have taken special efforts through their RTAs

to send letter under Registered/Speed post following two reminders to the holders of physical certificates appraising them about the amendment and sensitise them about the impact of the regulation on the transfer of shares held by them in physical form. We have placed aforesaid information on our website [www.raghuvir.com](http://www.raghuvir.com) intimating the investors about the proposed change and provide appropriate guidance on how to dematerialize their shares.

Referring to the SEBI Circular No SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April 2018 & BSE Circular No LIST/COMP/15/2018-19 dated 5<sup>th</sup> July 2018 by which they have directed all the listed companies to record the PAN , Bank account details of all their shareholders and advise them to dematerialise their physical securities. Accordingly your company have taken special efforts through their RTAs to send letter under Registered/Speed post following two reminders to the holders of physical certificates advising them to submit particulars of their bank account, viz. name and address of the branch of the bank, MICR code of the branch, type of account and account number and PAN details (including joint holders if any) to our Registrar and Share Transfer Agent, LINK INTIME INDIA PVT. LTD., 506 TO 508, AMARNATH BUSINESS CENTRE – 1 ( ABC-1 ) , BESIDE GALA BUSINESS CENTRE , NEAR XT. XAVIER'S COLLEGE CORNER, OFF C G ROAD, NAVRANGPURA , AHMEDABAD – 380009 quoting their Folio No. or Client ID No. We would also like to register other KYC details such as specimen signature , mobile number, email id and nomination

**APPOINTMENT OF DESIGNATED DEPOSITORY:**

1. Pursuant to SEBI vide Circular No. IMD/FPIC/CIR/P/2018/61 dated April 5, 2018 for Monitoring of Foreign Investment limits in listed Indian companies, your company have appointed CDSL (CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED) as designated Depository of the company.
2. Pursuant to SEBI, vide circular dated May 28, 2018, for system-driven disclosures in securities market with effect from August, 1 2018 respect to the disclosures of promoter/ promoter group, the CEO and upto two levels

below CEO of a company as:

- a. Disclosures under Regulation 29(1) and 29(2) of SAST Regulations
- b. Disclosures under Regulation 7(2) of PIT Regulations

In compliance with the same your company have appointed NSDL (National Securities Depository Limited) as designated Depository of the company.

**ACKNOWLEDGMENT:**

The Directors wish to place on record their appreciation to the devoted services of the workers, staff and the officers who largely contributed to the efficient management of the Company in the difficult times. The Directors place on record their appreciation for the continued support of the shareholders of the Company. The Directors also take this opportunity to express their grateful appreciation for assistance and cooperation received from the bankers, vendors and stakeholders including financial institutions, Central and State Government authorities, other business associates, who have extended their valuable sustained support and encouragement during the year under review.

**BY ORDER OF THE BOARD OF DIRECTORS  
FOR, RAGHUVIR SYNTHETICS LTD.**

**DATE: 10/08/2019  
PLACE: AHMEDABAD**

**SUNIL R. AGARWAL  
CHAIRMAN & MANAGING  
DIRECTOR  
DIN: - 00265303**

**ANNEXURE-A TO DIRECTOR'S REPORT****Form No. MGT-9****EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31.03.2019

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

**I. REGISTRATION AND OTHER DETAILS:**

CIN	<b>L17119GJ1982PLC005424</b>
Registration date	<b>18/08/1982</b>
Name of the Company	<b>RAGHUVIR SYNTHETICS LIMITED</b>
Category / Sub-Category of the Company	<b>Company Limited by Shares / Indian Non-Government Company</b>
Address of the registered office and contact details	<b>Nr. Gujarat Bottling, Rakhial Road, Rakhial, Ahmedabad, Gujarat – 380023 Ph no. : 079-22911015-22911902-22910963 Email id: raghuvirad1@sancharnet.in</b>
Whether listed company (Yes/No)	<b>YES*</b>
Name, address and contact details of Registrar and Transfer Agent, if any	<b>M/S LINK INTIME INDIA PRIVATE LTD 506 TO 508, AMARNATH BUSINESS CENTRE-1 ( ABC-1 ) , BESIDE GALA BUSINESS CENTRE, NEAR XT XAVIER'S COLLEGE CORNER, OFF C G ROAD, NAVRANGPURA, AHMEDABAD – 380009 Ph : 079 2646 5179 Email id: ahmedabad@linkintime.co.in</b>

\* The Company's Shares are listed at the Bombay Stock Exchange (BSE) and Calcutta Stock Exchange, where as it was listed on Ahmedabad Stock Exchange till 2<sup>nd</sup> April, 2018

\* The shares of the company are suspended on Calcutta stock exchange. The company has applied and paid fee(s) for revocation of suspension and complied with all the compliances as required by Calcutta stock Exchange in this regard, however the process of revocation of suspension is under process respect to the verification of documents at the end of Calcutta Stock Exchange.

\* Reference to the SEBI circular viz. 8WTM/MPB/MRD/160/2018, Exit Order is issued for Ahmedabad Stock Exchange Limited effective from 2<sup>nd</sup> April, 2018. Henceforth your company is no more listed in Ahmedabad Stock Exchange effective from 2<sup>nd</sup> April, 2018.)

**II. PRINCIPAL OF BUSINESS ACTIVITIES OF THE COMPANY:**

All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated:

<b>Sr No.</b>	<b>Name and Description of main Products / Services</b>	<b>NIC Code of the Product / Service</b>	<b>% to total turnover of the Company</b>
1	Finishing of cotton and blended cotton textiles.	13131	100%



**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

Sr. No	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	Applicable Section
1.	<b>Raghuvir Exim Limited</b> Address:- Nr. Gujarat Bottling, Rakhial Road, Rakhial, Ahmedabad, Gujarat	U51909GJ1992PLC018496	Associate	2(6)
2.	<b>The Sagar Textile Mills Private Limited</b> Address:- Ramkumar Mills Compound, Saraspur, Ahmedabad-380018, Gujarat	U17119GJ1957PTC000876	Associate	2(6)

**IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY):**

**(i) Category-wise Shareholding:**

CATEGORY OF SHARE HOLDER	NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR 31.03.2018				NO. OF SHARES HELD AT THE END OF THE YEAR 31.03.2019				% CHANGE DURING THE YEAR
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. PROMOTERS</b>									
(1) INDIAN									
a) Individual/ HUF	2901975	NIL	2901975	74.88	2902575	NIL	2902575	74.90	0.02
b) Central Govt.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) State Govt(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) Bodies	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Corporate	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Banks/FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f) Any Other	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Sub total A(1)</b>	<b>2901975</b>	<b>NIL</b>	<b>2901975</b>	<b>74.88</b>	<b>2902575</b>	<b>NIL</b>	<b>2902575</b>	<b>74.90</b>	<b>0.02</b>
<b>(2) FOREIGN</b>									
a) NRI-individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Other	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) Bodies Corporate	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) Banks/FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Any Other	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Sub Total A(2)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
<b>Total Shareholding of Promoter</b>									
<b>(A)=(A)(1)+ (A)(2)</b>	<b>2901975</b>	<b>NIL</b>	<b>2901975</b>	<b>74.88</b>	<b>2902575</b>	<b>NIL</b>	<b>2902575</b>	<b>74.90</b>	<b>0.02</b>



(B) Public Shareholding									
Bodies Corporate	63383	NIL	63383	1.64	51606	NIL	51606	1.33	(0.31)
Individual	333422	548414	881836	22.75	396759	506814	903573	23.318	0.56
<b>Any other (Specify)</b>									
Hindu Undivided Family	26005	NIL	26005	0.67	16607	NIL	16607	0.428	(0.242)
Non Resident Indians (Non Repat)	301	NIL	301	0.01	301	NIL	301	0.007	(0.003)
Non Resident Indians (Repat)	11	NIL	11	0.00	11	NIL	11	0.0003	0.00
Clearing Member	1489	NIL	1489	0.04	327	NIL	327	0.0084	(0.0316)
<b>Total shareholding of others (B)</b>	<b>424611</b>	<b>548414</b>	<b>973025</b>	<b>25.11</b>	<b>465611</b>	<b>506814</b>	<b>972425</b>	<b>25.09</b>	<b>(0.02)</b>
<b>GRAND TOTAL(A+B)</b>	<b>3326586</b>	<b>548414</b>	<b>3875000</b>	<b>100</b>	<b>3368186</b>	<b>506814</b>	<b>3875000</b>	<b>100</b>	<b>-</b>

## (ii) Shareholding of Promoters:

SI. No.	NAME OF PROMOTERS	SHARE HOLDING AT THE BEGINNING OF THE YEAR			SHARE HOLDING AT THE END OF THE YEAR			% CHANGE DURING THE YEAR
		No of shares	% of total shares of the company	% of shares pledge/ encumb-ered to total shares	No of shares	% of total shares of the company	% of shares pledge/ encumb-ered to total shares	
1	Mr. Sunil R. Agarwal	1216024	31.381	NIL	1216624	31.396	-	0.02
2	Mrs. Pamita S. Agarwal	871921	22.50	NIL	871921	22.50	-	NIL
3	Mr. Yash S. Agarwal	439203	11.33	NIL	439203	11.33	-	NIL
4	Mr. Hardik S. Agarwal	374827	9.67	NIL	374827	9.67	-	NIL
	<b>Total</b>	<b>2901975</b>	<b>74.88</b>	<b>NIL</b>	<b>2902575</b>	<b>74.90</b>	<b>-</b>	<b>0.02</b>

## (iii) Change in Promoter's Shareholding:

SL. NO.	NAME OF PROMOTERS	SHARE HOLDING AT THE BEGINNING OF THE YEAR		CUMULATIVE SHAREHOLDING DURING THE YEAR	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	At the beginning of the year (31.03.2018)	<b>2901975</b>	<b>74.88</b>		
2.	<b>Mr. Sunil R. Agrawal</b> Dematerialisation cum Transmission of Equity Shares w.e.f 23/01/2019	600	0.01		
3	<b>At the End of the Year (31.03.2019)</b>	-	-	<b>2902575</b>	<b>74.90</b>

**(iv) Shareholding Pattern of top ten Shareholders (Other than directors, Promoters and Holders of GDRs and ADRs):**

SL. NO.	FOR EACH OF THE TOP 10 SHAREHOLDERS	SHAREHOLDING AT THE BEGINNING OF THE YEAR		CHANGE IN SHAREHOLDING (NOS. OF SHARES)		CUMULATIVE SHAREHOLDING DURING THE YEAR	
		No of Shares	% of Total Shares of The Company	Increase	Decrease	No of Shares	% of Total Shares of The Company
1.	MADAN AND COMPANY LIMITED	48100	1.241	–	–	48100	1.241
2.	SAKAR SOHANLAL SHARMA	48800	1.259	–	9201	39599	1.021
3.	JAIPRAKASH D CHIRIPAL	–	–	34373	–	34373	0.887
4.	BRIJMOHAN D CHIRIPAL	20313	0.524	9285	–	29598	0.763
5.	JYOTIPRASAD D CHIRIPAL	–	–	23743	–	23743	0.612
6.	BHAVNA DARSHAN MEHTA	11068	0.285	–	60	11008	0.284
7.	VINOD KUMAR AGGARWAL	9996	0.258	380	–	10376	0.267
8.	MAYABEN VIJAYKUMAR PAREKH	3491	0.090	5051	–	8542	0.220
9.	VINOD KUMAR MADANLAL SARAF	7227	0.186	100	–	7327	0.189
10.	YOGESHRAMBHAIPATEL	5000	0.129	–	–	5000	0.129

**(v) Shareholding of Directors and Key managerial Personnel:**

SL. NO.	FOR EACH OF THE DIRECTORS AND KMP	SHARE HOLDING AT THE BEGINNING OF THE YEAR		PURCHASE/ (SALE) DURING THE YEAR	CUMULATIVE SHAREHOLDING DURING THE YEAR	
		No. of shares	% of total shares of the company		No. of shares	% of total shares of the company
1.	<b>Mr. Sunil Agarwal</b> Chairman & Managing Director	1216024	31.38	600	1216624	31.396
2.	<b>Mr. Yash Agarwal</b> Joint Managing Director	439203	11.33	NIL	439203	11.33
3.	<b>Mr. Hardik Agarwal</b> Joint Managing Director	374827	9.67	NIL	374827	9.67
4.	<b>Mrs. Pamita Agarwal</b> Director	871921	22.50	NIL	871921	22.50
5.	<b>Mr. Samir Sheth</b> Independent Director	NIL	NIL	—	NIL	NIL
6.	<b>Mr. Kamal Patel</b> Independent Director	NIL	NIL	—	NIL	NIL
7.	<b>Mr. Anup Agarwal</b> Independent Director	NIL	NIL	—	NIL	NIL
8.	<b>Mr. Nishit Joshi</b> Independent Director	NIL	NIL	—	NIL	NIL
9.	<b>Mr. Dilip Nirmal*</b> Chief Financial officer	NIL	NIL	—	NIL	NIL
10.	<b>Mr. Vikram Gupta**</b> Chief Financial officer	NIL	NIL	—	NIL	NIL
11.	<b>Miss Pratika Bothra</b> Company Secretary & Compliance officer	NIL	NIL	—	NIL	NIL

\*Resigned w.e.f 5/11/2018 \*\*Appointed w.e.f 5/11/2018

**V. INDEBTEDNESS:**

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

	Secured Loans Excluding Deposits (Rs. In Lakhs)	Unsecured Loans	Deposits	Total Indebtedness (Rs. In Lakhs)
<b>Indebtedness at the beginning of the financial year</b>	1240.73	NIL	NIL	1240.73
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest Due but Not Paid	NIL	NIL	NIL	NIL
iii) Interest Accrued but not due	NIL	NIL	NIL	NIL
<b>Total i + ii + iii</b>	1240.73	NIL	NIL	1240.73
<b>Change in indebtedness during the financial year</b>	( 163.29 )	NIL	NIL	( 163.29 )
i) Addition	NIL	NIL	NIL	NIL
ii) Reduction	163.29	NIL	NIL	163.29
<b>Net Change Indebtedness at the end of the financial year</b>	1077.44	NIL	NIL	1077.44
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest Due but Not Paid	NIL	NIL	NIL	NIL
iii) Interest Accrued but not due	NIL	NIL	NIL	NIL
<b>Total i + ii + iii</b>	1077.44	NIL	NIL	1077.44

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount (In Rs. )
		MR. SUNIL R. AGRAWAL* (CHAIRMAN & MANAGING DIRECTOR) (Per Annum in Rs.)	MR. YASH S. AGARWAL** (JOINT MANAGING DIRECTOR) (Per Annum in Rs.)	MR. HARDIK S. AGARWAL** (JOINT MANAGING DIRECTOR) (Per Annum in Rs.)	—	
1	Gross salary	16800000	2683333	2683333		22166666
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	16800000	2683333	2683333	NA	22166666
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NA	NA	NA	NIL
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NA	NA	NA	NIL
2	Stock Option	NA	NA	NA	NA	NIL
3	Sweat Equity	NA	NA	NA	NA	NIL
4	Commission - as % of profit - others, specify...	NA	NA	NA	NA	NIL
5.	Provident fund & Gratuity	3200000	-	-		3200000
6.	Others, please specify	NA	NA	NA	NA	NIL
	<b>Total (A)</b>	<b>20000000</b>	<b>2683333</b>	<b>2683333</b>	<b>NA</b>	<b>25366666</b>
	Ceiling as per the Act (as per the Schedule V Part II Section II)	168 lakhs (It does not include Gratuity & PF)	168 lakhs (It does not include Gratuity & PF)	168 lakhs (It does not include Gratuity & PF)	NA	504 Lakhs (It does not include Gratuity & PF)

\* Remuneration inc. to Rs. 168 lakhs p.a w.e.f 1/04/2018

\*\* Remuneration assigned of Rs. 168 lakhs p.a w.e.f 04/02/2019

**B. Remuneration to other directors**

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		MR. NISHIT JOSHI	MR. ANUP AGARWAL	MR. KAMAL PATEL	MR. SAMIR SHETH	
1	Independent Directors	MR. NISHIT JOSHI	MR. ANUP AGARWAL	MR. KAMAL PATEL	MR. SAMIR SHETH	NIL
	Fee for attending board committee meetings	NIL	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL	NIL
	Total (1)	NIL	NIL	NIL	NIL	NIL
2	Other Non-Executive Directors	MRS. PAMITA AGARWAL	NIL	NIL	NIL	NIL
	Fee for attending board committee meetings	NIL	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL	NIL
	Total (2)	NIL	NIL	NIL	NIL	NIL
	Total (B)=(1+2)	NIL	NIL	NIL	NIL	NIL
	Total Managerial Remuneration	NIL	NIL	NIL	NIL	NIL
	Ceiling as per the Act (as per the Schedule V Part II Section II)	-	-	-	-	-

**C. Remuneration to key managerial personnel other than MD/Manager/WTD :**

SN	Particulars of Remuneration	Key Managerial Personnel			
		MR. VIKRAM GUPTA (Chief Financial Officer)** (Per Annum in Rs. )	MISS PRATIKA P. BOTHRA (Company Secretary & Compliance Officer) (Per Annum in Rs.)	MR. DILIP P. NIRMAL (Chief Financial Officer)* (Per Annum in Rs. )	Total (in Rs. )
1	Gross salary	269500	336260	334200	939960
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	269500	336260	334200	939960
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL	NIL
2	Stock Option	NA	NA	NA	NIL
3	Sweat Equity	NA	NA	NA	NIL
4	Commission	NA	NA	NA	NIL
	- as % of profit	NA	NA	NA	NIL
	others, specify...	NA	NA	NA	NIL
5	Provident Fund and Gratuity	-	-	-	-
6	Others, please specify	NA	NA	NA	NIL
	Total	269500	336260	334200	939960

\*Resigned w.e.f 5/11/2018 \*\*Appointed w.e.f 5/11/2018

## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

**Note :**

The Extract of the Annual return in MR-9 is posted on the company website. The weblink to access the Extract of the Annual return in MR-9 for the Financial Year 2018-19 over the website is [http://www.raghuvir.com/annual\\_report.html](http://www.raghuvir.com/annual_report.html)

**“ANNEXURE – B”  
FORM NO. AOC-2  
(FINANCIAL YEAR 2018-2019 )**

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

**1. Details of contracts or arrangements or transactions at arm’s length basis:**

Sr. No.	Names of related party and Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of contracts/ arrangements/ transactions	Salient terms of the contracts/ arrangements/ transactions	Justification for entering into such contracts or arrangements	Dates of approval by the Board	Amount of contract or arrangement (RS. IN LAKHS)	Date of special resolution u/s 188
1.	Raghu kaushal Textile Private Ltd.	Sales Processing Charges and other Income	F.Y 2018-2019	Transaction limit should not exceed Rs. 5 crores in financial year 2018-2019	The new contract was entered & approved for execution on board meeting held on 10.04.2017.	Reviewed by Board on 02/04/19	160.03	—
2.	Raghuvir Lifestyle Pvt Ltd	Sales Processing Charges and other Income	F.Y 2018-2019	Transaction limit should not exceed Rs. 3 crores in financial year 2018-2019	The new contract was entered & approved for execution on board meeting held on 29.05.2017.	Reviewed by Board on 02/04/19	8.11	—
3.	Raghuvir Exim Ltd	Sales Processing Charges and other Income	F.Y 2018-2019	Transaction limit should not exceed Rs. 75 crores in financial year 2017-2018	The contract expired on 24.02.2017, henceforth its approved for renewable w.e.f 25th February, 2017 in board meeting held on 10.04.2017 with the retrosepective effect	Reviewed by Board on 02/04/19	2622.37	24.09.2018

4.	Sunil R Agarwal	Rent Expense	F.Y 2018-2019		Contract entered on 02.04.2013 & contract modified and adopted in the Board meeting held on 8 <sup>th</sup> December, 2018	Reviewed by Board on 02/04/19	33.05	—
5.	Raghuvir Exim Ltd	Rent Expense	F.Y 2018-2019		Contract entered on 02.04.2013	Reviewed by Board on 02/04/19	2.03	—
6.	The Sagar Textiles Mills Pvt Ltd	Rent Expense	F.Y 2018-2019		Contract entered on 01.03.2012	Reviewed by Board on 02/04/19	2.54	—
7.	Raghuvir Research Foundation Trust	Donation	F.Y 2018-2019	Transaction limit should not exceed Rs.40,00,000/- in financial year 2017-2018	limit of Rs. 40,00,000/- in any f.y should not exceed as approved in the general meeting held on 30.09.2016	Reviewed by Board on 02/04/19	15	30.09.2016

2. **Details of contracts or arrangements or transactions not at arm's length basis:**

Sr No.	Names of related party and Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of contracts/ arrangements/ transactions	Salient terms of the contracts/arrangements/ transactions including the value, if any	Dates of approval by the Board	Amount paid as advances, if any
1	NA	NA	NA	NA	NA	NA

**By order of the Board of Directors  
Raghuvir Synthetics Limited**

**Sunil R. Agrawal  
Chairman & Managing Director  
DIN: 00265303**



ANNEXURE-C TO DIRECTOR'S REPORT

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2019

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

To,

The Members,

RAGHUVIR SYNTHETICS LIMITED

Rakhial Road, Rakhial,

Ahmedabad - 380023.

