



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



**35th
Annual Report
2016-2017**

Board of Directors

Shri Sunil R. Agarwal
Shri Yash S. Agarwal
Shri Hardik S. Agarwal
Shri Pamitadevi S. Agarwal
Shri Samirbhai R. Sheth
Shri Kamalbhai B. Patel
Shri Anup R. Agarwal
Shri Nisitbhai C. Joshi

Chairman & Managing Director
Director
Director
Director
Independent Director
Independent Director
Independent Director
Independent Director

AUDITORS

M/s. G. K. Choksi & Co.
Ahmedabad.

INTERNAL AUDITORS

M/s. Anilkumar Sheth & Co.
Ahmedabad.

BANKERS

HDFC Bank Ltd.

REGISTERED OFFICE & MILLS

Rakhial Road, Rakhial,
Ahmedabad-380 023. (Gujarat)

WIND FARM PROJECT

Village - Lambha,
Taluka - Kalyanpur,
Dist. - Jamnagar (Gujarat)

REGISTRAR & SHARE TRANSFER AGENTS

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 : ahmedabad@linkintime.co.in

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 35TH ANNUAL GENERAL MEETING OF THE MEMBERS OF RAGHUVIR SYNTHETICS LIMITED WILL BE HELD ON THURSDAY, 28TH DAY OF SEPTEMBER, 2017, AT 12.00 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 31st March 2017, 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 Mr. Yash Sunil Agarwal (DIN: 02170408), who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution:**

APPOINTMENT OF ASHOK K. BHATT & CO., CHARTERED ACCOUNTANTS, AS STATUTORY AUDITORS OF THE COMPANY

"RESOLVED THAT pursuant to the Provisions of Section 139(1) and other applicable Provisions, if any, of the Companies Act, 2013, M/s. Ashok K. Bhatt & Co., Chartered Accountants, Ahmedabad [Firm Registration No. : 100657W], be and are hereby appointed as new Statutory Auditor of the Company to hold office for a period of 5(Five) year from the ensuing 35th annual general meeting till the conclusion of 40th annual general meeting of the company (i.e from 2017-2018 to 2021-2022) in place of M/S. G. K Choksi & Co., Chartered Accountants [Firm Registration No. : 101895W] statutory auditor of the company whose terms expire in the ensuing 35th Annual general meeting of the company at such remuneration to be decided by and between the Statutory Auditors and the Board of Directors of the Company. The appointment is subject to the approval of members in the ensuing 35th Annual General Meeting of the company.

SPECIAL BUSINESS:

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

RE-APPOINTMENT OF MR. SUNIL R. AGARWAL AS CHAIRMAN & MANAGING DIRECTOR OF THE COMPANY.

"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 and subject to approval of members and such other approvals as may be necessary be , consent of the Company be and is hereby accorded for the re-appointment of Mr. Sunil R. Agarwal (holding DIN 00265303) as Chairman & Managing Director of the Company for a period of five years from 1st July, 2017 to 30th June, 2022 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice, 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 re-appointment and / or remuneration as it may deem fit.

"RESOLVED FURTHER THAT the Board of Directors and the Nomination & Remuneration Committee be and is hereby authorised to vary such terms of appointment & remuneration specified above from time to time to the extent the Board of Directors may deem appropriate, provided that such variation, as the case may be, is within the overall limits as specified under the relevant provisions of the Companies Act, 2013 and/ or Schedule V.

RESOLVED FURTHER THAT in the event in any financial year during the tenure of the Managing Director, the Company does not earn any profits or earns inadequate profits as contemplated under the provisions of Schedule V to the Companies Act, 2013, the Company may pay to the Managing Director, the above remuneration excluding commission amount payable on the minimum remuneration by way of salary, Perquisites and Other terms & Conditions as specified above and subject to receipt of the requisite approvals.

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Mr. Sunil R. Agarwal, Chairman & Managing Director and/or Mr. Yash S. Agarwal, Director and/or Mr. Hardik S Agarwal, Director 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."

5. 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 YEAR 2017-18 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:-

Sr. No.	Nature of Transaction	Estimated Value of transactions for the financial year 2017-2018	
1.	Sale, Purchase or supply of any goods or materials	Transaction Amount not Exceeding Rs. 75 Crores (Rupees Seventy-five 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."

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

DATE: 17/08/2017

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 Friday, 22nd September, 2017 to Thursday, 28th September, 2017 (both days inclusive) for the purpose of Annual General Meeting of the Company.
4. The members are requested to intimate their change of address, if any, immediately to the Company & its Registrar And Transfer Agent (RTA) Viz. 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.
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. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the special business under item numbers 4 to 8 is annexed.
10. Information relating to the Directors 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.

Name	Mr. Yash Sunil Agarwal	Mr. Sunil R. Agrawal
Date of Birth	08/01/1989	18/12/1964
DIN No.	02170408	00265303
No. of Equity Shares held in the Company	4,39,203	11,80,403
Relationship with other Directors/ Manager/KMP	Son of Mr. Sunil R Agarwal & Mrs. Pamita S. Agarwal, Brother of Mr. Hardik S Agarwal	Husband of Mrs. Pamita S. Agarwal, Father of Mr. Yash S Agarwal and Mr. Hardik S Agarwal
Education Qualification	B.COM	B.COM
Profile & Expertise in Specific functional Areas	He has over 10 years of experience in textile sector	He has over 35 years of experience in textile sector

List of other Directorship /Committee membership in other Public Companies as on 31st March, 2017.	1. Raghuvir Exim Limited 2. Sagar Textiles Mills Private Limited 3. HYS DEVELOPERS LLP 4. HYS LIFECARE LLP	1. Raghuvir Exim Limited 2. Sagar Textiles Mills Private Limited 3. HYS DEVELOPERS LLP 4. HYS LIFECARE LLP
Terms and Conditions of appointment or re-appointment	Executive Director, liable to retire by rotation	Chairman & Managing Director, liable to retire by rotation

11. Electronic copy of the Annual Report for 2016-17 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2016-17 is being sent by the permitted mode.
12. Any Shareholder of the Company interested in obtaining a physical form of Annual Report may write to the Company Secretary at the registered office of the Company and the same is uploaded on the Company's website <http://www.raghuvir.com/> which may accessed by the members.
13. 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.

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 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:

- 6.1 Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both, members holding shares in physical or dematerialized form).

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.

6.2 Enter the Date of Birth (DOB) recorded in the demat account or registered with the Company for the demat account in DD/MM/YYYY format.

6.3 Enter your Dividend Bank details (Account Number) recorded in the demat account or registered with the Company for the demat account

Any one of the details i.e. DOB or Dividend Bank details should be entered for logging into the account. If Dividend Bank details and Date of Birth are not recorded with the Depository or Company please enter the number of shares held by you as on the cutoff date i.e. Thursday 21st September, 2017 in the Dividend Bank details field.

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

Step 8: First time user holding shares in Demat form will now reach Password Generation menu wherein they are required to create their login password in the password field. Kindly note that this password can also be used by the Demat holders for voting for resolution 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.

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.

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

Step 9: Click on the EVSN of the Company i.e. **170817039** 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 25th September, 2017 (9.00 a.m.) and ends on 27th September, 2017 (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 21st September, 2017 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 CDSL's mobile app m-voting available for android based mobiles. The m-voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile. The shareholder who voted prior to the 35th Annual General Meeting via e-voting would not be entitled to vote at the meeting venue.
- iv. 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 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.

- ◆ 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 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.
- v. 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.
- vi. 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 favor or against, if any and submit forth with to the Chairman of the Company.
- vii. 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 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.
- viii. 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.
- ix. 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.
- x. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

CONTACT DETAILS

Company	Raghuvir Synthetics limited
Registrar and Transfer Agent	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 Ph no. 079-26465179 Email : ahmedabad@linkintime.co.in
e-voting Agency	Central Depository Services (India) Limited E-mail: helpdesk.evoting@cdslindia.com
Scrutinizer	CS Amrish N Gandhi, Practicing Company Secretary Email : amrishgandhi72@gmail.com Ph: 9825654756

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

SUNIL R. AGARWAL
CHAIRMAN & MANAGING DIRECTOR

DIN : 00265303

Place : Ahmedabad

Date : 17/08/2017

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. 4

The Board of Directors of the Company ("the Board") at its meeting held on May 29th, 2017 has, subject to approval of members, reappointed Mr. Sunil R. Agarwal (DIN: 00265303) designated as a Chairman & Managing Director for a further period of 5 (five) years from the expiry of his present term, i.e June 30, 2017 on terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee of the Board and approved by the Board. It is proposed to seek members' approval for the re-appointment and remuneration payable to Mr. Sunil R. Agarwal (DIN: 00265303) designated as a Chairman & Managing Director of the Company, in terms of the applicable provisions of the Act.

Broad particulars of the terms of re-appointment of and remuneration payable to Mr. Sunil R. Agarwal are as under:

1.	SALARY	Rs. 120 lakhs/- Per annum
2.	PERQUISITES	<p>Perquisites will be allowed in addition to salary as under:</p> <p>(i) Provident Fund: The Company shall contribute towards provident fund as per the rules of the Company.</p> <p>(ii) Gratuity: Gratuity payable shall be in accordance with the provisions of the payment of Gratuity Act.</p> <p>(iii) Use of car & Telephone: Company maintained car & driver for use on Company's business. The use of cellular phone & related expenses will be bared by the company.</p> <p>(iv) Leave & Encasement of Leave : As per the rules of Company.</p> <p>The above benefit shall not be included in the computation of ceiling on remuneration or perquisites aforesaid.</p>
3.	OTHER TERMS & CONDITIONS	<p>(i) Reimbursement of entertainment expenses actually and properly incurred in course of business of the Company shall be allowed.</p> <p>(ii) Exception to section 185, loan may be provided to Managing Director, pursuant to Rules & regulation framed there under to the extent applicable (including any statutory modification(s) or re-enactment thereof, for the time being in force) as per companies act 2013.</p> <p>(iii) No sitting fees shall be paid for attending the meeting of the Board of Directors or Committee thereof.</p>

General Obligation:

- (i) The Managing Director will perform his duties as such with regard to all work of the Company and will manage and attend to such business from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board.