I, Amrish N. Gandhi, Proprietor of Amrish Gandhi & Associates, Company Secretaries, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **RAGHUVIR SYNTHETICS LIMITED [CIN:L17119GJ1982PLC005424]** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of **RAGHUVIR SYNTHETICS LIMITED'S** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **RAGHUVIR SYNTHETICS LIMITED** for the financial year ended on 31<sup>st</sup> March, 2019 according to the provisions of:

- I. The Companies Act, 2013 ('the Act') and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Byelaws framed there under;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings. **(Not Applicable to the Company during the Audit Period)**
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 **(Not Applicable to the Company during the Audit Period)**;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (upto 14th May, 2015) and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective 15th May, 2015);
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not Applicable to the Company during the Audit Period)**;



- d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not Applicable to the Company during the Audit Period);**
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable to the Company during the Audit period);**
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not Applicable to the Company during the Audit Period) and;**
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not Applicable to the Company during the Audit Period);**
- i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

VI. As informed to me the following other Laws specifically applicable to the Company as under:

**A. INDUSTRIAL & LABOUR LAWS:**

- a) The Factories Act, 1948
- b) The Minimum Wages Act, 1948
- c) The Payment of Wages Act, 1936
- d) Employee's State Insurance Act, 1948
- e) Employees' Provident Fund and Miscellaneous Provisions Act, 1952
- f) The Payment of Bonus Act, 1965
- g) The Payment of Gratuity Act, 1972
- h) The Contract Labour (Regulation and Abolition) Act, 1970
- i) The Employees' Compensation Act, 1923
- j) The Apprentices Act, 1961
- k) The Child Labour ( Prohibition and Regulation ) Act, 1986
- l) The Employment Exchange ( Compulsory Notification of Vacancies ) Act, 1959

**B. ENVIRONMENT RELATED:**

- a) The Environment (Protection) Act, 1986
- b) The Hazardous Wasted (Management, Handling And Transboundary Movement) Rules, 2008
- c) The Water (Prevention & Control of Pollution) Act, 1974
- d) The Air (Prevention & Control of Pollution) Act, 1981

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

- a) Secretarial Standards with respect to General and Board Meetings issued by The Institute of Company Secretaries of India (effective from 1<sup>st</sup> July, 2015).

- b) The Listing Agreements entered into by the Company with BSE Limited, Ahmedabad Stock Exchange Limited and Calcutta Stock Exchange Limited.
- c) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. (effective from 1<sup>st</sup> December, 2015)

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above whereas apart of it we have observed that:

- 1) Besides, engaged in rendering services in the nature of processing of textile products as its main business, the company, during the period under review (Financial Year 2018-2019), also focused and started manufacturing of textile products and exported the same in overseas market. An additional object, "to manufacture textile products and export the same in overseas market", is pursued by the company during the period under review.
- 2) As per the data /information /documents and explanations provided by the company and its management to us the company has no disputed outstanding statutory dues as at 31st March ,2019 other than stated below:

Name of Statute	Nature of the Dues and Period to which amount relates	Disputed Amount (in Rs.)	Forum where dispute is pending
Employee State Insurance Act, 1948 and Rules/ regulations made there under	Demand Notice issued by ESI Corporation (F.Y. 2000-02)	4,98,000	Employee State, Insurance Corporation
Employee State Insurance Act, 1948 and Rules regulations made there under	Demand Notice issued by ESI Corporation (F.Y. 2000-02)	25,93,000	Employee State, Insurance Corporation

- 3) Status of the company in Calcutta Stock Exchange is "SUSPENDED" during the period under the review (Financial year 2018-2019). The company has applied and paid fee(s) for revocation of suspension and complied with all the compliances as required by Calcutta Stock Exchange in this regard. The Management of the company has informed that the process of revocation of suspension is under process respect to verification of documents at the end of Calcutta Stock Exchange.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions of the board were unanimous and the same was captured and recorded as part of the minutes.

**I further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** during the audit period the Company has no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc

**Place: Ahmedabad**

**For Amrish Gandhi & Associates**

**Date: 10/08/2019**

**Amrish N. Gandhi**

**Company Secretaries**

**CP No: 5656 | FCS: 8193**

**Note:** *This Report is to be read with Our Letter of even date which is annexed as "Appendix A" and forms an integral part of this report.*



**'Appendix A'**

To,  
The Members,  
RAGHUVIR SYNTHETICS LIMITED  
Rakhial Road, Rakhial,  
Ahmedabad-380023.

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**Place: Ahmedabad**  
**Date: 10/08/2019**

**For Amrish Gandhi & Associates**

**Amrish N Gandhi**  
**Company Secretaries**  
**CP No: 5656|FCS: 8193**

## ANNEXURE-D TO DIRECTOR'S REPORT

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Information as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are set out as under:

**A. CONSERVATION OF ENERGY:**

The Company endeavors to conserve energy wherever possible.

Total energy consumption & consumption per unit of production:

<b>Particulars</b>	<b>2018-2019</b>	<b>2017-2018</b>
<b>1. Power and Fuel Consumption :</b>		
Purchases Units (KHW '000)	4502.05	4525.92
Total Cost (Rs. In Lakhs)	371.64	348.66
Rate per Unit (Rupees)	8.25	7.70
Consumption in Units (Per unit of production)	0.245	0.271
<b>2. Coal and Wooden Dust</b>		
Quantity Consumed (M.T)	11017.823	10433.71
Total Cost (Rs. In Lakhs)	725.71	690.23
Rate per M.T. (Rupees)	6586.65	6615.40
Consumption in Kgs. (Per Unit of production)	0.600	0.624
<b>3. Wind Mill (Units)</b>	95037	0

**B. TECHNOLOGY ABSORPTION**

The Company is not having any technology

Collaboration in its manufacturing operations.

**C. FOREIGN EXCHANGE EARNING AND OUT GO:**

<b>PARTICULARS</b>	<b>2018-2019</b>	<b>2017-2018</b>
i. Total Foreign Exchange Used (Rs.)	8148702	43272658
ii. Total Foreign Exchange Earned (on F.O.B basis) (Rs.)	126125599	NIL

**ANNEXURE - E TO DIRECTOR'S REPORT**
**PARTICULARS OF EMPLOYEES:-**

(Pursuant to rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

1. In the Financial year 2018-2019 :

- ★ There is increase in remuneration of Mr. Sunil R. Agarwal, Chairman & Managing Director, w.e.f 01/04/2018.
- ★ The designation of Mr. Yash S. Agarwal & Mr. Hardik S. Agarwal is changed to Joint Managing Directors of the company w.e.f 04/02/2019. Before 04/02/2019, no remuneration was paid Mr. Yash S. Agarwal & Mr. Hardik S. Agarwal as Director of the company.
- ★ The commission is assigned to Mrs. Pamita S. Agarwal w.e.f 04/02/2019, however the commission will be paid to Mrs. Pamita S. Agarwal from the F.Y 2019-2020.
- ★ The remuneration of Miss Pratika P. Bothra, Company Secretary & Compliance Officer of the company is increased w.e.f 1/09/2018
- ★ Mr. Dilip Nirmal, Chief Financial officer is resigned w.e.f 05/11/2018 & in his place Mr. Vikram Gupta is appointed as Chief Financial officer w.e.f 05/11/2018

The remuneration of each Director/ KMP of the Company for the financial year 2018-19 is specified herewith:

Sr. No.	Name of Director/KMP	Remuneration for FY 2018-19 (Per Annum in Rs.) (Remuneration does not include Gratuity & PF)	% increase or decrease in remuneration in FY 2018-19
1.	Mr. Sunil Agarwal Chairman & Managing Director	16800000	28.57%
2.	Mr. Yash Agarwal Joint Managing Director	2683333	-
3.	Mr. Hardik Agarwal Joint Managing Director	2683333	-
4.	Mr. Samir Sheth Independent Director	NIL	NA
5.	Mr. Kamal Patel Independent Director	NIL	NA
6.	Mr. Anup Agarwal Independent Director	NIL	NA
7.	Mrs. Pamita Agarwal Director	NIL	-
8.	Mr. Nishit Joshi Independent Director	NIL	N.A
9.	Mr. Dilipkumar Nirmal Chief Financial Officer	334200	0.038%
10.	Mr. Vikram Gupta Chief Financial Officer	269500	-
11.	Miss Pratika Bothra Company Secretary & Compliance officer	336260	28.57%

2. There were 226 permanent employees on the rolls of Company as on 31<sup>st</sup> March, 2019
3. It is hereby affirmed that the remuneration paid is as per the Nomination & Remuneration Policy adopted / amended & adopted by the company. The Policy is played on the website of the company [www.raghuvir.com](http://www.raghuvir.com)
4. In the financial year 2018-2019, no employee was paid the salary more than Rs. 1,40,000/- per month on individual basis.

#### ANNEXURE – F TO DIRECTOR’S REPORT

#### **POLICY RELATING TO THE REMUNERATION FOR THE EXECUTIVE DIRECTOR, NON-EXECUTIVE/ INDEPENDENT DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL is that:-**

##### **General:**

- a) The remuneration/ compensation/ commission etc. to the Executive Director will be determined by the Committee and recommended to the Board for approval. The remuneration/ compensation/ commission etc. shall be subject to the prior/post approval of the shareholders of the Company.
- b) The remuneration and commission to be paid to the Executive Director shall be in accordance with the percentage/ limits/ conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.
- c) Increments to the existing remuneration/ compensation structure in the case of Executive Director may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders and in accordance with the provisions of Schedule V of the Companies Act, 2013.
- d) Where any insurance is taken by the Company or its Holding Company on behalf of the Company's Executive Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.
- e) Remuneration of other KMP or Senior Management Personnel shall be as per the policy of the Company as duly approved by the Committee.
- f) Reimbursement of Expenses: The Directors would be entitled to reimbursement of expenses incurred for attending the Board/ Committee meetings and other meetings.

##### **Remuneration to Executive Director/ KMP and Senior Management Personnel:**

##### a) Fixed pay:

The Executive Director, KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders. The monthly remuneration of Senior Management Personnel shall be as per the policy of the Company duly approved by the Committee.

##### b) Commission:

Commission may be paid to the Executive Director, as may be applicable, within the monetary limit approved by shareholders, subject to the limits prescribed under the applicable provisions of the Act.

c) Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Executive Director in accordance with the provisions Schedule V of the Act..

d) Provisions for excess remuneration:

If any Executive Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the approval required under the Act,, he/ she shall refund such sums to the Company as prescribed under the Act and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless approved by the shareholder as prescribed under the Act.

Remuneration to Non-Executive/ Independent Director:

a) Remuneration/ Commission:

The remuneration/ commission shall be fixed as per the limits and conditions mentioned in the Articles of Association of the Company, the Act and the Listing Regulations.

Incase the annual remuneration payable to a single non-executive director exceeds fifty per cent of the total annual remuneration payable to all non-executive directors, it shall be subject to the approval of shareholders by special resolution.

b) Sitting Fees:

The Non-Executive/ Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

c) Commission:

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act and as per the criteria approved by the Board from time to time. The Board of Directors will fix the Commission payable to Directors on the basis of number of Board/Committee meetings attended during the year, Chairmanships of Committees and based on contribution and participation of Directors of the Company and their involvement in Company's strategic matters.

d) Stock Options:

An Independent Director shall not be entitled to any stock option of the Company. Non-Executive Directors are eligible for Stock options in accordance with Schemes formulated by the Company.

**Note :** The policy can be accessed on the website of the company on stated weblink : <http://www.raghuvir.com/policies.html>



## CORPORATE GOVERNANCE REPORT

### Corporate Governance

The principal characteristics of corporate governance are Transparency, Independence, Accountability, Responsibility, Fairness, and Social Responsibility. Corporate Governance pertains to system of blending law, regulations and voluntary practices, which enable the Company to attract financial and human capital, perform efficiently and thereby perpetuate it into generating long-term economic value for its shareholders, while respecting interests of other stakeholders and the society as a whole.

It aims to assure the shareholders that it is “Your Company” and it belongs to you. The Chairman and Board of Directors are your fiduciaries and trustees pushing the business forward in maximizing long term value for its shareholders. This report sets out the compliance status of the Company with the requirements of corporate governance, as set out in Pursuant to Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year 2018-19

### Company's Philosophy on Corporate Governance

The fundamental approach to corporate governance is to ensure the condition that Board of Directors and managers act in the interest of the Company. The implementation of good corporate governance leads to increase in the long term value of the shareholders and also in the enhancement of the interest of the other stakeholders. The Company is led by the Chairman and the Managing Director who are responsible for implementing the broad policies and guidelines.

Your Company has followed all the mandatory requirement of Corporate Governance complying with the requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 ('Listing Regulations') and applicable provisions of Companies Act, 2013 and looking forward positively to follow non mandatory provisions. The Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value, over sustained period of time.

### BOARD OF DIRECTORS

#### A. Composition of Board of Directors as on 31-03-2019 is as under:-

Name of the Director along with designation in Raghuvir Synthetics Limited	Category of Director in Raghuvir Synthetics Limited	Total No. of Other Directorship (In Public Companies)	Details of Committees in other Companies*		No. of Shares held in Raghuvir Synthetics Limited as at 31.03.2019	List of Directorship held in other Listed Companies and Category of Directorship
			Chairman	Member		
Mr. Sunil Agarwal DIN: 00256303 Designation: Chairman and Managing Director	Promoter, Executive & Non-Independent Director	1	NIL	1	1216624	—————
Mr. Yash Agarwal DIN: 02170408 Designation: Joint Managing Director	Promoter Group, Executive & Non-Independent Director	1	NIL	NIL	439203	—————



Mr. Hardik Agarwal DIN: 03546802 Designation: Joint Managing Director	Promoter Group, Executive & Non-Independent Director	1	NIL	NIL	374827	_____
Mrs. Pamita Agarwal DIN: 07135868 Designation: Director	Promoter, Non-Executive & Non-Independent Director	1	NIL	1	871921	_____
Mr. Samir Sheth DIN: 01285752 Designation: Independent Director	Non-executive & Independent Director	4	NIL	4	_____	_____
Mr. Kamal Patel DIN: 02740853 Designation: Independent Director	Non-executive & Independent Director	1	1	NIL	_____	_____
Mr. Anup Agarwal DIN: 01790620 Designation: Independent Director	Non-executive & Independent Director	NIL	NIL	NIL	_____	_____
Mr. Nishit Joshi DIN: 06749898 Designation: Independent Director	Non-executive & Independent Director	NIL	NIL	NIL	_____	_____

\*Committee positions only of the Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee in Public Companies have been considered.

**B. Attendance of each director at the Board Meeting and Last Annual General Meeting:**

During the financial year 2018-2019, the Board of Directors of your Company met 18 (Eighteen) times on 09/04/2018, 24/04/2018, 28/05/2018, 30/07/2018, 10/08/2018, 17/09/2018, 01/10/2018, 05/10/2018, 29/10/2018, 05/11/2018, 19/11/2018, 08/12/2018, 04/01/2019, 22/01/2019, 04/02/2019, 13/02/2019, 21/02/2019, 12/03/2019

The details of directors and their attendance at the board meetings and Last General Meetings of the Company are as under:- (YES stands for Present & NO stands for Absent)

Name of Directors	No. of Board Meeting attended	Attendance at last AGM held on 24 <sup>th</sup> September, 2018	Attendance at last EGM held on 4 <sup>th</sup> February, 2019
Mr. Sunil Agarwal	18	NO	YES
Mr. Yash Agarwal	16	NO	YES
Mr. Hardik Agarwal	16	NO	YES
Mr. Samir Sheth	16	YES	YES
Mr. Kamal Patel	16	YES	YES
Mr. Anup Agarwal	17	YES	YES
Mrs Pamita Agarwal	17	NO	YES
Mr. Nishit Joshi	18	YES	YES

**(c) Code of Conduct:**

The Company has framed a code of conduct for the members of the Board of Directors and Senior Management Personnel of the Company. The said code of conduct is available on the website of the Company [http://www.raghuvir.com/code\\_conduct.html](http://www.raghuvir.com/code_conduct.html). The declaration by Shri Sunil R. Agarwal, Chairman & Managing Director of the Company regarding compliance by the Board members and Senior Management Personnel, with the said code of conduct, forms the part of this report.

**(d) Chart or a Matrix setting out the Skills/Expertise/Competencies of the Board of Directors.**

The following skills / expertise / competencies required in the context of Company's businesses have been identified by the Board for it to function effectively viz. :

(i) Business Strategy, Planning and Corporate Management (ii) Accounting and financial Skills (iii) Marketing (iv) Communication & Personal values such as integrity, accountability, and high performance standards (v) Corporate Governance (vi) Legal & Risk Management

**GIVEN BELOW IS A LIST OF CORE SKILLS, EXPERTISE AND COMPETENCIES OF THE INDIVIDUAL DIRECTORS:**

<b>SKILLS / EXPERTISE / COMPETENCIES</b>						
<b>Name of Directors</b>	<b>Business Strategy, Planning and Corporate Management</b>	<b>Accounting &amp; Financial Skills</b>	<b>Marketing</b>	<b>Communication &amp; Personal values such as integrity, accountability, and high performance standards.</b>	<b>Corporate Governance</b>	<b>Legal &amp; Risk Management</b>
Mr. Sunil Agarwal	✓	✓	✓	✓	✓	✓
Mr. Yash Agarwal	✓	✓	✓	✓	✓	✓
Mr. Hardik Agarwal	✓	✓	✓	✓	✓	✓
Mr. Samir Sheth	✓	✓	✓	✓	✓	✓
Mr. Kamal Patel	✓	✓	✓	✓	✓	✓
Mr. Anup Agarwal	✓	✓	✓	✓	✓	✓
Mrs Pamita Agarwal	✓	✓	✓	✓	✓	✓
Mr. Nishit Joshi	✓	✓	✓	✓	✓	✓

Note: These skills/competencies are broad-based, encompassing several areas of expertise/experience. Each Director may possess varied combinations of skills/experience within the described set of parameters, and it is not necessary that all Directors possess all skills/experience listed therein.

**(e) Confirmation from the Board of Directors in context to Independent Directors:**

Board of Directors have confirmed that in the opinion of the board, the independent directors fulfil the conditions specified in these regulations and are independent of the management.

**(f) Detailed reasons for the resignation of an independent director who resigns before the expiry of his tenure along with a confirmation by such director that there are no other material reasons other than those provided:**

No Independent Director has resigned before expiry of his tenure.

**AUDIT COMMITTEE**

The Audit Committee, comprising four Directors, all being Non-Executive & Independent Directors and all of them have financial and accounting knowledge. The constitution of Audit Committee also meets with the requirements under Section 177 of the Companies Act, 2013 and as per Regulation 18 of SEBI (LODR) Reg, 2015. Members are regularly present at the meetings.

**A. Number of Audit Committee Meetings held during the financial year 2018-2019 and dates of the meetings:**

Audit Committee meeting	Date	Audit Committee meeting	Date
1	28/05/2018	4	04/01/2019
2	10/08/2018	5	04/02/2019
3	05/11/2018		

**B. The Composition of an Audit Committee as on 31.03.2019 and details of committee meetings attended by members are as under:-**

Name of the Member	Designation	Category	No. of Committee Meetings held	Committee Meeting attended
Mr. Nishit Joshi	Chairman	Independent & Non-Executive	5	5
Mr. Kamal Patel	Member	Independent & Non-Executive	5	5
Mr. Samir Sheth	Member	Independent & Non-Executive	5	5
Mr. Anup Agarwal	Member	Independent & Non-Executive	5	5

**NOMINATION AND REMUNERATION COMMITTEE**

The brief description of Terms of Reference of Nomination and Remuneration Committee is to guide the Board in relation to the appointment and removal, identifying persons and to recommend/review remuneration of the directors including Whole-time/ Executive Directors, Key Managerial Personnel (KMP) and Senior Management Personnel.

**A. Number of Nomination and Remuneration Committee Meetings held during the financial year 2018-2019 and dates of the meetings:**

Nomination and Remuneration Committee meeting	Date
1	05/11/2018
2	04/01/2019

**B. The composition of the Nomination and Remuneration Committee as on 31.03.2019 and the details of the meetings attended by the Directors are given below:**

Name of the Member	Designation	Category	Committee Meeting attended
Mr. Nishit Joshi	Chairman	Independent & Non-Executive	2
Mr. Kamal Patel	Member	Independent & Non-Executive	2
Mr. Samir Sheth	Member	Independent & Non-Executive	2
Mr. Anup Agarwal	Member	Independent & Non-Executive	2

**C. 1) Performance evaluation criteria for Independent Directors:**

The framework used to evaluate the performance of the Independent Directors is based on the expectation that they are performing their duties in a manner which should create and continue to build sustainable value for the shareholders, and in accordance with the duties and obligations imposed upon them.

**2) Performance of the directors :**

The performance evaluation of the Directors was completed during the year under review. The performance evaluation of Chairman and the Non-Independent Directors was carried out by the Independent Directors and Non-Executive Director. The Board of Directors expressed their satisfaction with the evaluation process.

However to comply with the various provisions under Regulation 19 and Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”) and the Companies Act, 2013 (“Companies Act”), the Board of Directors adopted/amended the **DIRECTORS’ PERFORMANCE EVALUATION POLICY** with the effect from 2<sup>nd</sup> April, 2019. Respectively, the Nomination & Remuneration Committee shall evaluate the performance of each Board of Directors of the Company with reference of the authority under the Nomination and Remuneration Policy of the Company framed in accordance with the provisions of section 178 of the Companies Act, 2013 and based on their functions as mentioned in the Code of Conduct of the Directors and the criteria for the evaluation of the performance as prescribed in this policy.

Evaluation of the Executive / Non-Executive Directors of the Company shall be carried out by entire Board except the Director being evaluated. Evaluation of Independent Director shall also be carried on by the entire Board in the same way as it is done for the Executive Directors of the Company except the Director getting evaluated. The meeting for the purpose of evaluation of performance of Board Members shall be held at least once in a year. The **DIRECTORS’ PERFORMANCE EVALUATION POLICY** is also disclose web site of the company <http://www.raghuvir.com/policies.html>

**3) Fulfilment of the independence criteria as specified & their independence from the management.**

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**D. The details of remuneration paid to the Managing Director for the year 2018-2019.**

Name of the Director	Salary & allowances Amount (Rs.)	Commission Amount (Rs.)	Contribution of Provident Fund Gratuity & other perquisites (in Rs.)	Total Amount (Rs.)
Mr. Sunil R. Agarwal #	168,00,000/- Per Annum	—	32,00,000/-	2,00,00,000/- Per Annum
Mr. Yash S. Agarwal*	26,83,333/- Per Annum	—	—	26,83,333/- Per Annum
Mr. Hardik S. Agarwal*	26,83,333/- Per Annum	—	—	26,83,333/- Per Annum

\* Change in designation from Director to Joint Managing Director w.e.f 04/02/2019 in the extra-ordinary general meeting passed on 04/02/2019

# Remuneration increased w.e.f 1/04/2018 in the extra-ordinary general meeting passed on 04/02/2019

**E. The details of remuneration paid to the Non-executive Director for the year 2018-2019.**

Name of the Director	Salary & allowances Amount (Rs.)	Commission Amount (Rs.)	Contribution of Provident Fund Gratuity & other perquisites	Total Amount (Rs.)
Mrs. Pamita S. Agarwal	—	—	—	—

**F. The details of remuneration paid to the Key Managerial Personnel for the year 2018-2019**

Name of the Person	Salary & allowances Amount (Rs.)	Commission Amount (Rs.)	Contribution of Provident Fund Gratuity & other perquisites	Total Amount (Rs.)
Mr. Vikram R. Gupta* (Chief Financial Officer)	2,69,500/- Per Annum	—	—	2,69,500/- Per Annum
Mr. Dilip Popatlal Nirmal** (Chief Financial Officer)	3,34,200/- Per Annum	—	—	3,34,200/- Per Annum
Ms. Pratika P. Bothra (Company Secretary & Compliance officer)	3,36,260/- Per Annum	—	—	3,36,260/- Per Annum

\*\*Resigned w.e.f 05/11/2018      \*Appointed w.e.f 05/11/2018

**NOTES:**

- Commission to Non-Executive Director ( Mrs. Pamita S. Agarwal ) was approved by the shareholders at the Extra-ordinary General Meeting held on 04/02/2019. Henceforth the commission will be paid for the F.Y 2019-2020 to Mrs. Pamita S. Agarwal.
- None of the Non-Executives Independent Directors has any material financial interest in the Company. In the opinion and judgment of the Board, this did not affect the independence of the said director.
- No sitting fee is payable to the Non Executive, Independent and Executive Managing Directors.

**G. Details of shares of the Company held by Directors as on 31<sup>st</sup> March, 2019 are as under:**

Name	No. of Shares held
Mr. Sunil Agarwal	1216624
Mr. Yash Agarwal	439203
Mr. Hardik Agarwal	374827
Mrs. Pamita Agarwal	871921
Mr. Samir Sheth	NIL
Mr. Kamal Patel	NIL
Mr. Anup Agarwal	NIL
Mr. Nishit Joshi	NIL

★ The Company has no employee stock option scheme in force at present.

**STAKEHOLDER / SHAREHOLDER RELATIONSHIP COMMITTEE :-**

**A. Number of Committee meetings held during the financial year 2018-2019 and dates of the meetings:**

Stakeholder/Shareholder Relationship Committee Meeting	Date	Stakeholder/Shareholder Relationship Committee Meeting	Date
1	28/05/2018	3	05/11/2018
2	10/08/2018	4	04/02/2019

**B. The Composition of Stakeholder/Shareholder Relationship Committee as on 31.03.2019 and details of committee meetings attended by Director are as under:-**

Name of the Member	Designation	Category	No. of Committee Meetings held	Committee Meeting attended
Mr. Nishit Joshi	Chairman	Independent & Non-Executive	4	4
Mr. Kamal Patel	Member	Independent & Non-Executive	4	4
Mr. Samir Sheth	Member	Independent & Non-Executive	4	4
Mr. Anup Agarwal	Member	Independent & Non-Executive	4	4

**C. Investor Grievance Redressal:-**

Number of complaints received and resolved during the year as on 31<sup>st</sup> March, 2019 is as follows:- ( As per the reports received via BSE, RTA and SCORES, MCA & SEBI )

Number of complaints as on 1st April, 2018	NIL
Number of complaints received during the year ended on 31st March, 2019	7
Number of complaints resolved up to 31st March, 2019	7
Number of complaints pending as on 31st March, 2019	NIL

**MANAGEMENT ADVISORY & GOVERNANCE COMMITTEE**

Management Advisory & Governance committee is established to obtain advice or recommendations from the members of the public and committees for the welfare & interest of the organization. The Committees provides organizational structure, and at the same time allow enough flexibility so the board can adapt quickly to the changing demands of the environment. The committee does not power to control over the business decisions. Their input purely is advisory and for the consideration and recommendations to the Board of Directors.

Shri Pamitadevi S. Agarwal, Shri Hardik S. Agarwal and Shri Nishit C. Joshi, Directors of the company are the Members of the committee

**CHAIRMAN/MANAGING DIRECTOR AND CFO CERTIFICATION**

The Chairman/Managing Director and CFO have issued certificate pursuant to the provisions of under Regulation 17(8) of the (LODR) Reg, 2015 certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.



**GENERAL BODY MEETINGS:**

Details of General Meeting held during last three years are as under:

**ANNUAL GENERAL MEETINGS:**

Year	Date	Time	Venue	No. of Special Resolutions Passed
2015-2016	30/09/2016	10.30 A.M.	Rakhial Road, Rakhial, Ahmedabad-23	1
2016-2017	28/09/2017	12.00 P.M	Rakhial Road, Rakhial, Ahmedabad-23	1
2017-2018	24/09/2017	12.30 P.M	Rakhial Road, Rakhial, Ahmedabad-23	0

**Extra Ordinary General Meetings :**

Year	Date	Time	Venue	No. of Special Resolutions Passed
2016-2017	01/02/2017	01.00 PM	Rakhial Road, Rakhial, Ahmedabad-23	1
2018-2019	04/02/2019	12.30 PM	Rakhial Road, Rakhial, Ahmedabad-23	6

★ No postal ballot was conducted during the year.

**DISCLOSURES:**

a) Disclosure on materially significant related party transactions:

Full disclosure of related party transactions as per accounting standard 18 issued by The Institute of Chartered Accountants of India is given under Note No. 37 of Notes Forming part of accounts for the year ended on 31<sup>st</sup> March, 2019

The Board has approved a policy for related party transactions which has been uploaded on the Company's website. The web-link as required under Listing Regulations is as under: <http://www.raghuvir.com/policies.html>

- b) There were no transactions of material nature except the related party transaction with Raghuvir Exim Limited at arms length price and in ordinary course of business with its promoters, the Directors or the management or relatives of the Directors during the year. There were no instances of non-compliance on any matter related to the capital Markets, during the last three years
- c) No. penalties or strictures have been imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital Markets.
- d) Independent Directors are familiarised with their roles, rights and responsibilities in the Company as well as with the nature of industry and business model of the Company. The details of the familiarisation programmes can be accessed on the web link: <http://www.raghuvir.com/policies.html>
- e) The Company has also amended & adopted below stated Policy pursuant to the SEBI ( LODR ) Reg, 2015, and amended provisions of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, which is available on the website of the Company at <http://www.raghuvir.com/policies.html>
1. Policy on Nomination & Remuneration Committee
  2. Policy on Materiality of Related Party Transactions & dealing with Related Party Transactions
  3. Whistle Blower Policy



4. Code of Conduct for Board of Directors & Senior Management Personnel
5. Policy on Determination of Materiality of Events
6. Policy on Audit Committee
7. Policy on Stakeholder & Relationship Committee
8. Code of Practices & Procedures for fair disclosure of unpublished price sensitive information.

f) Certificate from Practicing Company Secretary:

The Company has obtained a certificate from M/S. Amrish Gandhi & Associates , Practicing Company Secretary, Membership no. FCS 8193 and CP No. 5656, that none of the directors on the board of the company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority. (Forms the Part of this report)

g) Recommendation of the committee to the Board of Directors whether placed and accepted

Any recommendations given by the committees of the Board are required to be placed before the Board. The Board has accepted all the recommendations by committees of the Board during the financial year 31st March, 2019.

h) Total fees for all services paid by the listed entity to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part.

Total fees for all services paid by M/s. Raghuvir Synthetics Limited to M/S. ASHOK K. BHATT & Co. and other firms in the network entity of which M/S. ASHOK K. BHATT & Co is a part of:

Particulars	Amount (In Rs.)
Fees for audit and related services paid to M/S. ASHOK K. BHATT & Co. for <b>M/S. RAGHUVIR SYNTHETICS LIMITED</b> (including fees for limited review).	<b>2,36,000/-</b> <b>(Inclusive of GST)</b>
Other fees paid to M/S. ASHOK K. BHATT & Co. for other firms in the network entity of which M/S. ASHOK K. BHATT & Co. is a part of i.e Fees Paid to <b>M/S. THE SAGAR TEXTILE MILLS PVT. LTD.</b> (Associate company)	<b>11,800/-</b> <b>( Inclusive of GST)</b>
<b>Total</b>	<b>2,47,800/-</b>

- i) All Accounting Standards mandatorily required have been followed without exception in preparation of the financial statements.
- j) Procedures for assessment of risk and its minimisation have been laid down by the Company and reviewed by the Board. These procedures are periodically reassessed to ensure that executive management controls risks through means of a properly defined framework.
- k) No money was raised by the Company through public issue, rights issue etc. in the last financial year.
- l) All pecuniary relationships or transactions of the Non-Executive Directors with the Company have been disclosed in report.
- m) The Company has three Managing Directors on the Board whose appointment and remuneration has been fixed by the Members of the company on the recommendation of Nomination and Remuneration Committee, Audit Committee and Board of Directors
- n) The number of shares held by each director is mentioned in Nomination & Remuneration committee (Point G) which forms the part of this report.
- o) Management Discussion and Analysis forms part of the Annual Report to the shareholders and it includes

discussion on matters as required by Regulation 34(3) of the Listing Regulations.

p) There were no material financial & commercial transactions by Senior Management as defined in Regulation 26 of the Listing Regulations where they have any personal interest that may have a potential conflict with the interests of the Company at large requiring disclosure by them to the Board of Directors of the Company.

q) **LARGE CORPORATE :**

With reference to the SEBI Circular No. SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018 with respect to fund raising by issuance of Debt Securities by large entities and disclosures and Compliances thereof by such large entities. Respective to it , RAGHUVIR SYNTHETICS LIMITED does not fall under the criteria of "Large Corporate" as on 31<sup>st</sup> March, 2019 as specified in para 2.2 of the said SEBI Circular. Henceforth disclosures and Compliances mentioned therein to be done by Large Corporate are not applicable to your company.

#### **RE-APPOINTMENT OF DIRECTOR (REGULATION 36(3) OF SEBI (LODR) REGULATIONS, 2015 )**

The Director has furnished the requisite declaration with other details provided as under for their for their re-appointment at the ensuing Annual General Meeting and is eligible, to offer themselves for re-appointment.

<b>Name</b>	<b>Mrs. Pamita Sunil Agarwal</b>	<b>Mr. Samirbhai R. Sheth</b>	<b>Mr. Kamalbhai B. Patel</b>
<b>Date of Birth</b>	01 / 04 / 1966	21 / 04 / 1957	21 / 09 / 1954
<b>DIN No.</b>	07135868	01285752	02740853
<b>No. of Equity Shares held in the Company</b>	871921	—	—
<b>Relationship with other Directors/ Manager/KMP</b>	Wife of Mr. Sunil R Agarwal & Mother of Mr. Yash S Agarwal & Mr. Hardik S Agarwal	—	—
<b>Education Qualification</b>	B.COM ( 1 <sup>st</sup> Year )	B.COM & LLB	B.COM
<b>Profile &amp; Expertise in Specific functional Areas</b>	She has over 4 years of experience in textile sector	He has more than 10 years of experience in textile sector	He has more than 10 years of experience in textile sector
<b>List of other Directorship/ Partnership / Committees membership in other Companies and LLP as on 31st March, 2019.</b>	1. Raghuvir Exim Limited 2. The Sagar Textile Mills Private Limited 3. HYS Developers LLP 4. HYS Lifecare LLP	1. Raghuvir Exim Limited 2. Achal Engineering Private Limited 3. Indian Weaving and Clothing Pvt. Ltd. 4. Anveshan Textile Limited 5. Reliance Brands Limited 6. Reliance Lifestyle Holdings Limited 7. Aranya Engineering Private Ltd. 8. Neelvrata Foundation	1. Raghuvir Exim Limited

<b>Terms and Conditions of appointment or re-appointment</b>	Non-Executive Director, liable to retire by rotation	Non-Executive Independent Director, not liable to retire by rotation. Reappointment for the second tenure of 5 years.	Non-Executive Independent Director, not liable to retire by rotation. Reappointment for the second tenure of 5 years.
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**MEANS OF COMMUNICATIONS**
**a) Financial Results:**

The Company has regularly published its quarterly, half yearly & annual results in newspapers & also submitted its quarterly, half yearly & annual results to stock exchanges in accordance with the Listing Agreement requirements. Our Website address is [www.raghuvir.com](http://www.raghuvir.com).

**b) Website:**

The Company's website <http://www.raghuvir.com/> contains a separate dedicated section namely "Investors" where shareholders information is available. The Annual Report of the Company is also available on the website of the Company.

The Management Discussion and Analysis Report forms part of the report.

**GENERAL SHAREHOLDERS' INFORMATION:-**
**A. Annual General Meeting:-**

Date :- 27<sup>th</sup> SEPTEMBER, 2019

Venue :- M/s. Raghuvir Synthetics Limited, Nr. Gujarat Bottling, Rakhial Road, Rakhial, Ahmedabad - 380023

Time :- 12.30 PM

**B. Financial Year: 2019-2020 (Tentative)**

The financial year of the Company is 1<sup>st</sup> April to 31<sup>st</sup> March and financial results will be declared as per the following schedule.

Particulars	Tentative Schedule
<b>Quarterly Unaudited Result</b>	
Quarter Ending 30 <sup>th</sup> June, 2019	Held on 10 <sup>th</sup> August, 2019
Quarter Ending 30 <sup>th</sup> September, 2019	On or before 14 <sup>th</sup> November, 2019
Quarter Ending 31 <sup>st</sup> December, 2019	On or before 14 <sup>th</sup> February, 2020
<b>Annual Audited Result</b>	
Year ending 31 <sup>st</sup> March, 2020	Within 60 days from 31 March, 2020

**C. Date of Book Closure:**

The Share Transfer Book and Register of Members will remain closed from 21<sup>st</sup> September, 2019 to 27<sup>th</sup> September, 2019 (Both days inclusive).

**D. Dividend: Nil**

**E. Listing at following Stock Exchanges:**

Name of the Stock Exchange	Stock Code
The BSE Limited (BSE)	514316
Ahmedabad Stock Exchange till 2 <sup>nd</sup> April, 2018*	47800
Calcutta Stock Exchange	28124
ISIN for Equity Shares held in Demat form with NSDL and CDSL	INE969C01014

\*Reference to the SEBI circular viz. 8WTM/MPB/MRD/160/2018, Exit Order is issued for Ahmedabad Stock Exchange Limited effective from 2<sup>nd</sup> April, 2018. Henceforth your company is no more listed in Ahmedabad Stock Exchange effective from 2<sup>nd</sup> April, 2018.

**F. Listing Fees:**

1. The company has been regular in paying the Annual listing fees to the Bombay stock exchange
2. The company is no more listed in Ahmedabad Stock Exchange effective from 2<sup>nd</sup> April, 2018.
3. The Annual listing fees to Calcutta Stock Exchange for financial year 2018-2019 is being paid by the company.