- (ii) The Managing Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.
- (iii) The Managing Director shall adhere to the Company's Code of Conduct.
- (iv) The office of the Managing Director may be terminated by the Company or by him by giving the other 1 (one) months' prior notice in writing.

Mr. Sunil R. Agarwal has attained age of fifty-two years on December 18, 2016. Mr. Sunil R. Agarwal has rich and varied experience in the industry and has been involved in the operations of the Company. It would be in the interest of the Company to continue to avail of his considerable expertise and to re-appoint Mr. Sunil R. Agarwal as a Managing Director. Accordingly, approval of the members is sought for passing a Special Resolution for re-appointment of Mr. Sunil R. Agarwal as Managing Director, as set out in Part-I of Schedule V to the Act as also under sub-section (3) of Section 196 of the Act. Mr. Sunil R. Agarwal satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013.

Mr. Sunil R. Agarwal is interested in the resolution set out at Item No. 4 of the Notice. The relatives of Mr. Sunil R. Agarwal and Mrs. Pamita S. Agarwal, Mr. Yash S Agarwal and Mr. Hardik S Agarwal directors of the company may be deemed to be interested in the resolution set out at Item No. 4 of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the aforementioned resolution.

The Board commends the Special Resolution set out at Item No. 4 of the Notice for approval by the members.

Item No. 5.

Approval of Estimated Material Related Party Transactions For The Year 2016-17 With Raghuvir Exim Ltd

As a part of its regular business, the Company purchases, avails/renders services from/to Raghuvir Exim Limited, the Company, at arm's length basis.

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. 5 of the Notice for the year 2017-2018 (estimated). An analysis of all the Related Party Transactions (RPTs) estimated / to be entered into by the Company during the year for the year 2017-18 (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 basis.

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 end of the tenure of previous agreement between Raghuvir Synthetics Limited & Raghuvir Exim Limited as on 24th February 2017, the contract shall renew & begin from 25th February , 2017 with unaltered terms & conditions for the period of 3 (Three) year from the date of the renewed contract.

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 (2016-17) 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, except Mrs. Pamita S. Agarwal, will not vote on item No. 5.

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:- 17/08/2017

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.

DIRECTORS' REPORT**DEAR SHAREHOLDERS,**

The directors are pleased to present their 35th Annual report on the business and operations of the Company and the Audited financial accounts for the Year ended 31st March, 2017.

FINANCIAL RESULTS:

(Rs. In Lakhs)

Particulars	For the year ended on 31 st March, 2017	For the year ended on 31 st March 2016
Net Total Income	4253.03	4329.45
Less: Operating and Admin. Exps	3949.33	4040.71
Profit before depreciation and Taxes	303.70	288.74
Less: Depreciation	203.16	210.33
Extraordinary/Exceptional Items	8.43	2.32
Profit/(Loss) on Revaluation of Retired Asset	(2.67)	0.00
Net Profit/(Loss) on sale of Fixed Assets	6.45	(1.78)
Profit before Tax (PBT)	112.75	78.94
Less: Taxes (including deferred tax and fringe benefit tax)	49.26	36.47
Profit after Tax (PAT)	63.49	42.47
Balance Available for appropriation	63.49	42.47
Which the Directors propose to appropriate as under:		
(i) Proposed Dividend	NIL	NIL
(ii) Corporate Dividend Tax	NIL	NIL
Surplus Carried to Balance Sheet	63.49	42.47
Earnings Per Equity Share Basic Diluted	1.64	1.10
	1.64	1.10

HIGHLIGHTS OF PERFORMANCE:

The company has posted a satisfactory performance for the year under review. The total revenue of the Company has decreased from Rs. 43.29 Crores to Rs. 42.53 Crores whereas the profit before tax of the Company has increased from Rs. 78.94 Lakhs to Rs. 112.74 Lakhs. Subsequently, the net profit after tax has increased to Rs. 63.48 Lakhs as compared to previous year's net profit of Rs. 42.47 Lakhs. We remained resolute and relentless in our quest for strengthening our cost-competitiveness, 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 31st March, 2017, Your Company has 2 associate Company.

DEPOSITORY SYSTEM:

As members are aware, the company's shares are compulsorily tradable in the electronic form. As on March 31, 2017 almost 85% of the Company's total paid-up capital representing 33,05,086 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.

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.	05/05/2016	8	7
2.	26/05/2016	8	8
3.	12/07/2016	8	6
4.	12/08/2016	8	8
5.	30/08/2016	8	7
6.	01/09/2016	8	8
7.	11/11/2016	8	7
8.	30/12/2016	8	7
9.	16/01/2017	8	7
10.	24/01/2017	8	8
11.	09/02/2017	8	7
12.	17/02/2017	8	6

ATTENDANCE OF DIRECTORS AT BOARD MEETINGS:

Sr. No.	Name of Directors	No. of Meeting Held	No. of Meeting Attended
1.	Sunil Agrawal	12	12
2.	Yash Agarwal	12	09
3.	Hardik Agarwal	12	11
4.	Anup Agarwal	12	11
5.	Samirbhai Sheth	12	10
6.	Kamalbhai Patel	12	11
7.	Pamitadevi Agarwal	12	10
8.	Nishitbhai Joshi	12	12

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

- ◆ In terms of Section 152 of the Companies Act, 2013, Mr. Yash Sunil Agarwal is liable to retire by rotation at forthcoming AGM and being eligible offer himself for re-appointment.
- ◆ During the Year under review, the Board of Directors approved the re- appointment of Mr. Sunil R. Agarwal (DIN: 00265303) as Chairman & Managing Director of the Company w.e.f. 1st July, 2017 under Section 196, 197 and Schedule V of Companies Act, 2013 who hold the office upto 30th June, 2022. The Board of Directors recommends his re-appointment for the approval of members in the ensuing 35th Annual General Meeting.
- ◆ 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:

Policy on remuneration of Directors, Key Managerial Personnel and employees of the Company is that:-

- ◆ Remuneration to Key Managerial Personnel, Senior Executives, Managers, Staff and Workmen is industry driven in which it is operating taking into account the performance leverage and factors such as to attract and retain quality talent. The remuneration policy is in consonance with the existing industry practice.
- ◆ For Directors, it is based on the shareholders resolutions, provisions of the Companies Act, 2013 and Rules framed therein, circulars and guidelines issued by Central Government and other authorities from time to time.

BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual evaluation of its own performance, the directors individually, as well as the evaluation of the working of its Committees. At the meeting of the Board all the relevant factors that are material for evaluating the performance of individual Directors, the Board and its various committees were discussed in detail. A structured questionnaire each for evaluation of the Board, its various Committees and individual Directors was prepared and recommended to the Board by Nomination & Remuneration Committee for doing the required evaluation after taking into consideration the input received from the Directors covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, execution and performance of specific duties, obligations and governance etc.

SEPARATE MEETING OF THE INDEPENDENT DIRECTORS:

The Independent Directors of your Company, in a separate meeting held on 1st February, 2017 to carry out the evaluation for the financial year 2016-17 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 reasonably perform their duties.

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

AUDITORS:

◆ Statutory Auditors

"RESOLVED THAT pursuant to the Provisions of Section 139(1) and other applicable Provisions, if any, of the Companies Act, 2013, M/s. Ashok K. Bhatt & Co., Chartered Accountants, Ahmedabad [Firm Registration No. : 100657W], be and are hereby appointed as new Statutory Auditor of the Company to hold office for a period of 5(Five) year from the ensuing 35th annual general meeting till the conclusion of 40th annual general meeting of the company (i.e from 2017-2018 to 2021-2022) in place of M/S. G. K Choksi & Co., Chartered Accountants [Firm Registration No. : 101895W] statutory auditor of the company whose terms expire in the ensuing 35th Annual general meeting of the company at such remuneration to be decided by and between the Statutory Auditors and the Board of Directors of the Company to the effect that their appointment, if made, would be within the prescribed limits under Section 141 of the Companies Act, 2013 read with rules made thereunder and that they are not disqualified for such appointment.

The appointment is subject to the approval of members in the ensuing 35th Annual General Meeting of the company. Your Directors recommend the appointment of M/s. Ashok K. Bhatt & Co., Chartered Accountants, as Statutory

Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of 40th Annual General Meeting of the Company to be held in the calendar year 2022.

◆ 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 2016-17, as required under Section 204 of the Companies Act, 2013 and Rules thereunder. 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, 2017. The secretarial audit report for FY 2016-17 forms part of the Annual Report as 'Annexure B' to the Board's report.

DIRECTORS' RESPONSE TO SECRETARIAL AUDIT REPORT:

Respective the observation of Auditor in Calcutta stock exchange matter that " The status of the company in Calcutta stock exchange stays suspended from many years, henceforth no listing compliances were assembled due to suspension, however company have not defaulted in payment of listing fees and complied with the same till financial year 2016-2017."

We clarify that we are under deliberation and discussion for proceeding towards Revocation of suspension from the Calcutta stock exchange. However we have paid this year cumulatively outstanding Annual Listing Fees to the Calcutta Stock Exchange till 31st March, 2017 (i.e 1st April, 2001 to 31st March, 2017)

◆ Internal Auditor

The Board appointed M/s. Anil Kumar Sheth & Co., Chartered Accountants [Firm Registration No. : 100445W) as Internal Auditor of your company for the financial year 2017-18 and is hereby eligible for appointment for the financial year 2017-18 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 basis. 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 five members of which four, including the Chairman of the Committee, 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 and were in the ordinary course of business. All Related Party Transactions were placed before the Audit Committee of the Board of Directors for their approval.

All Related Party Transactions are placed before the Audit Committee. Prior omnibus approval of the Audit Committee is obtained on a yearly basis for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee for their approval, on a quarterly basis. The policy on Related Party Transactions as approved by the Board has been uploaded on the Company's website.

As per the provisions of the Companies Act, 2013 and Listing Regulation, all 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 [35] to the Standalone Financial Statements forming part of this report.

All the related party transactions entered into during the financial year were on an arm's length basis and were in the ordinary course of business. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC 2 is not applicable.

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 proposed to transfer Rs. 63,48,854/- of profit of the Company to the General Reserve for this year.

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 C" 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 the 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 GDP growth has improved phenomenally in the past couple of years and is being hailed as a "bright spot" among the emerging economies. But it may soon lose its "fastest-growing major economy" title to China after winning it from China in the previous fiscal. This would be a result of a downward revision of India's GDP by the IMF. India's projected GDP growth of 7.6% has now been revised downward to 6.6% by the IMF. This downward revision had happened primarily due to the cash shortages, payment disruptions in the wake of the demonetization initiative. This is however expected to be a short-term effect which will strengthen the nation's fundamental structure in the long run. However, this effect is expected to gradually dissipate during FY 2017-18. The quality of India's fundamentals are expected to become stronger and economic growth is expected to rebound to 7.2% in FY 2018 with growing digitization, the implementation of the GST and a strong consumer confidence. The Indian Government's decisive policy man oeuvres towards ensuring fiscal consolidation and pegging back inflation will help it maintain economic stability in the years to come.

India's textiles sector is one of the oldest industries in Indian economy dating back several centuries. Even today, textiles sector is one of the largest contributors to India's exports with approximately 17 per cent of total exports. The textiles industry is also labour intensive and is one of the largest employers. The future looks bright for the Indian textile and apparel industry. There are positive drivers which indicate future growth opportunities. There is plenty of cotton with a good potential for higher yield. There is the chance to produce yarn instead of exporting

cotton. There is growing export as well as domestic market demand. The Government supports modernization of the industry with a particular focus on closing the gaps in the textile value chain.

◆ Industry Review:

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

Indian Textile and Apparel industry contributes about 14% to industrial production, 5% to GDP and 17% to country's export earnings. The domestic textile and apparel industry in India is estimated to reach US\$ 223 billion by 2021 from US\$ 108 billion in 2015. The fundamental strength of this industry flows from its strong production base of wide range of fibres and yarns ranging from natural fibres to man-made fibres.

The Indian textiles industry is set for strong growth, buoyed by both strong domestic consumption as well as export demand. India has historically had a strong textile-industrial culture and a well-developed and mature textile industry that has been the back-bone of the economy. With the rise of strong textile exports over the last three decades, India is today among the leading producers of textiles in the world. However, despite this growth, India is not the lowest cost producer of textiles and lacks the benefit of scale economies especially when compared to China, Bangladesh, Vietnam and Cambodia. In an environment of volatility and intensified global competition, where price continues to dominate, due to high inflation, high interest rates and high labour cost which is affecting profitability of Indian textile industries. The sharp rise in energy/fuel price is another major concern faced by Indian textile Industry today as well as years to come. The future for the Indian Textile Industry looks promising. With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade. India's growing population has been a key driver of textile consumption growth in the country. Changing lifestyle, rising incomes and increasing demand for quality

products are set to fuel demand for Indian Textile products across the globe.

◆ **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.

◆ **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.

◆ **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 has in place Prevention of Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy. Your Directors state that during the year under review, there were no cases filed pursuant to the aforesaid Act.

DIRECTORS' 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, 2017, 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 31st March, 2017 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. Kirit V. Patel, Chief Executive officer, Mr. Dilip P. Nirmal, Chief Financial Officer and Miss Pratika P. Bothra, Company Secretary & Compliance officer are the Key Managerial Personnel of the Company.

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. Your Company has an ethics hotline managed by a third party which employees of your Company can use to report any violations to the Code of Conduct in an anonymous manner. In addition to the hotline, the third party also provides a portal wherein 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.

INDIAN ACCOUNTING STANDARDS (IND AS) IFRS CONVERGED STANDARDS:

The Ministry of Corporate Affairs vide its notification dated 16.02.2015 has notified the Companies (Indian Accounting Standard) Rules, 2015. In pursuance of this notification, the Company has adopted IND AS with effect from 1st April, 2017.

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 - D" 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 2016-17.

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: 17/08/2017
PLACE: AHMEDABAD**

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

ANNEXURE-A TO DIRECTORS' REPORT

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2017

[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	L17119GJ1982PLC005424
Registration date	18/08/1982
Name of the Company	RAGHUVIR SYNTHETICS LIMITED
Category / Sub-Category of the Company	Company Limited by Shares / Indian Non-Government Company
Address of the registered office and contact details	Rakhial Road, Rakhial, Ahmedabad, Gujarat - 380023 Ph no. : 079-22911015-22911902-22910963 Email id: raghuvirad1@sancharnet.in
Whether listed company (Yes/No)	YES
Name, address and contact details of Registrar and Transfer Agent, if any	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

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:

Sr No.	Name and Description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
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.	Raghuvir Exim Limited Address:- Nr. Gujarat Bottling, Rakhial Road, Rakhial, Ahmedabad, Gujarat	U51909GJ1992PLC018496	Associate	2(6)
2.	Sagar Textiles Mills Private Limited 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 31.03.2016				NO. OF SHARES HELD AT THE END OF THE YEAR 31.03.2017				% CHANGE DURING THE YEAR
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) INDIAN									
a) Individual/ HUF	2796143	NIL	2796143	72.16	2866979	NIL	2866979	73.99	1.83
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 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
Sub total A(1)	2796143	NIL	2796143	72.16	2866979	NIL	2866979	73.99	1.83
(2) FOREIGN	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
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
Sub Total A(2)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	2796143	NIL	2796143	72.16	2866979	NIL	2866979	73.99	1.83
B) Public Shareholding									
Bodies Corporate	70994	4214	75208	1.94	69355	NIL	69355	1.79	(0.15)
Individual	430389	573000	1003389	25.89	344263	569914	914177	23.59	(2.30)
Any Others (Specify)									
Hindu Undivided Family	NIL	NIL	NIL	NIL	23101	NIL	23101	0.60	0.60
Non Resident Indians (Non Repat)	250	NIL	250	0.01	300	NIL	300	0.01	NIL
Non Resident Indians (Repat)	10	NIL	10	0.00	10	NIL	10	0.00	NIL
Clearing Member	NIL	NIL	NIL	NIL	1078	NIL	1078	0.03	0.03
Total shareholding of others (B)	501643	577214	1078857	27.84	438107	569914	1008021	26.01	(1.83)
GRAND TOTAL (A+B)	3297786	577214	3875000	100	3305086	569914	3875000	100	

(ii) Shareholding of Promoters:

Sl. 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 Pledged/ encumb-ered to total shares	No. of Shares	% of total shares of the company	% of Shares Pledged/ encumb-ered to total shares	
1	Mr. Sunil R. Agarwal	11,09,567	28.63	NIL	1180403	30.46	NIL	1.83
2	Mrs. Pamita S. Agarwal	872546	22.52	NIL	872546	22.52	NIL	NIL
3	Mr. Yash S. Agarwal	4,39,203	11.33	NIL	4,39,203	11.33	NIL	NIL
4	Mr. Hardik S. Agarwal	3,74,827	9.67	NIL	3,74,827	9.67	NIL	NIL
	Total	27,96,143	72.16	NIL	2866979	73.99	NIL	1.83

(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(31.03.2016)	27,96,143	72.16		
2.	Mr. Sunil R. Agarwal (Acquisition from the period of 6 th April. 2016 to 20 th February, 2017)	70836	1.83	2866979	73.99
3	At the End of the Year (31.03.2017)	—	—	2866979	73.99

(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.	Mr. Sakar S. Sharma	56600	1.46	—	—	56600	1.46
2.	Madan and Company Ltd.	48100	1.24	—	—	48100	1.24
3.	Mr. Arvindkumar J. Sancheti	27579	0.71	—	500	27079	0.70
4.	Mehta Integrated Finance Ltd	10000	0.26	—	—	10000	0.26
5.	Mr. Yogesh R. Patel	5000	0.13	—	—	5000	0.13
6.	Mr. Roopchand J. Loonia	4200	0.11	—	—	4200	0.11
7.	Mr. Rambilas J. Agarwal	2500	0.06	1500	—	4000	0.10
8.	Mr. Bhavin J. Parikh	4000	0.10	—	—	4000	0.10
9.	Mr. R.K Securities Pvt. Ltd.	3900	0.10	—	—	3900	0.10
10.	Mr. Veena B. Singh	3879	0.10	—	—	3879	0.10

(V) Shareholding of Directors and Key managerial Personnel:

SI. 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 the shares of the company		No. of shares	% of the shares of the company
1.	Mr. Sunil Agarwal	1109567	28.63	70836	1180403	30.46
2.	Mr. Yash Agarwal	439203	11.33	—	439203	11.33
3.	Mr. Hardik Agarwal	374827	9.67	—	374827	9.67
4.	Mrs. Pamita Agarwal	872546	22.52	—	872546	22.52
5.	Mr. Samir Sheth	5500	0.14	(5500)	NIL	NIL
6.	Mr. Kamal Patel	1300	0.34	(1300)	NIL	NIL
7.	Mr. Anup Agarwal	NIL	NIL	—	NIL	NIL
8.	Mr. Nishit Joshi	NIL	NIL	—	NIL	NIL
9.	Mr. Dilip Nirmal	NIL	NIL	—	NIL	NIL
10.	Mr. Kirit V. Patel	NIL	NIL	—	NIL	NIL
11.	Miss Pratika Bothra	NIL	NIL	—	NIL	NIL

V. INDEBTEDNESS:

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

	Secured Loans Excluding Deposits (in Rs.)	Unsecured Loans	Deposits	Total Indebtedness (in Rs.)
Indebtedness at the beginning of the financial year	12865888	NIL	NIL	12865888
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
Total i + ii + iii	12865888	NIL	NIL	12865888
Change in indebtedness during the financial year	NIL	NIL	NIL	NIL
i) Addition	NIL	NIL	NIL	NIL
ii) Reduction	6876998	NIL	NIL	6876998
Net Change Indebtedness at the end of the financial year	5988890	NIL	NIL	5988890
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
Total i + ii + iii	5988890	NIL	NIL	5988890

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/WT/ Manager				Total Amount (In Rs.)
		Mr. SUNIL AGARWAL (Managing Director) (In Rs.)	—	—	—	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	12000000/-	NA	NA	NA	12000000/-
	(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	Others, please specify	NA	NA	NA	NA	NIL
	Total (A)	12000000/-	NA	NA	NA	12000000/-
	Ceiling as per the Act (as per the Schedule V Part II Section II)	120 lakhs	NA	NA	NA	120 lakhs

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		—	—	—	—	
1	Independent Directors	Nil	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 (1)	Nil	Nil	Nil	Nil	Nil
2	Other Non-Executive Directors	Nil	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
	Overall Ceiling as per the Act	Nil	Nil	Nil	Nil	Nil

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

SN	Particulars of Remuneration	Key Managerial Personnel			
		Mr. Kirit V. Patel (Chief Executive Officer)* (In Rs.)	Miss Pratika P. Bothra (Company Secretary) (In Rs.)	Mr. Dilip Nirmal (Chief Financial Officer) (In Rs.)	Total (In Rs.)
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	10,90,000/-	2,83,745/-	6,00,000/-	19,73,745/-
	(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	Others, please specify	NA	NA	NA	NIL
	Total	10,90,000/-	2,83,745/-	6,00,000/-	19,73,745/-

*Appointed as on 1st September, 2016

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

ANNEXURE-B TO DIRECTORS' REPORT
FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017
[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 31st March, 2017 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 31st March, 2017 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.
- 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;
 - 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
- l. 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) Industrial Disputes Act, 1947
- c) The Minimum Wages Act, 1948
- d) The Payment of Wages Act, 1936
- e) Employee's State Insurance Act, 1948
- f) Employees' Provident Fund and Miscellaneous Provisions Act, 1952
- g) The Payment of Bonus Act, 1965
- h) The Payment of Gratuity Act, 1972
- i) The Contract Labour (Regulation and Abolition) Act, 1970
- j) The Employees' Compensation Act, 1923
- k) The Apprentices Act, 1961
- l) The Child Labour (Prohibition and Regulation) Act, 1986
- m) 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 1st 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 1st 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:

"The status of the company in Calcutta stock exchange stays suspended from many years, henceforth no listing compliances were assembled due to suspension, however company have not defaulted in payment of listing fees and complied with the same till financial year 2016-2017."

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

Date: 8th August, 2017

For Amrish Gandhi & Associates

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: 8th August, 2017

For Amrish Gandhi & Associates

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

ANNEXURE-C TO DIRECTORS' 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:

Particulars	2016-17	2015-16
1. Power and Fuel Consumption :		
Purchases Units (KHW '000)	4278.26	4254.24
Total Cost (Rs. In Lakhs)	310.34	350.03
Rate per Unit (Rupees)	7.25	8.23
Consumption in Units (Per unit of production)	0.244	0.210
2. Coal and Wooden Dust		
Quantity Consumed (M.T)	8460.09	9192.85
Total Cost (Rs. In Lakhs)	475.99	494.53
Rate per M.T. (Rupees)	5626.38	5379.52
Consumption in Kgs. (Per Unit of production)	0.482	0.455
3. Wind Mill (Units)	130303	121473

B. TECHNOLOGY ABSORPTION

The Company is not having any technology Collaboration in its manufacturing operations.

C. FOREIGN EXCHANGE EARNING AND OUT GO:

PARTICULARS	2016-2017	2015-2016
i. Total Foreign Exchange Used (Rs.)	10327261	1,59,83,412
ii. Total Foreign Exchange Earned (on F.O.B basis) (Rs.)	NIL	NIL

ANNEXURE - D TO DIRECTORS' REPORT

PARTICULARS OF EMPLOYEES:-

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

1. There is no increase in remuneration of Chief Financial Officer and Company Secretary except Mr. Sunil R. Agarwal, Chairman & Managing Director and Mr. Kirit V. Patel, Chief Executive officer of the company during the financial year 2016-17, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17.

Sr. No.	Name of Director/KMP	Remuneration for FY 2016-17 (In Rs.)	% increase in remuneration in FY 2016-17
1.	Mr. Sunil Agarwal # Managing Director	120,00,000/-	186%
2.	Mr. Yash Agarwal Executive Director	NIL	NA
3.	Mr. Hardik Agarwal Executive Director	NIL	NA
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	NA
8.	Mr. Nishit Joshi Independent Director	NIL	N.A
9.	Mr. Dilipkumar Nirmal Chief Financial Officer	6,00,000/-	NIL
10.	Mr. Kirit V. Patel* Chief Executive officer	10,90,000/-	130%
11.	Miss Pratika Bothra Company Secretary	2,83,745/-	NIL

* Appointed as CEO w.e.f 1st September, 2016 and the remuneration increased w.e.f 1st January, 2017

The remuneration increased w.e.f 1st April, 2016 by the approval of shareholders respective to the Extra ordinary general meeting held on 1st February, 2017

2. There were 200 permanent employees on the rolls of Company as on 31st March, 2017.
3. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

CORPORATE GOVERNANCE REPORT

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 2016-17

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 31-03-2017 is as under:-

Name of the Director	Category	Total No. of Other Directorship (In public Companies)	Details of Committees in other Companies	
			Chairman	Member
Mr. Sunil Agarwal	Executive & Non- Independent	1	NIL	1
Mr. Yash Agarwal	Executive & Non- Independent	1	NIL	NIL
Mr. Hardik Agarwal	Executive & Non- Independent	1	NIL	NIL
Mrs. Pamita Agarwal	Non-Executive & Non- Independent	NIL	NIL	NIL
Mr. Samir Sheth	Non-executive & Independent	4	NIL	4
Mr. Kamal Patel	Non-executive & Independent	1	1	NIL
Mr. Anup Agarwal	Non-executive & Independent	NIL	NIL	NIL
Mr. Nishit Joshi	Non-executive & Independent	NIL	NIL	NIL

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

During the financial year 2016-2017, the Board of Directors of your Company met 12 (Twelve) times on 05/05/2016, 26/05/2017, 12/07/2016, 12/08/2016, 30/08/2016, 01/09/2016, 11/11/2016, 30/12/2016, 16/01/2017, 24/01/2017, 09/02/2017, 17/02/2017

The details of directors and their attendance at the board meetings and Last Annual General Meeting of the Company are as under:-

Name of Directors	No. of Board Meeting attended	Attendance at last AGM held on 30 th September, 2016
Mr. Sunil Agarwal	12	YES
Mr. Yash Agarwal	09	YES (PROXY)
Mr. Hardik Agarwal	11	YES (PROXY)
Mr. Samir Sheth	10	YES
Mr. Kamal Patel	11	YES
Mr. Anup Agarwal	11	YES
Mrs Pamita Agarwal	10	YES
Mr. Nishit Joshi	12	YES

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 2016-2017 and dates of the meetings:

Audit Committee meeting	Date	Audit Committee Meeting	Date
1	26/05/2016	3	11/11/2016
2	12/08/2016	4	09/02/2017

B. The Composition of an Audit Committee as on 31.03.2017 and details of committee meetings attended by members are as under:-

Name of the Member	Designation	Category Committee Meetings held	No. of Meeting attended	Committee
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. Keeping in view the provisions of section 177 of the Act, and the provisions of the SEBI LODR Regulations, 2015, the terms of reference of the Audit Committee include the following:-

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommending the appointment, remuneration and terms of appointment of statutory auditors, including cost auditors of the Company;
- Approving payment to statutory auditors, including cost auditors, for any other services rendered by them;

- IV. Reviewing with management the quarterly and annual financial statements before submission to the board, focusing primarily on;
- ◆ Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
 - ◆ Changes, if any, in accounting policies and practices and reasons for the same;
 - ◆ Major accounting entries involving estimates based on the exercise of judgment by the management;
 - ◆ Compliance with listing and other legal requirements relating to financial statements;
 - ◆ Disclosure of any related party transactions; and.
- V. Reviewing with the management, performance of statutory and internal auditors, external and Cost auditors, the adequacy of internal control systems, risk management systems.
- VI. Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- VII. Discussion with internal auditors any significant findings and follow up there on.
- VIII. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- IX. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
- X. Approval of appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing qualifications, experience and background, etc. of the candidate;
- XI. Reviewing the Company's financial and risk management policies.
- XII. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
- XIII. to review the functioning of the Vigil Mechanism/Whistle blower mechanism

NOMINATION AND REMUNERATION COMMITTEE

- A. Number of Nomination and Remuneration Committee Meetings held during the financial year 2016-2017 and dates of the meetings:

Audit Committee meeting	Date
1	01/09/2016
2	30/12/2016

- B. The composition of the Nomination and Remuneration Committee as on 31.03.2017 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. Keeping in view the provisions of section 178 of the Act and the provisions of the SEBI LODR Regulations 2015, the terms of reference of the NOMINATION AND REMUNERATION COMMITTEE include the following.