**G. Market Price Data:-**

The Stock Market Price Data of Trading of Equity Shares of the Company at Bombay Stock Exchange for the period from 1<sup>st</sup> April, 2018 to 31<sup>st</sup> March, 2019:

Month	BSE		
	High Price	Low Price	Close Price
April-18	182.70	158.00	167.00
May-18	224.00	168.00	212.50
June-18	231.00	199.50	220.00
July-18	261.00	209.00	259.00
August-18	283.00	200.00	260.10
September-18	290.00	271.90	280.00
October-18	280.00	243.00	243.00
November-18	260.00	220.00	255.00
December-18	255.00	227.00	240.00
January-19	250.00	203.10	210.00
February-19	228.00	207.00	215.00
March-19	230.00	198.55	219.00

**H. Registrar & Share Transfer Agents:**

Link Intime India Pvt Limited  
 506 To 508, Amarnath Business Centre – 1 ( ABC-1 )  
 Beside Gala Business Centre, Near Xt Xavier's College Corner  
 Off C G Road, Navrangpura, Ahmedabad – 380009  
 Ph : 079 2646 5179  
 Email : [ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in)

**I. Name of Compliance Officer : Miss Pratika P. Bothra**

**J. SHARE HOLDING PATTERN AS ON 31<sup>ST</sup> MARCH, 2019 :**

Sr. No.	Category	No. of Shares held	% of Share Holding
1.	Promoters	2902575	74.9052
2.	Mutual Fund and UTI	0	0
3.	Bank, Financial Institution, Insurance Companies (Central/State Government Institution)	0	0
4.	Foreign Institutional Investors	0	0
5.	Corporate Bodies	51606	1.3318
6.	Indian Public	903573	23.318
7.	NRIs/OCBs	312	0.01
8.	HUF	16607	0.4286
9.	GDR	0	0
10.	Clearing Member	327	0.0084
	<b>Grand Total :-</b>	<b>3875000</b>	<b>100.00</b>

**K. DISTRIBUTION OF SHAREHOLDING AS ON 31<sup>ST</sup> MARCH, 2019**

SHARES RANGE	NUMBER OF SHAREHOLDERS	% OF TOTAL SHAREHOLDERS	TOTAL SHARES FOR THE RANGE	% OF ISSUED CAPITAL
1 to 500	3767	94.9584	520343	13.4282
501 to 1000	125	3.151	114152	2.9459
1001 to 2000	39	0.9831	59925	1.5465
2001 to 3000	15	0.3781	35233	0.9092
3001 to 4000	7	0.1765	25106	0.6479
4001 to 5000	1	0.0252	5000	0.1290
5001 to 10000	2	0.0504	15869	0.4095
10001 to *****	11	0.2773	3099372	79.9838
<b>TOTAL</b>	<b>3967</b>	<b>100</b>	<b>3875000</b>	<b>100.00</b>

**L. LISTING AND DEMATERIALISATION OF SHARES AND LIQUIDITY**

- ★ The Company's Shares are listed at the Bombay Stock Exchange (BSE), and Calcutta Stock Exchange\*\*, where as it was listed on Ahmedabad Stock Exchange till 2<sup>nd</sup> April, 2018\*

\* Reference to the SEBI circular viz. 8WTM/MPB/MRD/160/2018, Exit Order is issued for Ahmedabad Stock Exchange Limited effective from 2<sup>nd</sup> April, 2018. Henceforth your company is no more listed in Ahmedabad Stock Exchange effective from 2<sup>nd</sup> April, 2018.

\*\*The Status of the company in Calcutta Stock Exchange is "Suspended". The company has applied and paid fee(s) for revocation of suspension and complied with all the compliances as required by Calcutta Stock Exchange in this regard, however the process of revocation of suspension is under process respect to verification of documents at the end of Calcutta Stock Exchange.

★ The Company's Shares are available for dematerialization on both the Depositories Viz. National Securities Depository Limited (NSDL) and Central Depositories Services (India) Limited (CDSL). Equity shares of the Company representing 86.92 % of the Equity share capital are dematerialized as on 31 March, 2019.

★ Miss Pratika P. Bothra is designated as Company Secretary & Compliance Officer.

**M. Income Tax PAN mandatory for Transfer of securities**

As per Regulation 40(7) read with Schedule VII of the Listing Regulations, for registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the listed entity for registration of transfer of securities. The Transfer deed in SH-4 Form to be issued by members for transfer of securities.

However No fresh transfer deed of physical share certificates can be lodged to the company or its RTA after 31st March, 2019 as per SEBI announcement. The transfer deed(s) once lodged prior to deadline and returned due to deficiency in the document may be re-lodged for transfer ever after the deadline of April 01, 2019. Henceforth except in case of transmission of transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository. This measure shall come into effect from April 01, 2019.

**N. Outstanding GDR/ADRs/ Warrant or any convertible instrument, conversion and likely impact on equity:- NIL**

**O. Factory location:-**

Nr. Gujarat Bottling,  
Rakhial Road, Rakhial  
Ahmedabad – 380023  
Gujarat (India)

**P. Registered Office Address for Correspondence**

Raghuvir Synthetics Limited  
Nr.Gujarat Bottling, Rakhial Road,  
Rakhial, Ahmedabad-380 023.  
Phone : 079-22911015-22911902-22910963  
Website address: [www.raghuvir.com](http://www.raghuvir.com)  
Email Id: [raghuvirad1@sancharnet.in](mailto:raghuvirad1@sancharnet.in)

**BY ORDER OF THE BOARD OF DIRECTORS  
FOR, RAGHUVIR SYNTHETICS LTD**

**PLACE: AHMEDABAD  
DATE: 10/08/2019**

**SUNIL R. AGARWAL  
CHAIRMAN & MANAGING DIRECTOR  
DIN : 00265303**



**DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT**

**Pursuant to Regulation 26(3) of SEBI (Listing Obligations  
and Disclosure Requirements) Regulations, 2015**

**To,  
The Members,  
Raghuvir Synthetics Limited  
Ahmedabad**

I, Sunil Raghvirprasad Agarwal, Chairman & Managing Director, of Raghuvir Synthetics Limited hereby declare that all the board members and senior executives one level below the executive directors including all functional heads have affirmed for the financial year ended 31<sup>st</sup> March, 2019, compliance with the code of conduct of the Company laid down for them.

**BY ORDER OF THE BOARD OF DIRECTORS  
FOR, RAGHUVIR SYNTHETICS LTD**

**PLACE: AHMEDABAD  
DATE: 10/08/2019**

**SUNIL R. AGARWAL  
CHAIRMAN & MANAGING DIRECTOR  
DIN : 00265303**



**Managing Director and Chief Financial Officer**  
**Certification under Regulation 17(8) of the (LODR) Reg. 2015**

To,  
The Board of Director  
Raghuvir Synthetics Limited.  
Ahmedabad

**Mr. Sunil Raghvirprasad Agarwal, Chairman & Managing Director** in terms of Companies Act, 2013 and **Mr. Vikram R. Gupta, Chief Financial Officer** of the Company hereby certify to the Board that:

- A. We have reviewed financial statements and the cash flow statement of Raghuvir Synthetics Limited for the year ended 31<sup>st</sup> March, 2019 and to the best of their knowledge and belief :
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. 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. There are, to the best of their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. They accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls & have disclosed it to the company auditor's and the Audit committee of the Company Board.
- D. We have disclosed base on our evaluation of the company internal control over Financial reporting wherever applicable to the company auditor's and the Audit committee of the Company Board:
1. Any significant changes in internal control over financial reporting during the year covered by this report;
  2. Any significant changes in accounting policies during the year covered by this report; and
  3. Any instances of significant fraud of which we have become aware, that involve Management or other employees who have a significant role in the internal control system of the Company over Financial reporting.

Place: Ahmedabad

Date: 10/08/2019

**Mr. Sunil R Agarwal**  
**Chairman & Managing Director**  
**DIN: 00265303**

**Mr. Vikram R. Gupta**  
**Chief Financial Officer**



**Certificate on Corporate Governance**

**To,  
The Members of  
Raghuvir Synthetics Limited  
Rakhial Road, Rakhial,  
Ahmedabad-380023.**

We have examined the compliance of the conditions of Corporate Governance by Raghuvir Synthetics Limited (the Company) for the year ended 31<sup>st</sup> March 2019, as stipulated in clause in Regulations Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

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

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

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.

**DATE: 10/08/2019  
PLACE: AHMEDABAD**

**For Amrish Gandhi & Associates**

**Amrish N. Gandhi  
Company Secretary  
FCS-8193 | CP. NO. : 5656**

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
**The Members of**  
**RAGHUVIR SYNTHETICS LIMITED**

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of RAGHUVIR SYNTHETICS LIMITED having CIN : L17119GJ1982PLC005424 and having registered office at RAKHIAL ROAD, RAKHIAL AHMEDABAD GJ 380023 IN (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No	Name of Director	DIN	Date of Appointment in Company
1.	<b>Mr. Sunil Agarwal</b> Chairman & Managing Director	00265303	18/08/1982
2.	<b>Mr. Yash Agarwal</b> Joint Managing Director	02170408	08/07/2011
3.	<b>Mr. Hardik Agarwal</b> Joint Managing Director	03546802	08/07/2011
4.	<b>Mrs. Pamita Agarwal</b> Director	07135868	26/03/2015
5.	<b>Mr. Samir Sheth</b> Independent Director	01285752	01/07/2009
6.	<b>Mr. Kamal Patel</b> Independent Director	02740853	03/08/2009
7.	<b>Mr. Anup Agarwal</b> Independent Director	01790620	09/02/2016
8.	<b>Mr. Nishit Joshi</b> Independent Director	06749898	11/03/2016

Ensuring the eligibility of for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**DATE: 10/08/2019**  
**PLACE: AHMEDABAD**

**For Amrish Gandhi & Associates**

**Amrish N. Gandhi**  
**Company Secretary**  
**FCS-8193 | CP. NO. : 5656**



## INDEPENDENT AUDITOR'S REPORT

To the Members of

**RAGHUVIR SYNTHETICS LIMITED**

**Report on the Audit of the Ind AS Financial Statements**

### **Opinion**

We have audited the Ind AS Financial Statements of **RAGHUVIR SYNTHETICS LIMITED** ("the Company"), which comprise the balance sheet as at 31<sup>st</sup> March 2019, and the Statement of Profit and Loss (Including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as Ind AS Financial Statements).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS"), as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr. No.	Key Audit Matter	Auditor's Response
1	<p>The company hitherto has been engaged in rendering services in the nature of processing of Textile products. Having explored to overseas market for textile products, the company, during the current financial year, also focused on manufacturing of textile products and trade the same in overseas market over and above rendering of services as referred above. In view of additional line of business to which company is exposed to significant business risk as compared to merely rendering of services and also inherent audit risk involved in Revenue Recognition, we have identified such shift in business line as Key Audit Matter.</p>	<p>In addition to existing audit approach &amp; audit process applied in verification of Revenue Recognition with respect of services rendered by the company, we have also include the below mentioned process for the purpose of verification of Revenue recognition with respect to overseas sales.</p> <p>Verification of objects included in Memorandum of Association authorizing the business of manufacturing and trading of textile products.</p>
		<ul style="list-style-type: none"> <li>★ Verification of minutes books and also specifies resolution passed by BOD resolving undertaking of new business line.</li> <li>★ Assessment of company's policy with respect to Revenue recognition for overseas sale.</li> <li>★ Verification of contracts executed by company with various customers.</li> <li>★ Verification of forex documents with respect to overseas sales.</li> <li>★ Application of substantive test procedure on selected samples to test accuracy and completeness of transactions by verifying the relevant documents.</li> <li>★ Verification of subsequent realization and assessment of receivables from customers with respect to identification of doubtful realization, if any.</li> </ul>

#### Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the Ind AS financial statements and our auditor's report thereon. Other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the Ind AS financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Ind AS standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the above mentioned other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance

### **Responsibilities of Management and Those Charged with Governance for the Ind AS Financial Statements**

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

In preparing the Ind AS financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ★ Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ★ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also

responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- ★ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ★ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ★ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Ind AS Financial Statements comply with the Accounting Standards



specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015.

- (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements. Refer notes 34 to the financial statements.
  - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**FOR ASHOK K. BHATT & CO.**  
**[Firm Registration No. 100657W]**  
***Chartered Accountants***

**ASHOK K. BHATT**  
***Proprietor***  
**Mem. No. 36439**

**Place : Ahmedabad**  
**Date : 27<sup>th</sup> May, 2019**



**Annexure - A to the Independent Auditors' Report of even date on the Ind AS Financial Statements of RAGHUVIR SYNTHETICS LIMITED**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation, of its fixed assets *but such records require to be updated as regard to locations and additions/deletions for the year ended 31<sup>st</sup> March 2019.*
- (b) *We were informed that all major items of fixed assets were physically verified by the Management at the end of the year and that no discrepancy was noticed on such verification which, on account of proper records being under compilation, could not be verified.*
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) According to information and explanation given to us, the Management of the Company has conducted physical verification of inventory at reasonable intervals and no material discrepancies were noticed on such physical verification during the year.
- (iii) The Company has not granted any secured / unsecured loan to any parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of Clause 3(iii) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments, guarantees and securities.
- (v) According to information and explanations given to us, the Company has not accepted any deposits as defined in The Companies (Acceptance of Deposits) Rules 2014. Accordingly, the provisions of Clause 3(v) of the Order are not applicable to the Company.
- (vi) We have broadly reviewed the cost records maintained by the Company pursuant to rules made by the Central Government. We are of the opinion that prima facie the prescribed accounts and records have been maintained and being made. We have not, however, made a detailed examination of these records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information given to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues and Company had no arrears of such outstanding statutory dues as at 31<sup>st</sup> March, 2019 for a period more than six months from the date they became payable.
- (b) According to the information and explanations given to us, the company has no disputed outstanding statutory dues as at 31<sup>st</sup> March, 2019 other than stated below:

**(Rs. in Lacs)**

<b>Name of the Statute</b>	<b>Nature of the Dues</b>	<b>Disputed Amount [Rs]</b>	<b>Period to which the amount relates</b>	<b>Forum where dispute is pending</b>	<b>Remarks</b>
ESI	Demand Notice issued by ESI Corporation	4.98	F. Y. 2000-02	Employee State Insurance Corporation	Against the disputed liability as per the order Rs 7.98 lakhs and the company deposited Rs 3.00 lakhs against such demand
ESI	Demand Notice issued by ESI Corporation	25.93	F. Y. 2000-02	Employee State Insurance Corporation	—

- (viii) According to the information and explanations given to us, the Company has not defaulted in the repayment of loans and borrowings to financial institutions, banks, government or dues to debenture holders during the year. The company has so far not issued any debentures.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. However money raised by way of term loans have been applied for the purposes for which they have been obtained.
- (x) According to the information and explanations given to us, no fraud by company or any fraud on the company by its officers and employees have been noticed or reported during the year.
- (xi) According to the information and explanations give to us, the Company has paid/provided for managerial remuneration in accordance with the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us, transactions with the related parties are in compliance with sections 177 and 188 of the Act and details of transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**FOR ASHOK K. BHATT & CO.**  
**[Firm Registration No. 100657W]**  
**Chartered Accountants**

**ASHOK K. BHATT**  
**Proprietor**  
**Mem. No. 36439**

**Place : Ahmedabad**  
**Date : 27<sup>th</sup> May, 2019.**

**Annexure - B to the Independent Auditors' Report of even date on the Ind AS Financial Statements of RAGHUVIR SYNTHETICS LIMITED**

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

We have audited the internal financial controls over financial reporting **RAGHUVIR SYNTHETICS LIMITED** ("the Company") as of 31 March 2019 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**FOR ASHOK K. BHATT & CO.**  
**[Firm Registration No. 100657W]**  
***Chartered Accountants***

**ASHOK K. BHATT**  
***Proprietor***  
**Mem. No. 36439**

**Place : Ahmedabad**  
**Date : 27<sup>th</sup> May,2019.**

## Balance Sheet as at March 31, 2019

[Rs. in Lacs]

Particulars	Notes	As at March 31, 2019	As at March 31, 2018
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	5	2 823.39	2 832.14
Capital work-in progress	6	51.39	18.15
Financial Assets			
Other Financial Assets	7	183.59	52.63
Other non current assets	8	113.10	14.30
		<b>3 171.47</b>	<b>2 917.22</b>
<b>Current assets</b>			
Inventories	9	487.93	172.15
Financial assets			
Trade Receivables	10	171.85	119.63
Cash and Cash Equivalents	11	25.06	43.44
Other Bank Balances	12	21.69	68.06
Other Financial Assets	7	303.95	52.67
Current Tax Assets (Net)	13	32.25	157.83
Other Current Assets	8	460.44	353.74
		<b>1 503.19</b>	967.51
Asset classified held for sale	14	436.16	428.61
		<b>1 939.35</b>	1 396.13
<b>TOTAL ASSETS</b>		<b>5 110.80</b>	<b>4 313.34</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	15	385.41	385.41
Other Equity	16	1 555.11	1 332.60
		<b>1 940.52</b>	1 718.01
<b>Liabilities</b>			
<b>Non-current Liabilities</b>			
Financial Liabilities			
Borrowings	17	1 077.44	1 240.73
Provisions	18	27.34	21.80
Deferred Tax liabilities(Net)	19	254.66	189.78
Other Non-current Liabilities	20	12.23	15.46
		<b>1 371.67</b>	1 467.78
<b>Current liabilities</b>			
Financial Liabilities			
Trade Payables	21		
Micro & Small Enterprise		0.00	0.00
Others		1 171.08	628.41
Other Financial Liabilities	22	232.93	198.96
Other Current liabilities	20	365.40	291.64
Provisions	18	8.39	8.19
Current tax liabilities (Net)	23	20.81	0.35
		<b>1 798.61</b>	1 127.55
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>5 110.80</b>	<b>4 313.34</b>
Significant Accounting Policies	4		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

**FOR ASHOK K. BHATT & CO.**

[Firm Registration No. 100657W]

Chartered Accountants

**ASHOK K. BHATT**

Proprietor

Mem. No. 36439

Place : Ahmedabad

Date : 27th May, 2019

**FOR AND ON BEHALF OF THE BOARD**

**SUNIL R. AGARWAL**

Chairman & Managing Director

DIN: 00265303

**VIKRAM R. GUPTA**

Chief Financial Officer

Place : Ahmedabad

Date : 27th May, 2019

**YASH S. AGARWAL**

Joint Managing Director

DIN : 02170408

**PRATIKA P BOTHRA**

Company Secretary



## Statement of Profit and Loss for the year ended March 31, 2019

Particulars	Notes	[Rs. in Lacs]	
		For the year ended March 31, 2019	For the year ended March 31, 2018
<b>INCOME</b>			
Revenue from Operations	24	5 720.46	3 793.77
Other Income	25	217.95	60.83
<b>TOTAL INCOME</b>		<b>5 938.41</b>	<b>3 854.60</b>
<b>EXPENSES</b>			
Cost of Material Consumed	26	2 533.57	860.81
Changes in inventories	27	( 223.97)	( 1.76)
Operating Expenses	28	2 126.95	1 880.60
Employee benefits expense	29	459.17	368.64
Finance Cost	30	27.70	85.45
Reduction in fair value of assets held for sale		15.75	0.00
Depreciation and Amortization	31	377.95	280.99
Other Expenses	32	317.67	238.51
<b>TOTAL EXPENSES</b>		<b>5 634.79</b>	<b>3 713.24</b>
<b>Profit before exceptional items and tax</b>		<b>303.62</b>	<b>141.35</b>
Exceptional Items		0.00	0.00
<b>Profit Before Tax</b>		<b>303.62</b>	<b>141.35</b>
<b>Tax expense</b>	19		
Current tax		62.51	31.00
Tax adjustment of earlier years		( 7.00)	( 5.80)
Deferred tax		64.98	55.80
MAT Credit Entitlement		( 39.67)	0.00
<b>TOTAL TAX EXPENSE</b>		<b>80.82</b>	<b>81.00</b>
<b>Profit for the year from continuing operations</b>		<b>222.80</b>	<b>60.36</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurement of the defined benefit plans		( 0.38)	( 0.13)
Tax relating to remeasurement of the defined benefit plans		0.11	0.04
<b>Total other comprehensive income for the year, net of tax</b>		<b>( 0.27)</b>	<b>( 0.09)</b>
<b>Total comprehensive income for the period</b>		<b>222.53</b>	<b>60.26</b>
Earning per Equity Share	33		
Basic		5.75	1.57
Diluted		5.75	1.57
<b>Significant Accounting Policies</b>	4		

The accompanying notes are an integral part of the financial statements.

As per our report of even date  
**FOR ASHOK K. BHATT & CO.**  
 [Firm Registration No. 100657W]  
 Chartered Accountants

**ASHOK K. BHATT**  
 Proprietor  
 Mem. No. 36439

Place : Ahmedabad  
 Date : 27th May, 2019

**FOR AND ON BEHALF OF THE BOARD**

**SUNIL R. AGARWAL**  
 Chairman & Managing Director  
 DIN: 00265303

**VIKRAM R. GUPTA**  
 Chief Financial Officer

Place : Ahmedabad  
 Date : 27th May, 2019

**YASH S. AGARWAL**  
 Joint Managing Director  
 DIN : 02170408

**PRATIKA P BOTHRA**  
 Company Secretary

## Statement of Cash Flows for the year ended March 31, 2019

Particulars	[Rs. in Lacs]	
	2018-2019	2017-2018
<b>A. Cash flow from operating activities</b>		
Profit/(Loss) for the year before taxation	303.62	141.35
<b>Adjustments for</b>		
Depreciation and amortisation	377.95	280.99
Finance cost	27.70	85.45
Interest Income from financial assets measured at amortised cost	(34.91)	(2.52)
Loss/gain on sale of property plant & equipment (net)	(10.73)	0.00
Loss on revaluation of assets classified as held for sale	0.00	0.44
Remeasurement of the defined benefit plans	(0.38)	(0.13)
Operating profit before working capital changes	663.25	505.58
<b>Adjustments for Changes in working capital</b>		
Decrease / (Increase) in Inventories	(315.79)	(83.00)
Decrease / (Increase) in Trade receivables	(52.23)	(17.11)
Decrease / (Increase) in Other Non current financial assets	(130.35)	39.57
Decrease / (Increase) in Other current financial asset	(252.91)	(290.08)
Decrease / (Increase) in Other non current asset	(98.80)	149.39
Decrease / (Increase) in Other current assets	(106.70)	76.86
Increase / (Decrease) in Trade Payables	542.67	(285.84)
Increase / (Decrease) in Provisions	5.74	4.49
Increase / (Decrease) in Other Non current liabilities	(3.23)	(3.26)
Increase / (Decrease) in Other current liabilities	73.76	213.22
Cash generated from operations	325.39	309.82
Direct taxes Refund/(paid)	130.20	0.63
<b>Net Cash from Operating Activities</b>	<b>455.58</b>	<b>310.45</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(399.24)	(1 792.97)
Other bank balances	46.37	146.64
Interest received	35.93	44.37
<b>Net Cash from / (used in) investing activities</b>	<b>(316.94)</b>	<b>(1 601.96)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from borrowings	(129.32)	1 309.23
Interest paid	(27.70)	(85.45)
<b>Net cash flow from financial activities</b>	<b>(157.03)</b>	<b>1 223.78</b>
<b>Net Increase/(Decrease) in cash &amp; cash equivalents</b>	<b>(18.38)</b>	<b>(67.73)</b>
Cash and cash equivalents opening	43.44	111.17
Cash and cash equivalents closing	25.06	43.44
<b>Components of Cash and cash equivalent</b>		
Balances with scheduled banks	19.32	26.30
Fixed Deposits with maturity less than 3 months	0.00	13.00
Cash in hand	5.74	4.14
	25.06	43.44

## Explanatory Notes to Cash Flow Statement

- The Cash Flow Statement is prepared by using indirect method in accordance with the format prescribed by Indian Accounting Standard 7.
- In Part A of the Cash Flow Statements, figures in brackets indicates deductions made from the net profit for deriving the cash flow from operating activities. In part B & part C, figures in brackets indicates cash outflows.
- Figures of the previous year have been regrouped wherever necessary, to confirm to current years presentation.
- Disclosure of Changes in liabilities arising from Financing Activities, including both changes arising from Cash flow and non-cash changes are given below:

Particulars	[Rs. in Lacs]			
	As at April 1, 2018	Net Cash flow	Non-cash Changes	As at March 31, 2019
Borrowings	1 439.69	(129.32)	0.00	1 310.37

As per our report of even date  
**FOR ASHOK K. BHATT & CO.**  
 [Firm Registration No. 100657W]  
 Chartered Accountants

**ASHOK K. BHATT**  
 Proprietor  
 Mem. No. 36439

Place : Ahmedabad  
 Date : 27th May, 2019

**FOR AND ON BEHALF OF THE BOARD**

**SUNIL R. AGARWAL**  
 Chairman & Managing Director  
 DIN: 00265303

**VIKRAM R. GUPTA**  
 Chief Financial Officer

Place : Ahmedabad  
 Date : 27th May, 2019

**YASH S. AGARWAL**  
 Joint Managing Director  
 DIN : 02170408

**PRATIKA P BOTHRA**  
 Company Secretary



## Statement of changes in Equity for the year ended March 31, 2019

<b>A. Equity share capital</b>	<b>[Rs. in Lacs]</b>
As at April 1, 2018	385.41
Issue of Equity Share capital	0.00
<b>As at March 31, 2019</b>	<b>385.41</b>
<b>B. Other equity</b>	<b>[Rs. in Lacs]</b>

Particulars	Reserves and Surplus				
	Securities Premium	General Reserve	Retained Earnings	Other Comprehensive Income	Total equity
<b>Balance as at April 1, 2017</b>	170.41	160.21	946.13	( 4.41)	1 272.34
Profit for the year	0.00	0.00	60.36	0.00	60.36
Other comprehensive income for the year	0.00	0.00	0.00	( 0.09)	( 0.09)
<b>Balance as at March 31, 2018</b>	<b>170.41</b>	<b>160.21</b>	<b>1 006.49</b>	<b>( 4.50)</b>	<b>1 332.60</b>
Profit for the year	0.00	0.00	222.80	0.00	222.80
Other comprehensive income for the year	0.00	0.00	0.00	( 0.27)	( 0.27)
<b>Balance as at March 31, 2019</b>	<b>170.41</b>	<b>160.21</b>	<b>1 229.29</b>	<b>( 4.77)</b>	<b>1 555.11</b>

The accompanying notes are an integral part of the financial statements.

As per our report of even date

**FOR ASHOK K. BHATT & CO.**

[Firm Registration No. 100657W]

Chartered Accountants

**ASHOK K. BHATT**

Proprietor

Mem. No. 36439

Place : Ahmedabad

Date : 27th May, 2019

**FOR AND ON BEHALF OF THE BOARD**

**SUNIL R. AGARWAL**

Chairman & Managing Director

DIN: 00265303

**VIKRAM R. GUPTA**

Chief Financial Officer

Place : Ahmedabad

Date : 27th May, 2019

**YASH S. AGARWAL**

Joint Managing Director

DIN : 02170408

**PRATIKA P BOTHRA**

Company Secretary



## NOTES FORMING PART OF FINANCIAL STATEMENTS

### Note 1 : Company Overview

Raghuvir Synthetics Limited is a public company limited by shares, domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Company operates as Manufacturing of Textile items and Processing of the same. The business of the Company is to offer Exports of Made-ups and Processing of fabrics . The registered office of the Company is located at Near Gujarat Bottling, Rakhial Road, Rakhial Ahmedabad – 380023 Gujarat – India. The financial statements for the year ended March 31, 2019 were considered by the Board of Directors and approved for issuance on May 27th, 2019.

### Note 2 : Basis of Preparation

These financial statements have been prepared in accordance with Indian Accounting Standards (referred to as “Ind AS”) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, as applicable. Accounting Policies have been consistently applied except where newly issued accounting standard is initially adopted or revision to the existing standards requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised accounting standards on an on-going basis.

The financial statements are prepared in INR and all the values are rounded to the nearest Rupees in lacs, except when otherwise indicated.

#### 2.1 Statement of Compliance

The financial statements comprising Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity and Cash Flow Statement, together with notes for the year ended March 31, 2019 have been prepared in accordance with Ind AS as notified under section 133 of the Companies’ Act, 2013 (“the Act”) and are duly approved by the Board of Directors at its meeting held on May 27, 2019.

#### 2.2 Basis of Measurement

The financial statements of the Company have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis of accounting, except for certain Assets and Liabilities as stated below:

- (a) Financial instruments (assets / liabilities) classified as Fair Value through profit or loss or Fair Value through Other Comprehensive Income are measured at Fair Value.
- (b) The defined benefit asset/liability is recognised as the present value of defined benefit obligation less fair value of plan assets.
- (c) Assets held for sale measured at fair value less cost to sales

The above items have been measured at Fair Value and the methods used to measure Fair Values are discussed further in Note 4.16.

#### 2.3 Functional and Presentation Currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (“the functional currency”). Indian Rupee is the functional currency of the Company.

The financial statements are presented in Indian Rupees (Rs.) which is the company’s presentation currency.

#### **2.4 Standard Issued but not effective**

Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2018, ('the Rules') on 30th March, 2019. The rules notify the new Lease Standard Ind AS 116 'Leases' and also bring in amendments to existing Ind AS. The rules shall be effective from reporting period beginning on or after 1st April, 2019 and cannot be reported early. Hence, not applied in the preparation of these financial statements. The company is in the process of evaluating the impact of such new or amended standards on the financial statement of the company. However, in the opinion of the company, the impact on carrying values of assets and liabilities will not be significant in value terms

#### **Note 3 : Significant accounting judgments, estimates and assumptions**

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and contingent liabilities at the date of financial statements, income and expense during the period. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the periods in which the estimates are revised and in future periods which are affected.

In the process of applying the Company's accounting policies, management has made the following judgments and estimates, which have the most significant effect on the amounts recognised in the financial statements.

##### **3.1 Useful lives of property, plant and equipment**

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This assessment may result in change in the depreciation expense in future periods.

##### **3.2 Taxes**

Deferred tax assets are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

##### **3.3 Employee Benefits**

The cost of defined benefit plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

##### **3.4 Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments.

### 3.5 Impairment of Property, Plant & Equipment

The value in use calculation requires the directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, an impairment loss which is material in nature is accounted for.

### 3.6 Litigations

The provision is recognized based on the best estimate of the amount desirable to settle the present obligation arising at the reporting period and of the income is recognized in the cases involving high degree of certainty as to realization.

### 3.7 Allowance for uncollectible trade receivables

Provision matrix takes into accounts historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the day of the receivables are due and the rates as given in the provision matrix

## Note 4: Significant Accounting Policies

### 4.1 Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

#### (a) Financial Assets

Financial Assets comprises of trade receivables, cash and cash equivalents and other financial assets.

#### Initial Recognition:

All financial assets which are not recorded at fair value through Profit and Loss are recognized initially at fair value plus transaction costs that are attributable to the acquisition of financial assets. Purchases or sales of financial assets that requires delivery of assets within a period of time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the company committed to purchase or sell the asset.

#### Subsequent Measurement:

#### (i) Financial assets measured at amortized Cost:

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and where contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### (ii) Financial assets at Fair Value through Other Comprehensive Income (FVTOCI):

Financial Assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are subsequently measured at FVTOCI. Fair Value movements in financial assets at FVTOCI are recognized in Other Comprehensive Income.

Equity instruments held for trading are classified as at fair value through profit or loss (FVTPL). For other equity instruments the company classifies the same as FVTOCI. The classification is

made on initial recognition and is irrevocable. Fair Value changes on equity instruments at FVTOCI, excluding dividends are recognized in Other Comprehensive Income (OCI).

**(iii) Fair Value through Profit or Loss (FVTPL):**

Financial Assets are measured at FVTPL if it does not meet the criteria for classification as measured at amortized cost or at FVTOCI. All fair value changes are recognized in the Statement of Profit and Loss.

**De-recognition of Financial Assets:**

Financial Assets are derecognized when the contractual rights to cash flows from the financial assets expire or the financial asset is transferred and the transfer qualifies for de-recognition. On de-recognition of the financial assets in its entirety, the difference between the carrying amount (measured at the date of de-recognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognized in the Statement of Profit and Loss.

**(b) Financial Liabilities**

**Initial Recognition and Measurement**

Financial Liabilities are initially recognized at fair value plus any transaction costs, (if any) which are attributable to acquisition of the financial liabilities.

**Subsequent Measurement:**

Financial Liabilities are classified for subsequent measurement into following categories:

**(i) Financial liabilities at Amortized Cost:**

The Company is classifying the following under amortized cost:

- Borrowing from Banks
- Borrowing from Others
- Trade Payables
- Other Financial Liabilities

Amortized cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus cumulative amortization using the effective interest method of any differences between the initial amount and maturity amount.

**(ii) Financial liabilities at Fair Value through Profit or Loss:**

Financial liabilities held for trading are measured at Fair Value through Profit or Loss

**De-recognition of Financial Liabilities:**

Financial liabilities shall be derecognized when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

**(c) Offsetting of Financial assets and Financial Liabilities**

Financial assets and Financial Liabilities are offset and the net amount is presented in Balance Sheet when, and only when, the Company has legal right to offset the recognized amounts and intends either to settle on the net basis or to realize the assets and liabilities simultaneously.

**(d) Reclassification of Financial Assets**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are categorized as equity instruments at FVTOCI, and financial assets or liabilities that are specifically designated as FVTPL. For financial assets which are debt instruments, a reclassification is made only if there is a change in business model for managing those assets. Changes to the business model are expected to be very infrequent. The management determines the change in a business model as a result of external or internal changes which are significant to the Company's Operations. A Change in business occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively effective from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

**4.2 Share Capital**

Ordinary Shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or share options are recognized as a deduction from equity, net of any tax effects.

**4.3 Property, Plant and Equipment**

Property, plant and equipment held for use in the supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated. All repairs and maintenance costs are charged to the income statement during the financial period in which they are incurred.

Properties in the course of construction for supply of services or administrative purpose are carried at cost, less any recognised impairment loss. Cost includes professional fees and other directly attributable cost and for qualifying assets, borrowing cost capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of Property Plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives as prescribed under Part C of Schedule II to the Companies Act 2013, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Depreciation for assets purchased/sold during a period is proportionately charged for the period of use.

**Estimated useful lives of the assets are as follows:**

Type of Asset	Useful Life
Buildings	30 years
Plant and Machinery	15 years
Electrical Installations	10 years
Furniture and fixtures	10 years
Office equipment	5 years
Vehicles	10 years
Servers and Computers	3 years
Temporary Structure	3 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and are recognised net within “other income / other expenses” in the Statement of profit and loss.

#### **4.4 Intangible assets**

##### **Intangible Assets acquired separately**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

##### **Derecognition of intangible assets**

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in statement of profit and loss when the asset is de-recognised.

#### **4.5 Assets held for sale**

Non- current assets held for sale and disposal groups are presented separately in the balance sheet when the following criteria are met:

- the company is committed to sell the asset;
- the assets are available for sale immediately;
- an active plan of sale has commenced; and
- sale is expected to be completed within 12 months.

Assets held for sale are measured at the lower of their carrying amount and fair value less cost to sell. Assets held for sale are no longer amortized or depreciated.

#### **4.6 Inventories**

Raw Materials, Stock-in-process, Finished Goods are valued at lower of cost or net realizable value. Stores, Colours & Chemicals and Coal are valued at cost. Processed Goods Returned is valued at net realizable value. Cost of stock-in-process and finished goods include materials, labour, manufacturing overhead and other cost incurred in bringing the inventories to their present location.

Items of Colour and Chemicals, Stores and Spares are charged to revenue at the stage of purchase and stock of such items as at the end of the year is accounted at cost.

The stock of scrap / waste materials are valued at estimated net realizable value.

#### **4.7 Impairment**

##### **(a) Financial assets (other than at fair value)**

The Company assesses at each date of balance sheet, whether a financial asset or a group of financial

assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the twelve-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly, since initial recognition.

**(b) Non-financial assets**

**Tangible and Intangible assets**

Property, Plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is an indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

**Reversal of impairment loss**

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized directly in other comprehensive income and presented within equity.

**4.8 Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre tax rates that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A provision for onerous contract is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with the contract.

Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

**4.9 Revenue Recognition**

**REVENUE:**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

The specific recognition criteria described below must also be met before revenue is recognized.

- (i) Sale of Goods Revenue from sale of goods is recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. The normal credit term is 0 to 180 days upon delivery, usually backed by financial arrangements.
- (ii) Revenue from job work processes are recognized as and when the related jobs are performed, the cost incurred up to reporting date for the in-completed jobs are carried to balance sheet under the head cost on job work in process.
- (iii) The Company accounts for pro forma credits, refunds of duty of customs or excise, or refunds of sales tax/ GST in the year of admission of such claims by the concerned authorities. Benefits in respect of Export Licenses are recognized on accrual basis. Export benefits are accounted for as other operating income in the year of export based on eligibility and when there is no uncertainty on receiving the same.
- (iv) Interest Income is recognized on time proportion basis taking into account the amounts outstanding and the rates applicable. Interest income is included under the head "other income" in the Statement of Profit and Loss.

**Contract balances:**

**Contract assets**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

**Trade receivables**

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in note (i) Financial instruments – initial recognition and subsequent measurement.

**Contract liabilities (Advance from customers)**

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities (Advance from customers) are recognised as revenue when the Company performs under the contract.

**4.10 Foreign Currency Translation**

The functional currency of the company is the Indian Rupee (Rs.)



## (i) Initial Recognition

Transactions denominated in foreign currencies entered into by the Company are normally recorded at the exchange rates prevailing on the date of transaction or at monthly average exchange rate prevailing at the time of the transaction.

## (ii) Measurement at the Balance Sheet date

Monetary items denominated in foreign currency at year end date are restated at exchange rate prevailing on that date.

## (iii) Treatment of exchange differences

Exchange differences on monetary items are recognised in the Statement of profit and loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

**4.11 Borrowing Costs****Borrowing costs include**

- (i) interest expense calculated using the effective interest rate method,
- (ii) finance charges in respect of finance leases, and
- (iii) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

**4.12 Government Grants**

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

When the grant relates to an asset, it is treated as deferred income and released to the statement of profit and loss over the expected useful lives of the assets concerned. When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to statement of profit and loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in statement of profit and loss in the period in which they become receivable.

**4.13 Employee benefits****(a) Short-term obligations**

Liabilities for salaries, including other monetary and non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related

service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

**(b) Post-employment obligations**

The Company operates the following post-employment schemes: a) defined contribution plans - provident fund b) defined benefit plans - gratuity plans.

(i) Defined contribution plans

The Company has defined contribution plan for the post-employment benefits namely Provident Fund, Employees Death Linked Insurance and Employee State Insurance and the contributions towards such funds and schemes are recognised as employee benefits expense and charged to the Statement of Profit and Loss when they are due. The Company does not carry any further obligations with respect to this, apart from contributions made on a monthly basis.

(ii) Defined benefit plans

The Company has defined benefit plan, namely gratuity for eligible employees in accordance with the Payment of Gratuity Act, 1972 the liability for which is determined on the basis of an actuarial valuation (using the Projected Unit Credit method) at the end of each year.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the tenor of the related obligation. The liability or asset recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements) is recognised in the Statement of profit and loss in the line item 'Employee benefits expense'.