- I. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- II. formulation of criteria for evaluation of performance of independent directors and the board of directors;
- III. devising a policy on diversity of board of directors;
- IV. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
- V. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

D. The details of remuneration paid to the Managing Director for the year 2016-2017.

Name of the Director	Salary/Perquisite Amount (Rs.)	Commission Amount (Rs.)	Total Amount (Rs.)
Mr. Sunil R. Agarwal	120,00,000/- Per Annum	—	120,00,000/- Per Annum

E. The details of remuneration paid to the Key Managerial Personnel for the year 2016-2017

Name of the Director	Salary/Perquisite Amount (Rs.)	Commission Amount (Rs.)	Total Amount (Rs.)
Mr. Kirit V. Patel* (Chief Executive Officer)	10,90,000/- Per Annum	—	10,90,000/- Per Annum
Mr. Dilip Popatlal Nirmal (Chief Financial Officer)	6,00,000/- Per Annum	—	6,00,000/- Per Annum
Ms. Pratika P. Bothra (Company Secretary)	2,83,745/- Per Annum	—	2,83,745/- Per Annum

*Appointed as on 1st September, 2016

No sitting fee is payable to the Executive, Non Executive and Managing Director.

F. Details of shares of the Company held by Directors as on 31st March, 2017 are as under:

Name	No. of Shares held
Mr. Sunil Agarwal	1180403
Mr. Yash Agarwal	439203
Mr. Hardik Agarwal	374827
Mrs. Pamita Agarwal	872546
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 RELATIONSHIP COMMITTEE (erstwhile shareholders'/investors' grievance committee):-

A. Number of Committee meetings held during the financial year 2016-2017 and dates of the meetings:

Stakeholder Relationship Committee Meeting	Date	Stakeholder Relationship Committee Meeting	Date
1	26/05/2016	3	11/11/2016
2	12/08/2016	4	09/02/2017

B. The Composition of Stakeholder Relationship Committee as on 31.03.2017 and details of committee meetings attended by Director are as under:-

Name of Member	Designation	Category	No. of Meeting attended	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. Keeping in view the provisions of section 178 of the Act, and the provisions of the SEBI LODR Regulations 2015 the terms of reference of the Stakeholders Relationship Committee are as follows :-

- I. Oversee and review all matters connected with the transfer of the Company's securities;
- II. Approve issue of the Company's duplicate share / debenture certificates;
- III. Consider, resolve and monitor redressal of investors' / shareholders' / security holders' grievances related to transfer of securities, non-receipt of Annual Report, non-receipt of declared dividend etc.;
- IV. Oversee the performance of the Company's Registrars and Transfer Agents;
- V. Recommend methods to upgrade the standard of services to investors;
- VI. Monitor implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading;
- VII. Carry out any other function as is referred by the Board from time to time and / or enforced by any statutory notification / amendment or modification as may be applicable.

D. Investor Grievance Redressal:-

Number of complaints received and resolved during the year as on 31st March, 2017 is as follows:-

Number of complaints as on 1st April, 2016	NIL
Number of complaints received during the year ended on 31st March, 2017	NIL
Number of complaints resolved up to 31st March, 2017	NIL
Number of complaints pending as on 31st March, 2017	NIL

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 last three Annual General Meetings are as under:

Year	Date	Time	Venue	No. of Special Resolutions Passed
2013-14	30/09/2014	10.30 A.M.	Rakhial Road, Rakhial, Ahmedabad-23	3
2014-15	30/09/2015	10.30 A.M.	Rakhial Road, Rakhial, Ahmedabad-23	1
2015-16	30/09/2016	10.30 A.M.	Rakhial Road, Rakhial, Ahmedabad-23	1

Details of Extra ordinary General Meetings are as under:

Year	Date	Time	Venue	No. of Special Resolutions Passed
2016-2017	01/02/2017	1.00 P.M	Rakhial Road, Rakhial, Ahmedabad-23	1

✦ 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. 35 of Notes Forming part of accounts for the year ended on 31st March, 2017.

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 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 adopted Material Events Policy, Website Content Archival Policy and Policy on Preservation of Documents which is uploaded on the website of the Company at <http://www.raghuvir.com/policies.html>

RE-APPOINTMENT OF DIRECTORS (REGULATION 36(3) OF SEBI (LODR) REGULATIONS, 2015)

1. Mr. Yash Sunil Agarwal, Director of the Company is retiring by rotation at the ensuing Annual General Meeting and is eligible, offer himself for re-appointment. Brief resume of Mr. Yash Sunil Agarwal together with other details is provided as under:

The Director has furnished the requisite declaration for his re-appointment.

Name	Mr. Yash Sunil Agarwal
Date of Birth	08/01/1989
DIN	02170408
Shareholding	872546
Relationship with other Directors/ Manager/KMP	Son of Mr. Sunil R. Agarwal & Mrs. Pamita S. Agarwal and Brother of Mr. Hardik S. Agarwal
Education Qualification	B.com
Experience	10 Years
List of other Directorship /Committee membership in other Public Companies as on 31st March, 2017.	1. Raghuvir Exim Limited 2. Sagar Textiles Mills Private Limited 3. HYS DEVELOPERS LLP 4. HYS LIFECARE LLP
Terms and Conditions of appointment or re-appointment	Executive Director, liable to retire by rotation

2. Mr. Sunil R. Agarwal, Chairman & Managing Director (DIN : 00265303) of the Company seek members' approval at the ensuing Annual General Meeting and is eligible, offer himself for re-appointment with respective remuneration for designation of Chairman & Managing Director of the Company, in terms of the applicable provisions of the Act for a further period of 5 (five) years (1st July, 2017 to 30th June, 2022) from the expiry of his present term, i.e June 30, 2017. Brief resume of Mr. Sunil R. Agarwal together with other details is provided as under:

The Director has furnished the requisite declaration for his re-appointment.

Name	Mr. Sunil R. Agarwal
Date of Birth	18/12/1964
DIN	0265303
Shareholding	11,80,403
Relationship with other Directors/ Manager/KMP	Husband of Mrs. Pamita S. Agarwal and Father of Mr. Yash S. Agarwal & Mr. Hardik S. Agarwal.
Education Qualification	B.com
Experience	35 Years
List of other Directorship /Committee membership in other Public Companies as on 31st March, 2017.	1. Raghuvir Exim Limited (He is the executive Director of the Board and also the member in the Audit committee of Board) 2. Sagar Textiles Mills Private Limited 3. HYS DEVELOPERS LLP 4. HYS LIFECARE LLP
Terms and Conditions of appointment or re-appointment	Chairman & Managing Director, liable to retire by rotation

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.

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: - 28th September, 2017

Venue: - Rakhial Road, Rakhial, Ahmedabad - 380023

Time:- 12.00 P.M.

B. Financial Year: 2017-2018 (Tentative)

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

Particulars	Tentative Schedule
Quarterly Unaudited Result	
Quarter Ending 30 th June, 2017*	On or before 14 th September, 2017
Quarter Ending 30 th September, 2017*	On or before 14 th December, 2017
Quarter Ending 31 st December, 2017	On or before 14 th February, 2018
Annual Audited Result	
Year ending 31 st March, 2018	Within 60 days from 31 March, 2018

* **IND AS is applicable on RAGHUVIR SYNTHETICS LIMITED from 1st April, 2017.** In order to facilitate the smooth transition during the first year of applicability of the Ind-AS on the listed entities, SEBI via its circular no CIR/CFD/FAC/62/2016 dated 05th July, 2016 has provided relaxation of one month in the timeline for submitting the financial results for the quarter ending June, 2017 and quarter ended September, 2017. So accordingly the financial results of the Company can be published upto 14th September, 2017 and 14th December, 2017. The Company would be availing the extension and accordingly the meeting of Board of Directors of Raghuvir Synthetics Limited will be held upto 14th September, 2017 to consider and take on record the Un-audited Financial Results of the Company for quarter ended 30th June 2017 and subsequently upto 14th December, 2017 to consider and take on record the Un-audited Financial Results of the Company for quarter ended 30th September, 2017.