Remeasurements of the net defined liability, comprising of actuarial gains and losses, return on plan assets (excluding amounts included in net interest on the net defined benefit liability) and any change in the effect of asset ceiling (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Change in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the profit or loss as past service cost.

**4.14 Income Taxes**

Income tax expense represents the sum of the tax currently payable and deferred tax

(i) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

**(ii) Deferred Tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

**(iii) Current and deferred tax for the year**

Current and deferred tax are recognised in the Statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

- (iv)** According to section 115JAA of the Income Tax Act, 1961, Minimum Alternate Tax ('MAT') paid over and above the normal income tax in a subject year is eligible for carry forward for fifteen succeeding assessment years for set-off against normal income tax liability. The MAT credit asset is assessed against the normal income tax during the specified period.

**4.15 Earnings per share**

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the period. Where ordinary shares are issued but not fully paid, they are treated in the calculation of basic earnings per share as a fraction of an ordinary share to the extent that they were entitled to participate in dividends during the period relative to a fully paid ordinary share. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

**4.16 Fair Value Measurement**

A number of Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair value is the price that would be received on sell of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement

date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Company.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

- (a) Level 1 - unadjusted quoted prices in active markets for identical assets and liabilities.
- (b) Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- (c) Level 3 - unobservable inputs for the asset or liability.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy.

Fair values have been determined for measurement and / or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

- (a) Investment in equity and debt securities

The fair value is determined by reference to their quoted price at the reporting date. In the absence of quoted price, the fair value of the financial asset is measured using valuation techniques.

- (b) Trade and other receivables

The fair value of trade and other receivables, is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. However in respect of such financial instruments, fair value generally approximates the carrying amount due to short term nature of such assets.

- (c) Non derivative financial liabilities

Fair Value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For finance leases, the market rate of interest is determined by reference to similar lease agreements.

**4.17 Current / non- current classification**

An asset is classified as current if:

- (a) it is expected to be realized or sold or consumed in the Company's normal operating cycle;
- (b) it is held primarily for the purpose of trading;
- (c) it is expected to be realized within twelve months after the reporting period; or
- (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current if:

- (a) it is expected to be settled in normal operating cycle;
- (b) it is held primarily for the purpose of trading;
- (c) it is expected to be settled within twelve months after the reporting period;
- (d) it has no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between acquisition of assets for processing / trading / assembling and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

**4.18 Cash and cash equivalent**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consists of balances with banks which are unrestricted for withdrawal and usage.



**Note 5 : Property, Plant and Equipment**

**Note 5.1 : As at March 31, 2019**

[Rs. in Lacs]

Particulars	Gross Block			Accumulated Depreciation			Net carrying amount	
	As at	Additions	Deduction	As at	Upto	For the	Upto	As at
	01/04/2018	31/03/2018	Adjustments	31/03/2019	31/03/2018	year	31/03/2019	31/03/2019
<b>Owned Assets</b>								
Land	11.47	0.00	0.00	11.47	0.00	0.00	0.00	11.47
Factory Building	392.05	6.40	0.00	398.45	27.59	15.40	42.99	355.46
Plant & Machinery	2 534.74	386.72	43.44	2 878.02	120.93	358.52	463.01	2 415.02
Furniture & Fixture	2.40	0.00	0.00	2.40	0.58	0.28	0.86	1.54
Office Equipments	3.25	4.39	0.00	7.64	1.49	0.94	2.43	5.21
Computer	2.35	0.23	0.00	2.58	1.09	0.03	1.12	1.47
Vehicle	39.22	0.59	0.55	39.26	1.65	4.82	6.04	33.22
	<b>2 985.48</b>	<b>398.33</b>	<b>43.99</b>	<b>3 339.82</b>	<b>153.34</b>	<b>379.98</b>	<b>516.44</b>	<b>2 823.39</b>

**Note 5.2 : As at March 31, 2018**

[Rs. in Lacs]

Particulars	Gross Block			Accumulated Depreciation			Net carrying amount	
	As at	Additions	Deduction	As at	Upto	For the	Upto	As at
	01/04/2017	31/03/2018	Adjustments	31/03/2018	31/03/2017	year	31/03/2018	31/03/2018
<b>Owned Assets</b>								
Land	11.47	0.00	0.00	11.47	0.00	0.00	0.00	11.47
Factory Building	321.99	70.06	0.00	392.05	13.59	13.99	27.59	364.46
Plant & Machinery	1 269.43	1 687.94	422.63	2 534.74	109.01	264.55	120.93	2 413.81
Furniture & Fixture	2.40	0.00	0.00	2.40	0.30	0.28	0.58	1.82
Office Equipments	3.03	0.22	0.00	3.25	0.91	0.58	1.49	1.76
Computer	2.35	0.00	0.00	2.35	0.82	0.27	1.09	1.26
Vehicle	4.24	35.85	0.87	39.22	0.99	1.32	1.66	37.56
	<b>1 614.91</b>	<b>1 794.08</b>	<b>423.50</b>	<b>2 985.48</b>	<b>125.63</b>	<b>280.99</b>	<b>153.34</b>	<b>2 832.14</b>

**Note 6 : Capital work in progress****Note 6.1 : As at March 31, 2019****[Rs. in Lacs]**

Particulars	As at	(Deductions)/			As at
	01/04/2018	Additions	Adjustment	Capitalised	31/03/2019
Plant & Machinery	18.15	419.96	0	386.72	51.39

**Note 6.2 : As at March 31, 2018****[Rs. in Lacs]**

Particulars	As at	(Deductions)/			As at
	01/04/2017	Additions	Adjustment	Capitalised	31/03/2018
Plant & Machinery	5.42	1700.66		1687.94	18.15

**Note 7 : Other Financial Assets****[Rs. in Lacs]**

Particulars	As at	As at
	March 31, 2019	March 31, 2018
<b>Non-current</b>		
Security deposits	<b>51.88</b>	51.88
Fixed Deposit with Original Maturity of more than 12 months*	<b>131.06</b>	0.71
Interest accrued but not due on fixed deposit	<b>0.65</b>	0.04
* The above fixed deposits with banks are held as margin money against letter of credit and bank guarantee amounting to Rs. 51.08 lakhs		
<b>Total (A):</b>	<b>183.59</b>	52.63
<b>Current</b>		
Government Grant Receivable	<b>151.25</b>	45.77
SGST Incentive Receivable	<b>128.19</b>	0.00
Security deposits	<b>3.00</b>	3.00
Interest accrued but not due	<b>2.27</b>	3.90
Export Benefits Receivable	<b>19.25</b>	0.00
<b>Total (B):</b>	<b>303.95</b>	52.67
<b>Total (A) + (B):</b>	<b>487.54</b>	105.30

**Note 8 : Other Non - current / Current Assets****[Rs. in Lacs]**

<b>Particulars</b>	<b>As at</b>	<b>As at</b>
	<b>March 31, 2019</b>	<b>March 31, 2018</b>
<b>Non - Current</b>		
Capital advances	<b>73.43</b>	14.30
MAT credit receivables	<b>39.67</b>	0.00
<b>Total (A):</b>	<b>113.10</b>	14.30
<b>Current</b>		
Balance with revenue authorities	<b>394.92</b>	290.08
Cost of Own/Job-Work in Progress	<b>51.04</b>	57.37
Pre-paid expenses	<b>6.84</b>	6.24
Advance to suppliers	<b>0.03</b>	0.03
Others recoverables	<b>7.61</b>	0.03
<b>Total (B):</b>	<b>460.44</b>	353.74
<b>Total (A) + (B):</b>	<b>573.55</b>	368.03

**Note 9 : Inventories****[Rs. in Lacs]**

<b>Particulars</b>	<b>As at</b>	<b>As at</b>
	<b>March 31, 2019</b>	<b>March 31, 2018</b>
(As taken, valued and certified by the Management)		
Raw material	<b>79.61</b>	0.00
Finished Goods	<b>111.56</b>	0.00
Stores and spares	<b>179.18</b>	146.83
Packing Material	<b>1.17</b>	1.21
Others:		
Scrap / Fents & Rags	<b>11.00</b>	4.00
Goods In Transit:		
Raw material	<b>105.41</b>	0.00
Capital Goods	<b>0.00</b>	20.11
<b>Total:</b>	<b>487.93</b>	172.15



**Note 10 : Trade Receivables** [Rs. in Lacs]

Particulars	As at	As at
	March 31, 2019	March 31, 2018
<b>Current</b>		
Unsecured		
Considered good	171.88	119.63
Less: Allowances for credit losses	0.03	0.00
<b>Total</b>	<b>171.85</b>	<b>119.63</b>

**Includes :**

Dues From Directors - Rs. NIL (March 31, 2018 Rs. NIL)

Dues From Officers - Rs. NIL (March 31, 2018 Rs. NIL)

**Note 11 : Cash and cash equivalents** [Rs. in Lacs]

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Balance with Bank		
Current accounts	19.32	26.30
Fixed Deposits with maturity less than 3 months	0.00	13.00
Cash on hand	5.74	4.14
<b>Total:</b>	<b>25.06</b>	<b>43.44</b>

**Note 12 : Other Bank Balances** [Rs. in Lacs]

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Fixed Deposits with Original Maturity for more than 3 months but less than 12 months (*)	21.69	68.06

\* The above fixed deposits with banks are held as margin money against letter of credit and bank guarantee amounting to Rs 14.34 lakhs.

**Note 13 : Current tax assets (Net)** [Rs. in Lacs]

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Advance tax & TDS	63.25	239.83
Less: Provision for taxation	31.00	82.00
<b>Total:</b>	<b>32.25</b>	<b>157.83</b>

**Note 14 : Asset classified as held for sale**
**[Rs. in Lacs]**

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Assets held for sale	<b>436.16</b>	428.61

**Note 15 : Equity share capital**
**[Rs. in Lacs]**

Particulars	As at	As at
	March 31, 2019	March 31, 2018
<b>Authorised share capital</b>		
1,00,00,000 (March 31, 2018: 1,00,00,000)		
Equity Shares of Rs. 10/ each	<b>1 000.00</b>	1 000.00
<b>Issued share capital</b>		
38,75,000 (March 31, 2018: 38,75,000)		
Equity Shares of Rs. 10/ each	<b>387.50</b>	387.50
<b>Subscribed and fully paid up</b>		
38,75,000 (March 31, 2018: 38,75,000)		
Equity Shares of Rs.10/ each fully paid up	<b>387.50</b>	387.50
Less: Calls In Arrears	<b>2.09</b>	2.09
<b>Total:</b>	<b>385.41</b>	385.41

**Note 15.1 Reconciliation of number of shares outstanding at the beginning and at the end of the Reporting Year**
**[Rs. in Lacs]**

Particulars	As at	As at
	March 31, 2019	March 31, 2018
At the beginning of the year	<b>38.75</b>	38.75
<b>Add : Shares issued for Cash or Right Issue</b>	<b>0.00</b>	0.00
	<b>38.75</b>	38.75
<b>Less: Shares bought back / Redemption</b>	<b>0.00</b>	0.00
At the end of the year	<b>38.75</b>	<b>38.75</b>

**Note 15.2 Rights, Preferences and Restrictions**

The authorised share capital of the Company has only one class of shares referred to as 'equity shares' having a par value of Rs. 10/- each. The rights and privileges to equity shareholders are general in nature and defined under the Articles of Association.

The equity shareholders shall have:

- (i) One Vote and a poll when present in person (including a body corporate by a duly authorised representative) or by an agent duly authorised under a power of attorney or by a proxy his voting right shall be in proportion to his share of the paid equity share capital of the company. However, no member shall exercise any voting rights in respect of any share registered in his name on which any calls or other sums presently payable by him have

not been paid or in regard to which the company has exercised any right of lien.

- (ii) subject to the rights of person if any, entitled to share with special rights as to dividends, all dividends shall be declared and paid according to the amount paid or credited as paid to the shares in respect where of the dividend is paid but if and so long as nothing is paid upon any shares in the company, dividends may be declared and paid according to the amounts of the shares.
- (iii) A special resolution sanctioning a sale to any other company duly passed pursuant to section 494 of the old Companies Act 1956 (corresponding to the section 319 of the new Companies Act 2013) may, subject to the provision of the act, in like manner as aforesaid determined that any shares or other consideration receivable by the liquidator be distributed against the members otherwise then in accordance with their existing rights and any such determination shall be binding upon all the members subject to the rights of dissent and consequential right conferred by the said section.

**Note 15.3 Details of shareholders holding more than 5% Shares in the company**

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	% of holding	No. of Shares	% of holding
Sunil Agarwal	12 16 624	31.40	12 16 024	31.38
Pamita Agarwal	8 71 921	22.50	8 71 921	22.50
Yash Agarwal	4 39 203	11.33	4 39 203	11.33
Hardik Agawal	3 74 827	9.67	3 74 827	9.67

**Note 16 : Other Equity**

[Rs. in Lacs]

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Securities Premium	170.41	170.41
General Reserve	160.21	160.21
Retained Earnings	1 224.49	1 001.98
<b>Total:</b>	<b>1 555.11</b>	<b>1 332.60</b>

**Note 16.1 : Other Equity ...Detailed..**
**[Rs. in Lacs]**

Particulars	As at	As at
	March 31, 2019	March 31, 2018
<b>Securities Premium</b>		
Balance as per previous financial statements	172.50	172.50
Less: Calls in Arrears	2.09	2.09
Balance at the end of the year	170.41	170.41
<b>General Reserve</b>		
Balance as per previous financial statements	160.21	160.21
Add: Addition During the year	0.00	0.00
Balance at the end of the year	160.21	160.21
<b>Surplus/(Deficit) in Statement of Profit &amp; Loss</b>		
Balance as per previous financial statements	1 001.98	941.72
Add : Profit for the year	222.80	60.36
Add / (Less): OCI for the year	( 0.27)	( 0.09)
Balance available for appropriation	1 224.49	1 001.98
<b>Less: Appropriation</b>		0.00
	1 224.49	1 001.98
<b>Total:</b>	<b>1 555.11</b>	<b>1 332.60</b>

**Note 17 : Borrowings**
**[Rs. in Lacs]**

Particulars	As at	As at
	March 31, 2019	March 31, 2018
<b>Non-current</b>		
<b>Secured</b>		
<b>Term Loan from Banks</b>		
HDFC Bank Term Loan - I	1 009.73	1 217.96
HDFC Bank Term Loan - II	55.38	0.00
<b>Vehicle Loan From Banks</b>		
HDFC Bank Limited	12.33	22.77
<b>Total:</b>	<b>1 077.44</b>	<b>1 240.73</b>

*... Continued..*

**Note 17 : Borrowings ... Continued..****Nature of Security:**

HDFC Bank Term Loan I and II	HDFC Bank Term Loan I and II are secured by way of equitable mortgage of properties owned by company situated at Near Maniar Trailor, Rakhial Road, Rakhial, Ahmedabad - 380023- Survey No 337/6 Industrial/Survey No 337/6 FP NO 114 TPS No 10, and further secured by hypothication of stock and book debts, machinery on entire exposure and Fixed Deposit of the company.
HDFC Bank Vehicle Loan	Vehicle Loan from HDFC Bank is secured against Motor Car

**Terms of Repayment of Loans:****Term Loan**

HDFC BANK Term Loan - I	Repayable in 72 installments of Rs 26.30 lakhs commencing from February, 2018. Last installments due on January, 2024.Rate of Interest 9.15% (Base Rate+ 0.85%).
HDFC BANK Term Loan - II	Amount were repayable in phased manner, installment amounting to Rs 0.97 lakhs for first installment, Rs 1.16 lakhs for second and third installment, Rs 1.34 lakhs for next four installments and balance is repayable in Rs 1.63 lakhs for next 53 installments. Last installment due on June,2023. Rate of Interest 8.30% (Base Rate + 0%)

**Vehicle Loan**

HDFC Bank Limited	Repayable in 37 installments of Rs 0.99 lakhs commencing from April 2018. Last installments due on April, 2021.Rate of Interest 10% (Base Rate+ 0%).
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**Note 18 : Provisions****[Rs. in Lacs]**

Particulars	As at	As at
	March 31, 2019	March 31, 2018
<b>Non- Current</b>		
Provision for employee benefits		
Gratuity	27.34	21.80
<b>Current</b>		
Provision for employee benefits		
Gratuity	5.73	5.48
Bonus	2.66	2.71
	<b>8.39</b>	8.19
<b>Total:</b>	<b>35.73</b>	29.99

**Note 19: Income Taxes****Note 19.1 : Deferred tax liabilities (net)****[Rs. in Lacs]**

Particulars	As at	As at
	March 31, 2019	March 31, 2018
<b>Opening balance</b>	189.78	134.03
<b>Adjustment for the current year:</b>		
(Charged)/Credited in the Statement of Profit and Loss	64.98	55.80
Charged / (Credited) through Other Comprehensive Income	( 0.11)	( 0.04)
<b>Closing Balance</b>	<b>254.66</b>	<b>189.78</b>

**Note 19.2 : Significant components of deferred tax assets are shown in the following table:****[Rs. in Lacs]**

Particulars	As at	(Charged)/Credited	As at	(Charged)/Credited	As at
	March 31, 2019	to profit or loss/OCI	March 31, 2018	to profit or loss / OCI	March 31, 2017
<b>Deferred tax liabilities</b>					
Difference of book depreciation and tax depreciation	279.76	86.58	193.17	55.68	137.50
Other items	4.24	( 1.37)	5.61	5.08	0.53
	<b>284.00</b>	<b>85.21</b>	<b>198.78</b>	<b>60.76</b>	<b>138.03</b>
<b>Deferred tax asset</b>					
Provision for gratuity	( 10.67)	( 1.67)	( 9.00)	( 5.00)	( 4.00)
Carried Forward business loss and Unabsorbed depreciation	( 18.67)	( 18.67)	0.00	0.00	0.00
<b>Net deferred tax liabilities (net)</b>	<b>254.66</b>	<b>64.87</b>	<b>189.78</b>	<b>55.76</b>	<b>134.03</b>

**Note 19.3 : The reconciliation between the provision of income tax and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:**

Particulars	[Rs. in Lacs]	
	Year ended March 31, 2019	Year ended March 31, 2018
<b>Profit before taxes from continuing operations</b>	303.62	141.35
Enacted Tax Rate in India	0.28	0.28
Expected Income Tax Expenses	84.46	39.32
<b>Adjustment to reconcile expected income tax expense to reported income tax expense</b>		
MAT credit entitlement recognised.	( 39.67)	0.00
Tax adjustments of earlier years	( 7.00)	( 5.80)
Others (Net)	43.03	47.48
Adjusted Income tax expenses.	<b>80.82</b>	<b>81.00</b>
Effective tax rates	<b>26.62%</b>	<b>57.30%</b>

**Note 20 : Other non-current / current liabilities** [Rs. in Lacs]

Particulars	[Rs. in Lacs]	
	As at March 31, 2019	As at March 31, 2018
<b>Non- Current</b>		
Deferred Government Grant	<b>12.23</b>	15.46
<b>Current</b>		
Deferred Government Grants	<b>3.24</b>	3.25
Advance from customers	<b>260.70</b>	221.59
Statutory Liabilities	<b>29.16</b>	13.74
Other Payables	<b>72.29</b>	53.06
	<b>365.40</b>	291.64
<b>Total:</b>	<b>377.63</b>	307.10

**Note 21 : Trade Payables** [Rs. in Lacs]

Particulars	[Rs. in Lacs]	
	As at March 31, 2019	As at March 31, 2018
<b>Current</b>		
Micro & Small Enterprise	<b>0.00</b>	0.00
Others	<b>1 171.08</b>	628.41
<b>Total:</b>	<b>1 171.08</b>	628.41



<b>Note 22 : Other Financial Liabilities</b>		<b>[Rs. in Lacs]</b>	
<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>	
Current			
Current maturities of Long term borrowing	<b>232.93</b>	198.96	
<b>Total:</b>	<b>232.93</b>	198.96	

<b>Note 23 : Current tax liabilities (Net)</b>		<b>[Rs. in Lacs]</b>	
<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>	
Provision for Tax	<b>71.02</b>	2.63	
Less : Advance Tax	<b>50.21</b>	2.28	
<b>Total:</b>	<b>20.81</b>	0.35	

<b>Note 24 : Revenue from Operations</b>		<b>[Rs. in Lacs]</b>	
<b>Particulars</b>	<b>2018-2019</b>	<b>2017-2018</b>	
<b>Sale of Products</b>			
Manufactured Goods			
Export	<b>1 268.39</b>	0.00	
Local	<b>8.63</b>	0.00	
<b>Sale of services</b>			
Processing Charges Received	<b>4 333.33</b>	3 793.77	
<b>Other Operating Income</b>			
Export Benefits	<b>110.12</b>	0.00	
<b>Total :</b>	<b>5 720.47</b>	3 793.77	

<b>Note 24.1 : Break up of sales of product</b>		<b>[Rs. in Lacs]</b>	
<b>Particulars</b>	<b>2018-2019</b>	<b>2017-2018</b>	
<b>Manufactured</b>			
Made-ups			
Export	<b>1 268.39</b>	0.00	
<b>Finished Goods</b>			
Local	<b>8.63</b>	0.00	
<b>Total :</b>	<b>1 277.02</b>	0.00	

<b>Note 24.2 : Break up of sales of services</b>		<b>[Rs. in Lacs]</b>	
<b>Particulars</b>	<b>2018-2019</b>	<b>2017-2018</b>	
Jobwork Charges- Fabrics	<b>4 333.33</b>	3 793.77	
<b>Total :</b>	<b>4 333.33</b>	3 793.77	



**Note 24.3 : Break up of Other Operating Income****[Rs. in Lacs]**

<b>Particulars</b>	<b>2018-2019</b>	<b>2017-2018</b>
Export benefits (Net)	<b>110.12</b>	0.00
<b>Total :</b>	<b>110.12</b>	0.00

**Note 25 : Other Income****[Rs. in Lacs]**

<b>Particulars</b>	<b>2018-2019</b>	<b>2017-2018</b>
SGST Incentive Income	<b>128.19</b>	0.00
Deferment of Capital Subsidy	<b>3.24</b>	3.24
<b>Interest income</b>		
From Banks	<b>10.17</b>	12.70
From Others	<b>24.73</b>	10.18
<b>Other Non Operating Income</b>		
Sales of Scrap	<b>30.95</b>	34.64
Foreign Exchange Fluctuation	<b>5.48</b>	0.00
Net Profit/(Loss) on sale of Property, Plant and Equipment	<b>10.73</b>	0.00
Miscellaneous Income	<b>4.46</b>	0.08
	<b>51.62</b>	34.72
<b>Total :</b>	<b>217.95</b>	60.83

**Note 26 : Cost of Materials Consumed****[Rs. in Lacs]**

<b>Particulars</b>	<b>2018-2019</b>	<b>2017-2018</b>
Raw Materials	<b>1 386.25</b>	0.00
Colours & Chemicals	<b>1 147.32</b>	860.81
<b>Total :</b>	<b>2 533.57</b>	860.81

**Note 26.1 : Breakup of Raw Materials consumed****[Rs. in Lacs]**

<b>Particulars</b>	<b>2018-2019</b>	<b>2017-2018</b>
Fabrics	<b>1 250.10</b>	0.00
Grey cloth	<b>125.50</b>	0.00
Finished fabrics	<b>10.65</b>	0.00
<b>Total :</b>	<b>1 386.25</b>	0.00

**Note 26.2 : Breakup of Colour Chemical consumed****[Rs. in Lacs]**

<b>Particulars</b>	<b>2018-2019</b>	<b>2017-2018</b>
Colour Chemical	<b>1 147.32</b>	860.81
<b>Total :</b>	<b>1 147.32</b>	860.81

**Note 27 : Changes in inventories****[Rs. in Lacs]**

<b>Particulars</b>	<b>2018-2019</b>	<b>2017-2018</b>
<b>Closing Stock</b>		
Finished goods		
Fabrics	<b>110.18</b>	0.00
Made-ups	<b>1.37</b>	0.00
Stock of Scrap/ Waste materials	<b>11.00</b>	4.00
Stock in transit - Raw Material	<b>105.41</b>	0.00
<b>Opening Stock</b>		
Traded goods	<b>0.00</b>	1.74
Stock of Scrap/ Waste materials	<b>4.00</b>	0.50
<b>(Increase) / Decrease in stocks:</b>	<b>( 223.97)</b>	<b>( 1.76)</b>

**Note 28 : Operating Expenses****[Rs. in Lacs]**

<b>Particulars</b>	<b>2018-2019</b>	<b>2017-2018</b>
<b>Power and Fuel</b>		
Electric Power	<b>371.63</b>	348.66
Fuel	<b>1.10</b>	0.54
Coal and Wooden Dust	<b>725.71</b>	666.87
	<b>1 098.43</b>	1 016.07
<b>Freight and Octroi</b>		
Stores	<b>3.97</b>	4.32
Grey Cloth	<b>33.55</b>	14.96
	<b>37.52</b>	19.28
Packing Material	<b>89.27</b>	27.22
Process/Jobwork Charges	<b>670.24</b>	605.88
Stores, Spares & Other consumables	<b>205.52</b>	191.63
Electrical Expenses	<b>15.29</b>	13.17
Insurance charges	<b>4.36</b>	4.35
<b>Cost of Work In Progress (Job)</b>		
Opening Balance	<b>57.37</b>	60.37
Less: Closing Balance	<b>51.04</b>	57.37
	<b>6.33</b>	3.00
<b>Total :</b>	<b>2 126.95</b>	1 880.60

<b>Note 29 : Employee benefits expense</b>		<b>[Rs. in Lacs]</b>
<b>Particulars</b>	<b>2018-2019</b>	<b>2017-2018</b>
Salary, Wages and Bonus	<b>423.05</b>	335.82
Contribution to Provident and other funds	<b>29.15</b>	26.71
Staff Welfare and Training Expense	<b>6.97</b>	6.11
<b>Total :</b>	<b>459.17</b>	368.64

<b>Note 30 : Finance Cost</b>		<b>[Rs. in Lacs]</b>
<b>Particulars</b>	<b>2018-2019</b>	<b>2017-2018</b>
Interest on loan	<b>20.58</b>	82.40
<b>Other Finance Cost</b>		
Bank charges	<b>6.50</b>	1.82
Bank Guarantee Commission	<b>0.62</b>	1.23
<b>Total :</b>	<b>27.70</b>	85.45

<b>Note 31 : Depreciation and Amortization</b>		<b>[Rs. in Lacs]</b>
<b>Particulars</b>	<b>2018-2019</b>	<b>2017-2018</b>
Depreciation on Property, Plant and Equipments	<b>377.95</b>	280.99

<b>Note 32 : Other expenses</b>		<b>[Rs. in Lacs]</b>
<b>Particulars</b>	<b>2018-2019</b>	<b>2017-2018</b>
<b>Repairs and Maintenance</b>		
Plant and Machinery	<b>99.81</b>	73.47
Building	<b>1.95</b>	1.23
Others	<b>4.09</b>	4.89
	<b>105.85</b>	79.60
Donation	<b>15.26</b>	20.51
Fees and Legal Expenses	<b>65.63</b>	36.88
Selling and Distribution Expenses	<b>59.23</b>	39.70
<b>Rent, Rates &amp; Taxes</b>		
Rent	<b>37.28</b>	9.86
Rates & Taxes	<b>4.89</b>	5.24
	<b>42.17</b>	15.10
Auditors Remuneration	<b>2.00</b>	2.00
Keyman Insurance	<b>0.00</b>	15.28
Miscellaneous Expenses	<b>27.51</b>	29.00
Loss on sale of Property, Plant and Equipments	<b>0.00</b>	0.44
Allowance for credit losses	<b>0.03</b>	0.00
<b>Total :</b>	<b>317.67</b>	238.51
Auditor's Remuneration is made of		
Statutory Audit Fees	<b>2.00</b>	2.00
<b>Total :</b>	<b>2.00</b>	2.00

**Note 33 : Earning per Share**
**[Rs. in Lacs]**

Particulars	2018-2019	2017-2018
Profit attributable to Equity shareholders (Rs. in Lacs)	222.80	60.36
Number of equity shares (Rs. in Lacs)	38.75	38.75
Weighted Average number of Equity Shares (Rs. in Lacs)	38.75	38.75
Basic earning per Share (Rs.)	<b>5.75</b>	1.57
Diluted earning per Share (Rs.)	<b>5.75</b>	1.57

**Note 34: Contingent Liabilities and Capital commitments**
**[Rs. in Lacs]**

Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>Contingent Liabilities</b>		
- Claims not acknowledged as debts – ESI [See note no. 36 (a)]	<b>4.98</b>	<b>4.98</b>
[See note no. 36 (b)]	<b>25.93</b>	<b>25.93</b>
- Claims Related to employees pending with Hon'ble Supreme Court of India	<b>3.00</b>	<b>3.00</b>
- Custom Duty on Procurement of Machinery under the scheme of EPCG	<b>315.80</b>	<b>158.17</b>
- Demand under Textile committee (Cess) Rules 1975	<b>12.33</b>	<b>12.33</b>
<b>Capital Commitments</b>		
- Estimated amount of contracts remaining to be executed on capital account and not provided for	<b>430.41</b>	<b>150.00</b>
- Other commitments	<b>NIL</b>	<b>NIL</b>

- (a) The Company has received order u/s 45-A of the ESI Act 1948 for the year 2000 to 2002 raising demand of Rs 7.98 Lacs. The company has disputed the demand raised by the corporation by filing a case in the court of Kamdar Rajya Bima Adalat, Ahmedabad and Rs 3.00 Lacs has been deposited under the direction of E.S.I Court Ahmedabad in the Registrar Industrial Court Ahmedabad.
- (b) The Company has received order u/s 45-A of the ESI Act 1948 for the year 2002 to 2005 raising demand of Rs 25.35 Lacs. The company has disputed the demand raised by the corporation by filing a case in the court of Kamdar Rajya Bima Adalat Ahmedabad and Bank Guarantee of Rs. 13.00 Lacs has been given under the direction of E.S.I Court Ahmedabad. Further in the earlier financial year ESI Court has issued order for payment of Rs 0.59 Lacs in relation to contractor's liability and the same has been deposited by the company and shown as deposit as on 31<sup>st</sup> March, 2019.

**Note 35: Employee Benefits**
**Note 35.1 Defined contribution plan**

The Company has defined contribution plan in form of Provident Fund & Pension Scheme and Employee State Insurance Scheme for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The total expense recognised in the Statement of profit and loss under employee benefit expenses in respect of such schemes are given below:

[Rs. in Lacs]

Particulars	2018-2019	2017-2018
Contribution to Provident Fund and Pension Scheme, included under contribution to provident and other funds	24.56	26.71
Contribution to Employee State Insurance Scheme, included in other expense. (P.Y. Included in contribution to Provident and other funds)	4.59	5.34

**Note 35.2 Defined benefit plan****(a) Gratuity**

The Company offers gratuity plan for its qualified employees which is payable as per the requirements of Payment of Gratuity Act, 1972. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

**(b) Defined Benefit Plan**

The principal assumptions used for the purposes of the actuarial valuations were as follows.

**Gratuity**

Particulars	Valuation at	
	As at March 31, 2019	As at March 31, 2018
Discount rate	6.85%	7.35%
Expected rate(s) of salary increase	5.00%	5.00%

The following table sets out the status of the amounts recognised in the balance sheet & movements in the net defined benefit obligation as at 31st March, 2019

[Rs. in Lacs]

Particulars	2018-2019	2017-2018
	Gratuity (Unfunded)	Gratuity (Unfunded)
<b>Changes in the present value of obligation</b>		
1. Present value of obligation (Opening)	27.28	23.67
2. Interest cost	1.80	1.37
3. Past service cost adjustments/Prior year Charges	—	4.46
4. Current service cost	3.60	6.17
5. Curtailment Cost / (Gain)	—	—
6. Settlement Cost / (Gain)	—	—
7. Benefits paid	—	(8.52)
8. Actuarial (Gain) / Loss arising from change in financial assumptions	0.65	(0.66)
9. Actuarial (Gain) / Loss arising from change in demographic assumptions	—	0.03
10. Actuarial (Gain) / Loss arising from change on account of experience changes	(0.26)	0.76
11. Present value of obligation (Closing)	33.07	27.28
- Current	5.73	5.48
- Non current	27.34	21.80

Amount recognized in statement of profit and loss in respect of defined benefit plan are as follows:

[Rs. in Lacs]

Particulars	2018-2019	2017-2018
Current Service Cost	3.60	6.17
Past Service Cost	—	4.46
Adjustment to opening fund	—	—
Net interest Cost	1.80	1.37
(Gains)/Loss on Settlement	—	—
<b>Total Expenses recognized in the Statement of Profit and Loss #</b>	<b>5.40</b>	<b>12.00</b>
#Included in 'Salary and Wages' under 'Employee benefits expense'		

Amount recognized in Other Comprehensive Income (OCI) in respect of defined benefit plan are as follows:

[Rs. in Lacs]

Particulars	2018-2019	2017-2018
<b>Re-measurements during the year due to</b>		
Changes in financial assumptions	0.65	(0.66)
Changes in demographic assumptions	—	0.03
Experience adjustments	(0.26)	0.76
Return on plan assets excluding amounts included in interest income	—	—
<b>Amount recognised in OCI during the year</b>	<b>0.38</b>	<b>0.13</b>

(c) **Sensitivity analysis**

The sensitivity of the defined benefit obligation to changes in the weighted principal assumption is:

**Gratuity**

Impact on defined benefit obligation								
Particulars	Change in Assumption			Increase in Assumptions			Decrease in Assumptions	
	March 31, 2019	March 31, 2018		March 31, 2019	March 31, 2018		March 31, 2019	March 31, 2018
	Discount rate	0.50%		0.50%	Increase by		-1.95%	-1.95%
Salary growth rate	0.50%	0.50%	Increase by	1.14%	0.95%	Decrease by	-1.09%	-0.92%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined obligation calculated with the projected unit credit method at the end of reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior year.

**(d) Defined benefit liability and employer contribution**

Expected contribution to the post -employment benefit plan (Gratuity) for the year ending March 31, 2019 is Rs. 5.73 Lacs.

The weighted average duration of the defined benefit obligation is 3.98 years.

**The expected maturity analysis of undiscounted post -employment benefit plan (gratuity) is as follows:**

**Gratuity****[Rs. in Lacs]**

Particulars	As at March 31, 2019		As at March 31, 2018	
	Cash Flow (Rs.)	(%)	Cash Flow (Rs.)	(%)
1 <sup>st</sup> following year	5.73	13.00%	5.48	15.00%
2 <sup>nd</sup> following year	3.57	8.10%	1.42	3.90%
3 <sup>rd</sup> following year	2.06	4.70%	3.86	10.50%
4 <sup>th</sup> following year	17.64	39.90%	1.00	2.70%
5 <sup>th</sup> following year	2.19	4.90%	16.52	45.10%
Sum of year 6 to 10 <sup>th</sup>	6.97	15.80%	5.38	14.70%

**Note 36: Segment Information**

The operating segment of the company is identified to be “ **Manufacturing and Processing of Fabrics**”, as the Chief Operating Decision Maker (CODM) reviews business performance at an overall company level as one segment and hence, does not have any additional disclosures to be made under Ind AS 108 Operating Segments.

However, The Company has two geographical segments “India and rest of world”, revenue from the geographic segments based on domicile of the customer are as follows:

**[Rs. in Lacs]**

Description	India	Rest of the world	Total
<b>Revenues</b>			
- Year ended 31 <sup>st</sup> March, 2019	4341.95	1268.39	5601.72
- Year ended 31 <sup>st</sup> March, 2018	3793.77	—	3793.77

**Note 37: Related Party Disclosure****Note 37.1: Related Party Disclosures for the year ended March 31, 2019****(a) Details of Related Parties**

Sr. No.	Name of Related Parties	Description of Relationship
1	Sunil R. Agarwal	Key Management Personnel
2	Yash S. Agarwal	
3	Hardik S. Agarwal	
4	Raghuvir Exim Ltd.	Enterprise over which key management personnel exercise significant influence by controlling interest.
5	The Sagar Textile Mills Pvt. Ltd.	
6	Raghuvir Research Foundation Trust	
7	Raghukaushal Textile Pvt. Ltd.	Enterprise over which relatives of key management personnel exercise significant influence.
8	Raghuvir Life Style Pvt. Ltd.	

(b) Details of transactions with related parties for the year ended March 31, 2019 in the ordinary course of business:

[Rs. in Lacs]

Sr. No.	Nature of Relationship / Transaction	KMP & Relatives	Enterprise over which KMP and Relatives have significant influence	Total
1	<b>Managerial Remuneration</b> - Sunil R. Agarwal - Yash S. Agarwal - Hardik S. Agarwal	188.36 26.83 26.83	— — —	188.36 26.83 26.83
2	<b>Rent Expense</b> - Sunil R. Agarwal - Raghuvir Exim Ltd. - The Sagar Textile Mill Pvt. Ltd.	33.05 — —	— 2.03 2.54	33.05 2.03 2.54
3	<b>Sales Processing Charges and Other Income</b> - Raghukaushal Textile Pvt. Ltd. - Raghuvir Lifestyle Pvt. Ltd. - Raghuvir Exim Ltd.	— — —	160.03 8.11 2622.37	160.03 8.11 2622.37
4	<b>Finished Goods sales</b> - Raghuvir Exim Ltd.		5.10	5.10
5	<b>Purchase</b> - Raghuvir Exim Ltd.		1366.39	1366.39
6	<b>Donation</b> - Raghuvir Research Foundation Trust	—	15.00	15.00



## (c) Amount due to / from related parties as at March 31, 2019

[Rs. in Lacs]

Sr. No.	Nature of Relationship / Transaction	KMP & Relatives	Enterprise over which KMP and Relatives have significant influence	Total
1	<b>Due to Company</b> <b>As Trade Receivables</b> - Raghukaushal Textile Pvt. Ltd. - Raghuvir Lifestyle Pvt. Ltd.	— —	<b>13.76</b> —	<b>13.76</b> —
2	<b>Due by Company</b> As Expenses - Sunil R. Agarwal - Raghuvir Exim Ltd. - The Sagar Textile Mill Pvt. Ltd. As Advance from <b>Customer/Trade Payable</b> - Raghuvir Exim Ltd. <b>As Remuneration</b> - Sunil R. Agarwal - Yash S. Agarwal - Hardik S. Agarwal	<b>2.97</b> — — — — <b>2.50</b> <b>8.75</b> <b>8.85</b>	— <b>0.18</b> <b>1.77</b>  <b>572.61</b> — — —	<b>2.97</b> <b>0.18</b> <b>1.77</b>  <b>572.61</b> <b>2.50</b> <b>8.75</b> <b>8.85</b>

**Note 37.2: Related Party Disclosures for the year ended March 31, 2018****(a) Details of Related Parties**

Sr. No.	Name of Related Parties	Description of Relationship
1	Sunil R. Agarwal	Key Management Personnel
2	Yash S. Agarwal	
3	Hardik S. Agarwal	
4	Raghuvir Exim Ltd.	Enterprise over which key management personnel exercise significant influence by controlling interest.
5	The Sagar Textile Mills Pvt. Ltd.	
6	Raghuvir Research Foundation Trust	
7	Raghukaushal Textile Pvt. Ltd.	Enterprise over which relatives of key management personnel exercise significant influence.
8	Raghuvir Life Style Pvt. Ltd.	