C. Date of Book Closure:

The Share Transfer Book and Register of Members will remain closed from 22nd September, 2017 to 28th September, 2017 (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	47800
Calcutta Stock Exchange	28124
ISIN for Equity Shares held in Demat form with NSDL and CDSL	INE969C01014

F. Listing Fees:

The Company has been regular in paying the Annual listing fees to the Bombay stock exchange and Ahmedabad Stock Exchange but this year paid outstanding Annual listing fees to Calcutta Stock Exchange also for all the cumulative pending years till 31st March, 2017.i.e 1st April, 2001 to 31st March, 2017

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 1st April, 2016 to 31st March, 2017:

Month	BSE		
	High Price	Low Price	Close Price
April-16	37.50	26.60	36.00
May-16	36.50	33.50	35.50
June-16	42.80	35.50	37.50
July-16	39.60	35.90	37.10
August-16	54.10	38.90	53.90
September-16	64.90	53.90	54.15
October-16	52.00	38.00	38.00
November-16	36.15	34.35	34.40
December-16	38.40	28.50	28.50
January-17	32.55	28.45	32.50
February-17	45.60	32.50	45.60
March-17	45.60	45.60	45.60

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

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

J. Share holding pattern as on 31st March, 2017 :

Sr. No.	Category	No. of Shares held	% of Share Holding
1.	Promoters	2866979	73.99
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	69355	1.79
6.	Indian Public	914177	23.59
7.	NRIs/OCBs	310	0.01
8.	HUF	23101	0.60
9.	GDR	0	0
10.	Clearing Member	1078	0.03
	Grand Total :-	3875000	100.00

K. Distribution of Shareholding as on 31st March, 2017

No. of Shares	No. of Holders	No. of Shares	Total No. of Holder %	Total No. of Shares %
1 to 500	4088	585194	94.59	15.10
501 to 1000	153	137979	3.54	3.56
1001 to 2000	47	71410	1.09	1.84
2001 to 3000	14	33180	0.32	0.86
3001 to 4000	8	29279	0.19	0.75
4001 to 5000	2	9200	0.05	0.24
5001 to 10000	1	10000	0.02	0.26
Above 10000	9	2998758	0.20	77.39
TOTAL		3875000	100	100

L. Listing and Dematerialisation of shares and liquidity

- ◆ The Company's Shares are listed at The BSE Limited (BSE), Ahmedabad Stock Exchange and 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 85% of the Equity share capital are dematerialized as on 31 March, 2017.
- ◆ Miss Pratika P. Bothra is designated as 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.



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
Email Id: raghuvirad1@sancharnet.in

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

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

**PLACE: AHMEDABAD
DATE: 17/08/2017**

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, 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 31st March, 2017, 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: 17/08/2017

SUNIL R. AGARWAL
CHAIRMAN & MANAGING DIRECTOR
DIN : 00265303

Chief Executive Officer (CEO) / Chief Financial Officer (CFO)
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, **Mr. Kirit Virambhai Patel, Chief Executive officer** and **Mr. Dilip Popatlal Nirmal, 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 31st March, 2017 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.
- D. They have indicated to the auditors and the Audit committee:
1. that there are no significant changes in internal control over financial reporting during the year;
 2. that there are no significant changes in accounting policies during the year; and
 3. that there are no instances of significant fraud of which we have become aware.

Place:- Ahmedabad

Date:- 17.08.2017

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

Mr. Kirit V. Patel
 Chief Executive Officer

Mr. Dilip P. Nirmal
 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 31st March 2017, 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: 08/08/2017

PLACE: AHMEDABAD

For Amrish Gandhi & Associates

Amrish N. Gandhi

Company Secretary

FCS-8193|CP.NO.: 5656

INDEPENDENT AUDITOR'S REPORT

To,
The Members,
RAGHUVIR SYNTHETICS LIMITED
Ahmedabad.

Report on the Financial Statements

We have audited the accompanying financial statements of **RAGHUVIR SYNTHETICS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31st March, 2017 and its profit and its cash flows for the year ended on that date.

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 Act, we give in the "Annexure – A", a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of written representations received from the directors as on 31 March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.

(f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 in our opinion and to our best of our information and according to the explanations given to us :

(i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer notes 32 to the financial statements.

(ii) The Company did not have any long-term contracts including derivatives 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.

(iv) the Company has provided requisite disclosures in its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation, we report that the disclosure are in accordance with the books of accounts maintained by the Company and produced to us by management. Refer Note 39 to the standalone financial statements.

FOR G. K. CHOKSI & CO.
[Firm Registration No. 101895W]
Chartered Accountants

SANDIP A. PARIKH
Partner
Mem. No. 040727

Place : Ahmedabad
Date : 29th May, 2017

Annexure - A to the Independent Auditors' Report

- (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 31st March 2017.*
- (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 and explanation given to us, the Central Government has not prescribed maintenance of cost records under sub section (1) of Section 148 of the Companies Act, 2013.
- (b) According to the information and explanations given to us, the company has no disputed outstanding statutory dues as at 31st March, 2017 other than stated below :

Name of the Statute	Nature of dues	Financial year to which the matter pertains	Forum where the matter is pending	Amount (Rs.)
Central Excise	Excise	2003 to 2004	Customs, Excise & Service Tax Appellate Tribunal	13,80,542

- (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.
- (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 G. K. CHOKSI & CO.
[Firm Registration No. 101895W]
Chartered Accountants

SANDIP A. PARIKH
Partner
Mem. No. 040727

Place : Ahmedabad
Date : 29th May, 2017

**Annexure - B to the Independent Auditors' Report of even date on the
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 of **Raghuvir Synthetics Limited** ("the Company") as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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 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 31st March 2017, 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 G. K. CHOKSI & CO.

[Firm Registration No. 101895W]
Chartered Accountants

SANDIP A. PARIKH

Partner

Mem. No. 040727

Place : Ahmedabad
Date : 29th May, 2017

BALANCE SHEET AS AT 31ST MARCH, 2017
[Amount in Rs.]

Particulars	Notes	As at 31st March, 2017	As at 31st March, 2016
EQUITY AND LIABILITIES			
Shareholders' Fund			
Share Capital	2	3 85 41 000	3 85 41 000
Reserves and Surplus	3	12 71 15 947	12 07 67 093
		<u>16 56 56 947</u>	<u>15 93 08 093</u>
Non-Current liabilities			
Long term borrowings	4	0	72 39 171
Deferred tax liabilities (Net)	5	1 33 49 542	1 16 48 023
Long term provisions	6	17 02 675	11 32 957
		<u>1 50 52 217</u>	<u>2 00 20 151</u>
Current liabilities			
Short term borrowings	7	59 88 890	56 26 717
Trade payables			
Dues to Micro, Small and Medium Enterprise	37	—	—
Due to Others	8	9 53 01 296	7 48 77 390
Other current liabilities	9	92 84 321	3 04 54 181
Short term provisions	10	8 47 832	4 01 268
		<u>11 14 22 339</u>	<u>11 13 59 556</u>
Total		<u><u>29 21 31 503</u></u>	<u><u>29 06 87 800</u></u>
ASSETS			
Non-Current assets			
Fixed assets			
Tangible assets	11	17 40 00 079	18 08 02 851
Capital work-in-progress	12	5 42 428	24 42 503
		<u>17 45 42 507</u>	<u>18 32 45 354</u>
Non-current investments	13	0	4 000
Long term loans and advances	14	3 74 14 437	2 29 86 723
Other Non Current Assets	15	51 59 376	3 65 87 485
Current Assets			
Inventories	16	1 46 51 100	1 74 77 843
Trade receivables	17	1 02 54 759	34 59 681
Cash and bank balances	18	3 25 87 395	1 27 31 165
Short term - Loans & advances	19	69 95 042	79 24 716
Other current assets	20	1 05 26 887	62 70 833
		<u>7 50 15 183</u>	<u>4 78 64 238</u>
Total :		<u><u>29 21 31 503</u></u>	<u><u>29 06 87 800</u></u>

Significant Accounting Policies
1

The accompanying notes are an integral part of the financial statements.
As per our attached Report of even date.

FOR G. K. CHOKSI & Co.

[Firm Registration No. 101895W]
Chartered Accountants

SANDIP A. PARIKH
Partner
Mem. No. 040727

FOR AND ON BEHALF OF THE BOARD

SUNIL R. AGARWAL
Chairman & Managing Director
Din No. 00265303

DILIP P. NIRMAL
Chief Financial Officer

HARDIK S. AGARWAL
Director
Din No. 03546802

PRATIKA P. BOTHRA
Company Secretary
M.NO.: A44123

Place: Ahmedabad
Date: 29th May, 2017

Place: Ahmedabad
Date: 29th May, 2017

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2017

[Amount in Rs.]

Particulars	Notes	2016-2017	2015-2016
INCOME			
Revenue from operations	21	41 78 04 987	42 78 41 381
Other Income	22	74 97 989	51 03 900
Total Revenue		42 53 02 976	43 29 45 281
EXPENSES			
Cost of materials consumed	23	17 15 36 944	18 86 24 092
Purchase of Stock-in-Trade	24	6 73 190	5 74 681
Changes in Inventories	25	(24 540)	(49 370)
Operating Expenses	26	15 43 27 760	15 62 00 951
Employee benefits expenses	27	4 36 23 808	3 69 37 633
Finance costs	28	16 13 133	29 98 576
Depreciation		2 03 15 673	2 10 33 096
Other expenses	29	2 31 82 769	1 87 85 044
		41 52 48 737	42 51 04 703
Profit before tax and Exceptional & Extraordinary Items		1 00 54 239	78 40 578
Exceptional Items		8 42 971	2 32 338
Loss on revaluation of Retired Asset		(2 66 926)	0
Net Profit/(Loss) on sale of Fixed Assets		6 44 704	(1 78 609)
Profit before tax		1 12 74 988	78 94 307
Tax Expenses			
Current Tax	30	30 00 000	21 00 000
Adjustment for earlier Years		2 24 615	4 12 939
Deferred Tax		17 01 519	11 34 128
		49 26 134	36 47 067
Profit carried to Balance sheet		63 48 854	42 47 240
Earnings per equity share	31		
Basic		1.64	1.10
Diluted		1.64	1.10

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

As per our attached Report of even date. As per our attached Report of even date.

FOR G. K. CHOKSI & Co.