(b) **Details of transactions with related parties for the year ended March 31, 2018 in the ordinary course of business:**

[Rs. in Lacs]

Sr. No.	Nature of Relationship / Transaction	KMP & Relatives	Enterprise over which KMP and Relatives have significant influence	Total
1	<b>Managerial Remuneration</b> - Sunil R. Agarwal	<b>120.00</b>	—	<b>120.00</b>
2	<b>Rent Expense</b> - Sunil R. Agarwal - Raghuvir Exim Ltd. - The Sagar Textile Mill Pvt. Ltd.	<b>3.72</b> — —	— <b>2.13</b> <b>3.00</b>	<b>3.72</b> <b>2.13</b> <b>3.00</b>
3	<b>Advance for expense repaid during the year</b> - Sunil R. Agarwal	<b>0.25</b>	—	<b>0.25</b>
4	<b>Sales Processing Charges and Other Income</b> - Raghukaushal Textile Pvt. Ltd. - Raghuvir Lifestyle Pvt. Ltd. - Raghuvir Exim Ltd.	— — —	<b>167.73</b> <b>9.12</b> <b>2906.58</b>	<b>167.73</b> <b>9.12</b> <b>2906.58</b>
5	<b>Donation</b> - Raghuvir Research Foundation Trust	—	<b>20.00</b>	<b>20.00</b>

## (c) Amount due to / from related parties as at March 31, 2018

[Rs. in Lacs]

Sr. No.	Nature of Relationship / Transaction	KMP & Relatives	Enterprise over which KMP and Relatives have significant influence	Total
1	<b>Due to Company</b>			
	<b>As Trade Receivables</b>			
	- Raghukaushal Texile Pvt. Ltd.	—	12.78	12.78
	- Raghuvir Lifestyle Pvt. Ltd.	—	8.95	8.95
2	<b>Due by Company</b>			
	<b>As Expenses</b>			
	- Sunil R. Agarwal	0.96	—	0.96
	- Raghuvir Exim Ltd.	—	1.28	1.28
	- The Sagar Textiles Mill Pvt. Ltd.	—	2.02	2.02
	<b>As Advance from Customer/Trade payable</b>	—		
- Raghuvir Exim Ltd.		214.06	214.06	
<b>As Remuneration</b>				
- Sunil R. Agarwal	2.44	—	2.44	

**Note:** The remuneration to the key managerial personnel does not include the provisions made for gratuity, as they are determined on an actuarial basis for the Company as a whole.

**Note 38: Capital Management**

The Company manages its capital to ensure that entities in the Company will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance. The capital structure of the Company consists of net debt (borrowings offset by cash and bank balances) and total equity of the Company.

[Rs. in Lacs]

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Total equity attributable to the equity share holders of the company	1940.52	1718.01
As percentage of total capital	60.16	55.17
Current loans and borrowings	232.93	198.96
Non-current loans and borrowings	1077.44	1240.73
Total loans and borrowings	1310.37	1439.69
Cash and cash equivalents	25.06	43.44
Net loans & borrowings	1285.31	1396.25
As a percentage of total capital	39.84	44.83
<b>Total capital (loans and borrowings and equity)</b>	<b>3225.83</b>	<b>3114.26</b>

**Note 39: Fair value measurements**
**A. Financial instruments by category**

[Rs. in Lacs]

	31-Mar-19			31-Mar-18		
	Amortized cost	FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI
<b>Financial Assets</b>						
<b>Investments</b>	—	—	—	—	—	—
Trade and other receivables	171.85			119.62	—	—
Cash and cash equivalents	25.06			43.44	—	—
Other bank balances	21.69			68.06	—	—
Other financial assets	487.54			105.30	—	—
<b>Total Financial Assets</b>	<b>706.14</b>			<b>336.43</b>	—	—
<b>Financial Liabilities</b>						
Borrowings	1077.44			1240.73	—	—
Trade payables	1171.09			628.41	—	—
Other financial liabilities	232.93			198.96	—	—
<b>Total Financial Liabilities</b>	<b>2481.46</b>			<b>2068.10</b>	—	—

**Fair value hierarchy**

The following section explains the judgments and estimates made in determining the fair values of the financial instruments that are recognized and measured at fair value through profit or loss. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial investments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

**B. Fair value hierarchy for assets**
**Financial assets measured at fair value at March 31, 2019**

[Rs. in Lacs]

	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
<b>Investments</b>	—	—	—	—

**Financial assets measured at fair value at March 31, 2018**

[Rs. in Lacs]

	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
<b>Investments</b>	—	—	—	—

**Notes:**

Level 1 hierarchy includes financial instruments measured using quoted prices (unadjusted) in active market for identical assets that the entity can access at the measurement date. This represents mutual funds that have price quoted by the respective mutual fund houses and are valued using the closing Net asset value (NAV).

Level 2 hierarchy includes the fair value of financial instruments measured using quoted prices for identical or similar assets in markets that are not active.

Level 3 if one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted compound instruments.

There are no transfers between any of these levels during the year. The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

**C. Fair value of financial assets and liabilities measured at amortized cost**

The Management has assessed that fair value of loans, trade receivables, cash and cash equivalents, other bank balances, other financial assets and trade payables approximate their carrying amounts largely due to their short-term nature. Difference between carrying amount of Bank deposits, other financial assets, borrowings and other financial liabilities subsequently measured at amortised cost is not significant in each of the years presented.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

**Note 40: Financial risk management**

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee holds regular meetings and report to board on its activities.

The Company's risk management policies are established to identify and analyses the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management of risk
Credit risk	Cash and cash equivalents, trade receivables, Financial assets measured at amortized cost.	Aging analysis	Diversification of funds to bank deposits, Liquid funds and Regular monitoring of credit limits.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of surplus cash, committed credit lines and borrowing facilities
Market risk - foreign exchange	Recognized financial assets and liabilities not denominated in Indian rupee (Rs.)	Cash flow forecasting Sensitivity analysis	Regular monitoring to keep the net exposure at an acceptable level, with option of taking Forward Foreign exchange contracts if deemed necessary.

**(a) Credit risk**

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The company is exposed to the credit risk from its trade receivables, unbilled revenue, investments, cash and cash equivalents, bank deposits and other financial assets. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets.

**Trade and other receivables**

For trade receivables, provision is provided by the company as per the below mentioned policy: (Rs. in Lacs)

Particulars	Gross carrying amount (Rs)	Expected credit losses rate (%)	Expected credit losses (Rs)	Carrying amount of trade receivable (Rs)
Considered Good				
0 - 6 months	166.12	—	—	166.12
6 months - 1 year	5.25	—	—	5.24
More than 1 year	0.52	5%	0.03	0.49
<b>Total</b>	<b>171.88</b>		<b>0.03</b>	<b>171.85</b>
Considered Doubtful		—	—	—
<b>Total</b>	<b>171.88</b>	—	<b>0.03</b>	<b>171.85</b>

**Reconciliation of loss allowance provision**

Trade receivables

Particulars	Rs. in Lacs
<b>Loss allowance as on March 31, 2018</b>	—
Changes in loss allowance	0.03
<b>Loss allowance as on March 31, 2019</b>	<b>0.03</b>

**Cash and Cash Equivalents**

Credit risk on cash and cash equivalents and other deposits with banks is limited as the Company generally invests in deposits with banks with high credit ratings assigned by external credit rating agencies; accordingly the Company considers that the related credit risk is low. Impairment on these items is measured on the 12-month expected credit loss basis.

**(b) Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's treasury maintains flexibility in funding by maintaining liquidity through investments in liquid funds and other committed credit lines. Management monitors rolling forecasts of the group's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

**Financing arrangements**

The working capital position of the Company is given below:

[Rs. in Lacs]

Particulars	31-Mar-19	31-Mar-18
Cash and cash equivalents	25.06	43.44

**Liquidity Table**

The Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods is given below. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

**As at March 31, 2019**

[Rs. in Lacs]

Financial Liabilities	Less than 1 year	1-5 years	5 years and above
Non-current financial liabilities			
Borrowings <sup>^</sup>	—	1087.65	—
		1087.65	—
Current financial liabilities			
Borrowings from Banks	237.96	—	—
Trade payables	1171.09	—	—
	<b>1409.04</b>	—	—
<b>Total financial liabilities</b>	<b>1409.04</b>	<b>1087.65</b>	—

<sup>^</sup> Borrowings are disclosed net of processing charges.

Financial Liabilities	Less than 1 year	1-5 years	5 years and above
Non-current financial liabilities			
Borrowings <sup>^</sup>	—	1003.51	252.46
	—	<b>1003.51</b>	<b>252.46</b>
Current financial liabilities			
Borrowings from Banks	204.59	—	—
Trade payables	628.41	—	—
	<b>832.99</b>	—	—
<b>Total financial liabilities</b>	<b>832.99</b>	<b>1003.51</b>	<b>252.46</b>

<sup>^</sup> Borrowings are disclosed net of processing charges.

**(c) Market Risk**

Market risk is the risk arising from changes in market prices – such as foreign exchange rates and interest rates – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of the investments. Thus, the exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency.

**(i) Currency Risk**

The Company is exposed to currency risk on account of foreign currency transactions including recognized assets and liabilities denominated in a currency that is not the Company's functional currency (Rs.), primarily in respect of US\$, and Euro. The Company ensures that the net exposure is kept to an acceptable level and is remain a net foreign exchange earner.

Exposure to currency risk

The currency profile of financial assets and financial liabilities are given below:

Particulars	As at March 31, 2019		As at March 31, 2018	
	Amount in Lcs.	Rs. in Lcs.	Amount in Lcs.	Rs. in Lcs.
<b>Financial Assets</b>				
Trade receivables	USD 1.18	81.61	—	—
<b>Total</b>	USD 1.18	81.61	—	—
<b>Financial liabilities</b>				
Trade payable	—	—	—	—
<b>Total</b>	—	—	—	—

**(ii) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates and investments

Most of the Company's borrowings are on a floating rate of interest. The Company has exposure to interest rate risk, arising principally on changes in Marginal Cost of Funds based Lending Rate (MCLR). The Company uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like short term credit lines besides internal accruals.

The exposures of the Company's financial assets / liabilities at the end of the reporting period are as follows:

[Rs. in Lacs]

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Floating rate borrowings	1310.37	1439.69
	1310.37	1439.69

**Interest rate risk sensitivity:**

The below mentioned sensitivity analysis is based on the exposure to interest rates for floating rate borrowings. For this it is assumed that the amount of the floating rate liability outstanding at the end of the reporting period was outstanding for the whole year. If interest rate had been 50 basis points higher or lower, other variables being held constant, following is the impact on profit.



Particulars	[Rs. in Lacs]	
	Year ended March 31, 2019	Year ended March 31, 2018
Impact on profit – increase in 50 basis points	6.62	1.97
Impact on profit – decrease in 50 basis points	(6.62)	(1.97)

**Note 41:****(a) Due to Micro, Small and Medium Enterprise**

[Rs. in Lacs]

Sr. No.	Particulars	2018-2019	2017-2018
1	Principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	NIL	NIL
2	The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	NIL	NIL
3	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	NIL	NIL
4	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	NIL	NIL
5	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	NIL	NIL

The company has initiated the process of obtaining confirmation from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006). The above mentioned information has been compiled to the extent of responses received by the company from its suppliers with regard to their registration under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006).

- (b) The company has circulated letters of Balance Confirmation to Sundry Debtors, Sundry Creditors and the parties to whom loans and advances have been granted. Confirmations were received in some cases.

**Note 42: Un-hedged Foreign Currency Exposure**

The company does not enter into forward exchange contracts to hedge against its foreign currency exposures relating to the underlying transactions and firm commitments. The company does not enter into any derivative instruments for trading or speculative purposes.



The foreign currency exposure not hedged as at 31st March, 2019 are as under:

[Rs. in Lacs]

Currency	Receivable (In Foreign Currency)		Receivable (In Indian Rupee)	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
USD	1.18	–	81.61	--

**Note 43: Statement of Management**

- (a) The non current financial assets, current financial assets and other current assets are good and recoverable and are approximately of the values, if realized in the ordinary courses of business unless and to the extent stated otherwise in the Accounts. Provision for all known liabilities is adequate and not in excess of amount reasonably necessary. There are no contingent liabilities except those stated in the notes.
- (b) Balance Sheet, Statement of Profit and Loss, cash flow statement and change in equity read together with Notes to the accounts thereon, are drawn up so as to disclose the information required under the Companies Act, 2013 as well as give a true and fair view of the statement of affairs of the Company as at the end of the year and financial performance of the Company for the year under review.

**Note 44: The figures for the previous year have been regrouped / reclassified, wherever necessary, to make them comparable with the figures for the current year.**

**FOR ASHOK K. BHATT & CO.**  
[Firm Registration No. 100657W]  
Chartered Accountants

**ASHOK K. BHATT**  
Proprietor  
Mem. No. 36439

Place : Ahmedabad  
Date : 27th May, 2019.

**FOR AND ON BEHALF OF BOARD**

**SUNIL R. AGARWAL**  
Chairman & Managing Director  
DIN: 00265303

**VIKRAM R. GUPTA**  
Chief Financial Officer

Place : Ahmedabad  
Date : 27th May, 2019.

**YASH S. AGARWAL**  
Joint Managing Director  
DIN : 02170408

**PRATIKA P BOTHRA**  
Company Secretary

# RAGHUVIR SYNTHETICS LIMITED

CIN : L17119GJ1982PLC005424

Regd. Office : Rakhial Road, Rakhial, Ahmedabad-380 023.

PHONE : 079 - 22910963 - 22911015 - 22911902 E-mail : raghuvirad1@sancharnet.in

## PROXY FORM

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

Name of the member(s) : .....

Registered address : .....

E-mail ID : : .....

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

DP ID : .....

I/We, being the member(s) holding ..... Shares of the above named Company, hereby appoint;

1. Name : .....

Address : .....

E-mail Id : .....

Signature : .....

or failing him

2. Name : .....

Address : .....

E-mail Id : .....

Signature : .....

or failing him

3. Name : .....

Address : .....

E-mail Id : .....

Signature : .....

or failing him

As my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 37<sup>th</sup> Annual General Meeting of the Company, to be held on 27th September, 2019 at 12.30 p.m. at Rakhial Road, Rakhial, Ahmedabad-380023 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions	Please Indicate (Assent or Dissent)
<b>ORDINARY BUSINESS</b>	
1 ADOPTION OF AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019. <b>(ORDINARY RESOLUTION)</b>	
2 TO RE-APPOINT MRS. PAMITADEVI SUNIL AGARWAL (DIN: 07135868) AS A NON-EXECUTIVE DIRECTOR OF THE COMPANY WHO RETIRES BY ROTATION. <b>(ORDINARY RESOLUTION)</b>	
<b>SPECIAL BUSINESS</b>	
3 APPROVAL OF ESTIMATED MATERIAL RELATED PARTY TRANSACTIONS FOR THE YEAR 2019-2020 WITH RAGHUVIR EXIM LTD. <b>(ORDINARY RESOLUTION)</b>	
4. RE-APPOINTMENT OF MR. SAMIRBHAI SHETH AS INDEPENDENT DIRECTOR FOR SECOND TERM OF 5 CONSECUTIVE YEARS	
5. RE-APPOINTMENT OF MR. KAMALBHAI PATEL AS INDEPENDENT DIRECTOR FOR SECOND TERM OF 5 CONSECUTIVE YEARS	
6. PAYMENT OF COMMISSION TO MRS. PAMITADEVI S. AGARWAL, NON INDEPENDENT NON EXECUTIVE DIRECTOR FOR F.Y 2019-2020	

Signed this.....day of .....2019

Signature of shareholder(s)

Signature of Proxy holder(s)

Affix  
Revenue  
Stamp of not  
less than  
Rs. 1/-

Notes: (1) For the resolutions, Explanatory Statement and Notes, please refer to the Notice of the 37<sup>th</sup> Annual General Meeting. (2) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting. (3) A Proxy need not be a member of the Company. (4) It is optional to indicate your preference. If you leave 'for', 'against' or 'abstain' column blank against any or all of the resolutions, your proxy will be entitled to vote in any manner as he/she may deem appropriate.

# RAGHUVIR SYNTHETICS LIMITED

CIN : L17119GJ1982PLC005424

Regd. Office : Rakhial Road, Rakhial, Ahmedabad-380 023.

PHONE : 079 - 22910963 - 22911015 - 22911902

E-mail : raghuvirad1@sancharnet.in

## ATTENDANCE SLIP

This attendance slip duly filled in is to to be handed over at the entrance of the meeting hall.

### FOR DEMAT SHARES

### FOR PHYSICAL SHARES

DP- Client ID :

Regd. Folio No. :

No. of Shares held :

No. of Shares held :

Full name of the member attending : .....

Name of Proxy .....

(To be filled in if Proxy Form has been duly deposited with the Company) :

I hereby record my presence at the 37<sup>th</sup> Annual General Meeting of the Company being held on 27th September, 2019 at 12.30 p.m. at Rakhial Road, Rakhial, Ahmedabad.

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

(To be signed at the time of handing over this slip)

# RAGHUVIR SYNTHETICS LIMITED

CIN: L17119GJ1982PLC005424

Registered office: Rakhial Road, Rakhial, Ahmedabad-380023, GUJARAT

TEL NO.: 079 - 22910963 - 22911015 – 22911902

Web: [www.raghuvir.com](http://www.raghuvir.com), E-mail: [raghuvirad1@sancharnet.in](mailto:raghuvirad1@sancharnet.in)

Sr. No.

1. Name of the sole/first named member: \_\_\_\_\_
2. Address of sole/first named member: \_\_\_\_\_
3. Name (s) of joint member(s) if any: \_\_\_\_\_
4. Registered folio No./DP ID No./Client ID NO.: \_\_\_\_\_
5. Number of shares held: \_\_\_\_\_

**Dear Member,**

### **Subject: - Voting through Electronic means**

Pursuant to provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the Company is pleased to offer e-voting facility to the members of the Company to cast their votes electronically as an alternative to participate at the 37<sup>th</sup> Annual general meeting of the member to be held on 27<sup>th</sup> September, 2019 at 12.30 P.M. by electronic means (remote e-voting). The Company has engaged the service of Central Depository Services (India) Limited (CDSL) to provide e-voting facilities. The e-voting facility is available at the link <https://www.evotingindia.com>:

The Electronic voting particulars are set out below:

<b>EVSN (E-voting Sequence number)</b>	<b># PAN</b>
190823011	

# Members who have updated their PAN with the company, Depository participant and/or Registered Transfer Agent shall use their PAN number while rest members who have not updated the PAN details with the company, Depository participant and/or Registered Transfer Agent shall follow the step 6 as mentioned in the e-voting instruction of the Notice of 37<sup>th</sup> AGM of the company

The remote e-voting facility will be available during the following voting period:

<b>Commencement of E-voting</b>	From 9.00 A.M. on 24 <sup>th</sup> September, 2019
<b>End of e-voting</b>	Upto 5.00 P.M. on 26 <sup>th</sup> September, 2019

The remote e-voting shall not be allowed beyond 5.00 P.M on 26<sup>th</sup> September, 2019. During the e-voting period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date may cast their votes electronically. The cut-off date for the purpose of remote e-voting is 20<sup>th</sup> September, 2019

Please note the instruction printed in the notice before exercising the vote.

These details and instruction form integral part of the Notice for the Annual General Meeting to be held on 27<sup>th</sup> September, 2019



**BOOK-POST**

If Undelivered please return to :  
**RAGHUVIR SYNTHETICS LIMITED**  
Rakhial Road, Rakhial,  
Ahmedabad-380 023. (India)

**GIRISH - Ph. 22745361, 22778341**