[Firm Registration No. 101895W]

Chartered Accountants

SANDIP A. PARIKH

Partner

Mem. No. 040727

FOR AND ON BEHALF OF THE BOARD

SUNIL R. AGARWAL

Chairman & Managing Director

Din No. 00265303

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Director

Din No. 03546802

PRATIKA P. BOTHRA

Company Secretary

M.NO.: A44123

Place: Ahmedabad

Date: 29th May, 2017

Place: Ahmedabad

Date: 29th May, 2017

Cash Flow Statement for the year ended 31st March, 2017
[Amount In Rs.]

Particulars	2016-2017	2015-2016
A. Cash flow from operating activities:		
Profit/(Loss) for the year before taxation and exceptional items	1 00 54 239	78 40 578
Adjustments for		
Depreciation and Amortization	2 03 15 673	2 10 33 096
Investment Written off	4 000	0
Interest Income	(61 38 120)	(50 33 253)
Interest Expenses	14 22 563	28 43 776
Operating profit before working capital changes	2 56 58 355	2 66 84 197
Adjustments for :		
Inventories	28 26 743	59 27 131
Trade Receivable	(67 95 078)	(16 85 787)
Long Term/short term Loans & Advances and Deposits	(1 41 16 521)	(98 628)
Other Non Current /Current Asset	1 58 25 391	31 52 902
Long Term/Short Term Provision	10 16 282	1 45 928
Trade payables	(7 45 954)	(1 27 33 621)
Cash generated from operations	2 36 69 218	2 13 92 122
Direct taxes Refund/(paid)	(26 06 134)	(52 34 123)
Net cash from operating activities [A]	2 10 63 084	1 61 57 999
B. Cash flow from investing activities		
Purchase of fixed assets	(1 47 44 805)	(1 21 31 179)
Sale of Fixed Assets	43 52 728	66 56 952
Interest received	27 64 784	53 76 408
Net cash used in investing activities [B]	(76 27 293)	(97 819)
C. Cash flow from financing activities		
Procurement/(Repayment) of long/ short term borrowings	(68 76 998)	(90 01 331)
Interest paid	(14 22 563)	(28 43 776)
Net cash flow from financial activities [C]	(82 99 561)	(1 18 45 107)
Net Increase/(Decrease) in cash and cash equivalents [A+B+C]	51 36 230	42 15 073
Cash and cash equivalents opening	59 81 165	17 66 092
Cash and cash equivalents closing	1 11 17 395	59 81 165
Components of cash and cash equivalent		
Balances with scheduled banks	21 06 577	23 99 416
Cash in hand	91 109	2 81 749
DD on hand	26 19 709	0
Fixed Deposit having Maturity Less Than 3 Months	63 00 000	33 00 000
	1 11 17 395	59 81 165

Explanatory Notes to Cash Flow Statement

- The Cash Flow Statement is prepared in accordance with the format prescribed by Securities and Exchange Board of India & as Accounting Standard 3 as Prescribed by the Institute of Chartered Accountants of India.
- 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.

FOR G. K. CHOKSI & Co.
[Firm Registration No. 101895W]
Chartered Accountants
SANDIP A. PARIKH
Partner
 Mem. No. 040727

FOR AND ON BEHALF OF THE BOARD
SUNIL R. AGARWAL
Chairman & Managing Director
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 Din No. 03546802

DILIP P. NIRMAL
Chief Financial Officer
PRATIKA P. BOTHRA
Company Secretary
 M.NO.: A44123

 Place: Ahmedabad
 Date: 29th May, 2017

 Place: Ahmedabad
 Date: 29th May, 2017

Notes forming part of Accounts

1. Significant Accounting Policies

(a) Basis of Preparation of Financial Statements

- (i) The financial statements of the company have been prepared and presented in accordance with the generally accepted accounting principle under the historical cost convention on an accrual basis. These financial statements have been prepared as going concern and comply, in all material respects, with the Accounting Standards as prescribed under section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014.
- (ii) The accounting policies adopted in the preparation of the financial statements are consistent with those of previous year.

(b) Use of Estimates

These financial statements have been prepared on the basis of estimates, wherever necessary, which have an effect on the reported amounts of assets and liabilities as on the date of the statements and the reported amounts of income and expenditure for the reporting period. The difference between actual and estimates is recognized in the subsequent period when the actual are known.

(c) Revenue Recognition

- (i) Sales are recognized upon delivery of goods and are recorded net of trade discount.
- (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 in year of admission of such claims by the concerned authorities. Export benefits are accounted for as other operation income in the year of export based on eligibility and when there is no uncertainty on receiving the same.

(d) Government subsidies

- (i) Subsidies from the Government are recognised as and when received.
- (ii) When subsidy relates to revenue item, it is recognised as income.
- (iii) Where subsidy relates to an asset, its value is deducted from the gross value of the asset concerned in arriving at the carrying amount of the related assets.

(e) Fixed Assets and Depreciation

- (i) Fixed Assets are stated at their original cost including incidental expenses related to acquisition and installation, less accumulated depreciation. Cost comprises of the purchase price and any other attributable cost of bringing the assets to its working condition for its intended use.

At the balance sheet date, an assessment is done to determine whether there is any indication of impairment in the carrying amount of Company's fixed assets. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

After recognition of impairment loss, the depreciation charge for the assets is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on straight line basis over its remaining useful life.

- (ii) Depreciation on Tangible Fixed Assets is provided on straight line method over the useful lives of assets specified in Part C of Schedule II to the Companies Act 2013 read with the relevant notifications issued by the Department of Company affairs. Depreciation on assets acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition / disposal.

- (iii) Fixed Assets retired from active use has been stated at Net Realizable Value or Written down Value whichever is lower.

(f) Impairment of Assets

An asset is treated as impaired when its carrying cost exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

(g) Borrowing Costs

Borrowing Costs that are directly attributable to acquisition of qualifying assets are capitalized for the period until the asset is ready for intended use. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are recognized as an expense in the period in which they are incurred.

(h) Investments

Long Term Investments are carried at cost less provision for permanent diminution in the value of such investments, if any. Current Investments are carried at the lower of cost and market value.

(i) 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.

(j) Foreign Currency Transactions:

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction.

(k) Taxes on Income

- (i) Current tax provision is based on the taxable income computed in accordance with the provision of the Income Tax Act, 1961.

- (ii) Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent period. Deferred tax assets are recognized on unabsorbed depreciation and carry forward of losses based on virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The deferred tax in respect of timing differences which had originated during the tax holiday

period and reversed during the tax holiday period had not been recognized to the extent the enterprise's gross total income is subject to the deduction during the tax holiday period. However deferred tax in respect of timing differences which had originated during the tax holiday period but reversed after the tax holiday period had been recognized in the year in which the timing differences originated.

(l) Employee Benefits

Defined Contribution

Contributions to Provident/Pension Funds etc. are charged to Profit and Loss Account as incurred.

Defined Benefit Plans

The company provides retirement benefit in form of Gratuity on the basis of valuation, as at the Balance Sheet date, carried out by independent actuaries in accordance with AS-15 (Revised). The cost of non accumulating short term compensated absences with vesting rights are provided for as computed by the company.

(m) Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the Notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

(n) Earning per Share

Earning per share is calculated by dividing the profit attributable to the equity shareholder by weighted averages number by equity shares outstanding during the year.

Notes forming part of Financial Statements
2 Share Capital
[Amount in Rs.]

Particulars	As at	As at
	31st March, 2017	31st March, 2016
(a) Authorised		
10000000 (P.Y.10000000) Equity Shares of Rs. 10/- each	<u>10 00 00 000</u>	<u>10 00 00 000</u>
(b) Issued		
3875000 (P.Y. 3875000) Equity Shares of Rs. 10/- each fully paid up	<u>3 87 50 000</u>	<u>3 87 50 000</u>
(c) Subscribed and fully paid-up		
3875000 (P.Y. 3875000) Equity Shares of Rs. 10/- each fully paid up	<u>3 87 50 000</u>	<u>3 87 50 000</u>
Less: Calls in Arrears	<u>2 09 000</u>	<u>2 09 000</u>
	<u><u>3 85 41 000</u></u>	<u><u>3 85 41 000</u></u>

Note :

During the period of five financial years immediately preceeding the Balance Sheet date, the company has not:

- allotted any fully paid-up equity shares by way of bonus shares;
- allotted any equity shares pursuant to any contract without payment being received in cash;
- brought back any equity shares

(d) Reconciliation of number of shares

Particulars	Number of Equity Shares	
	2016-2017	2015-2016
At the beginning of the year	<u>38 75 000</u>	<u>38 75 000</u>
Add : Issued during the year	<u>0</u>	<u>0</u>
As the end of the year	<u><u>38 75 000</u></u>	<u><u>38 75 000</u></u>

(e) 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 ` 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:

- 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,
- 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.
- 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.

(f) Details of Shareholdings

Shareholders holding more than 5% shares

Particulars	Number of Equity Shares		Percentage (%) of holding	
	As at		As at	
	31st March, 2017	31st March, 2016	31st March, 2017	31st March, 2016
Sunil Agarwal	11 80 403	11 09 567	30.46	28.63
Pamita Agarwal	8 72 546	8 72 546	22.52	22.52
Yash Agarwal	4 39 203	4 39 203	11.33	11.33
Hardik Agarwal	3 74 827	3 74 827	9.67	9.67

3 Reserves and surplus

[Amount in Rs.]

Particulars	As at	As at
	31st March, 2017	31st March, 2016
Security Premium Reserve	1 72 50 200	1 72 50 200
Less : Calls in Arrears	2 09 000	2 09 000
	1 70 41 200	1 70 41 200
General Reserve	1 60 20 874	1 60 20 874
Less : Adjustment due to change in useful life of assets	0	0
	1 60 20 874	1 60 20 874
Surplus / (Deficit) in Statement of Profit and Loss		
Balance as per previous financial statements	8 77 05 019	8 34 57 779
Add : Profit for the year	63 48 854	42 47 240
Balance available for appropriation	9 40 53 873	8 77 05 019
Less : Appropriations	0	0
Net Surplus / (Deficit)	9 40 53 873	8 77 05 019
	12 71 15 947	12 07 67 093

4 Long term borrowings

[Amount in Rs.]

Particulars	Non-current portion		Current maturities	
	2016-2017	2015-2016	2016-2017	2015-2016
Secured				
Term Loan				
HDFC BANK Term Loan -II	0	33 29 609	32 47 994	39 91 221
HDFC BANK Term Loan -IV	0	0	0	18 64 978
HDFC BANK Term Loan -V	0	0	0	14 68 096
HDFC BANK Term Loan VI	0	39 09 562	37 98 130	61 95 676
	0	72 39 171	70 46 124	1 35 19 971

Nature of Security

- 1 The term loan amounting to Rs. 7046124 /- (P.Y. Rs. 2,07,59,142/-) are secured by way of hypothecation of plant and machinery and further secured by lien on fixed deposits of Raghuvir Synthetics Ltd.

Terms of Repayment of Loans

Secured Loan

Term Loan

HDFC BANK Term Loan -II

Repayable in 61 installments of Rs. 3,78,685 commencing from January, 2013. Last installments due on January, 2018. Rate of Interest 10% (Base Rate+ 0%).

HDFC BANK Term Loan -IV

Repayable in 36 installments of Rs.1,95,152 commencing from February, 2014. Last installments due on January, 2017. Rate of Interest 10% (Base Rate+ 0%).

HDFC BANK Term Loan -V

Repayable in 36 installments of Rs. 1,29,069 commencing from April, 2014. Last installments due on March, 2017. Rate of Interest 10% (Base Rate+ 0%).

HDFC BANK Term Loan -VI

Repayable in 36 installments of Rs. 5,77,278 commencing from Novmember, 2014 . Last installments due on October, 2017. Rate of Interest 10%.

5 Deferred tax liabilities (Net)

[Amount in Rs.]

Particulars	As at 31st March, 2017	As at 31st March, 2016
Deferred Tax Liabilities		
Difference of book depreciation and tax depreciation	1 37 49 738	1 21 36 202
Deferred Tax Assets		
Disallowance u/s. 43(b) under income tax act, 1961	(4 00 196)	(4 88 179)
Net Deferred Tax Liability / (Asset)	<u>1 33 49 542</u>	<u>1 16 48 023</u>

6 Long term provisions

[Amount in Rs.]

Particulars	As at 31st March, 2017	As at 31st March, 2016
For Employee Benefits		
Gratuity	23 67 146	15 10 797
Less : Short term provisions		
Gratuity	6 64 471	3 77 840
	<u>17 02 675</u>	<u>11 32 957</u>

7 Short term borrowings

[Amount in Rs.]

Particulars	As at 31st March, 2017	As at 31st March, 2016
Loans repayable on demand		
Secured		
From Bank		
IDBI F.D / O.D A/c	59 88 890	56 26 717
	<u>59 88 890</u>	<u>56 26 717</u>

Nature of Security

Secured

The Working Capital Loans from IDBI bank amounting to Rs.5988890 /- (P.Y. Rs. 56,26,717/-) are against lien of fixed deposits.

8 Trade payables - Due to Others

[Amount in Rs.]

Particulars	As at 31st March, 2017	As at 31st March, 2016
For Goods and Services	9 53 01 296	7 48 77 390
	<u>9 53 01 296</u>	<u>7 48 77 390</u>

9 Other current liabilities
[Amount in Rs.]

Particulars	As at 31st March, 2017	As at 31st March, 2016
Current Maturities of Long Term Debt	70 46 124	1 35 19 971
Advances from customers	0	1 61 68 555
Related Party	3 04 865	1 23 642
Other	3 04 865	1 62 92 197
Statutory Dues	19 08 327	5 94 674
Other Payables	25 005	47 339
	92 84 321	3 04 54 181

10 Short term provisions
[Amount in Rs.]

Particulars	As at 31st March, 2017	As at 31st March, 2016
Provision for Employee Benefits		
Gratuity	6 64 471	3 77 840
Bonus	1 83 361	23 428
	8 47 832	4 01 268

11 Tangible Assets
[Amount in Rs.]

Description of Assets	GROSS BLOCK AT COST				DEPRECIATION / AMORTISATION				NET BOOK VALUE	
	As at April 01, 2016	Additions during the year*	Deletions/ Adjustment during the year	As at March 31, 2017	Up to March 31, 2016	For the year	Deletions/ Adjustment during the year**	Up to March 31, 2017	As at March 31, 2017	As at March 31, 2016
Land	4 09 111	7 38 321	0	11 47 432	0	0	0	0	11 47 432	4 09 111
Building										
Factory Building	4 32 15 824	0	0	4 32 15 824	1 10 17 133	13 59 367	0	1 23 76 500	3 08 39 324	3 21 98 691
Plant & Machinery	43 62 98 083	1 45 32 429	2 38 39 574	42 69 90 938	31 48 62 211	1 86 54 265	2 03 73 332	31 31 43 144	11 38 47 794	12 14 35 872
Furniture & Fixture	8 37 298	0	0	8 37 298	5 97 546	30 210	0	6 27 756	2 09 542	2 39 752
Office Equipments	19 32 379	39 500	0	19 71 879	16 69 243	91 310	0	17 60 553	2 11 326	2 63 136
Computer	25 20 327	0	0	25 20 327	22 85 333	81 606	0	23 66 941	1 53 396	2 34 994
Vehicle	8 40 968	0	0	8 40 968	4 16 823	50 913	0	6 15 736	3 26 232	4 24 145
Total :	48 60 53 990	1 53 10 250	2 38 39 574	47 75 24 666	33 08 48 289	2 03 15 673	2 03 73 332	33 07 90 630	14 67 34 036	15 52 05 701
Asset retired from active use	2 55 97 150	16 68 893	0	2 72 66 043	0	0	0	0	2 72 66 043	2 55 97 150
Total :	51 16 51 140	1 69 79 143	2 38 39 574	50 47 90 709	33 08 48 289	2 03 15 673	2 03 73 332	33 07 90 630	17 40 00 079	18 08 02 851
Previous Year :	51 05 22 558	2 52 84 179	2 41 55 597	51 16 51 140	31 42 14 567	2 10 33 095	43 99 374	33 08 48 289	16 22 02 621	

Note:

- *1 In the current financial year Gross Block of Plant & Machinery has been transfer to the Asset retired from active use amounting to Rs. 1,20,23,801/-
 *2 In the current financial year Gross Block of Plant & Machinery has been adjusted with Capital Subsidy received amounting to Rs. 32,81,300/-
 *3 In the current financial year Depreciation has been adjusted to the Asset retired from active use amounting to Rs. 1,14,22,612/-
 *4 In the current financial year Depreciation on the Capital Subsidy has been written back amounting to Rs. 8,42,971/-

12 Capital Work in Progress
[Amount in Rs.]

Particulars	As at 01/04/2016	Additions	Deductions / Adjustment*	Capitalised	As at 31/03/2017
Tangible Assets					
Plant & Machinery	24 42 503	5 42 428	13 34 630	11 07 873	5 42 428
Total:	24 42 503	5 42 428	13 34 630	11 07 873	5 42 428

* In the current financial year Rs. 2,66,926/- is charged to profit and loss account on account of reduction in value of asset and remaining balance of Rs. 10,67,704/- has been transfer to the asset retired from active use.

13 Non current investments
[Amount in Rs.]

	As at 31st March, 2017	As at 31st March, 2016
Particulars		
Trade, Unquoted Investments In Equity Instruments		
NIL (P.Y. 400) Equity Shares of Rs. 10/- each fully paid-up of The South Eastern Roadways Ltd.	0	4 000
	0	4 000

14 Long term loans and advances
 (Unsecured, considered good unless otherwise stated)

[Amount in Rs.]

	As at 31st March, 2017	As at 31st March, 2016
Particulars		
Advance Tax (Net of Provisions)	1 83 30 168	1 89 48 649
Capital Advances	1 49 38 674	0
Deposits	41 45 595	40 38 074
	<u>3 74 14 437</u>	<u>2 29 86 723</u>
The amount dues by :		
Directors	NIL	NIL
Officers either severally or jointly with other persons	NIL	NIL
Firms or private companies in which any director is partner or director or a member.	NIL	NIL

15 Other Non Current Assets
[Amount in Rs.]

	As at 31st March, 2017	As at 31st March, 2016
Particulars		
Other Bank Balance		
Fixed Deposits		
With Maturity For more than 12 months	50 70 000	3 20 00 000
[Out of the above Fixed Deposit, Bank has created lien on Fixed Deposits amounting to Rs. 50,00,000/- against the loans granted and to Rs. 70,000/- against bank guarantee.]		
Others		
Interest Accrued but not Due on Fixed Deposit	89 376	45 87 485
	<u>51 59 376</u>	<u>3 65 87 485</u>

16 Inventories
[Amount in Rs.]

	As at 31st March, 2017	As at 31st March, 2016
Particulars		
(As taken, valued and certified by the Management)		
Stock in Process	0	1 937
Finished Goods	1 73 910	22 433
Packing Materials	78 622	79 632
Goods In transit	3 04 135	4 19 709
Stores, Spares & Consumables	1 40 44 433	1 63 91 687
Cotton Grey Cloth	0	3 87 445
Scrap/Waste Materials	50 000	1 75 000
	<u>1 46 51 100</u>	<u>1 74 77 843</u>

17 Trade Receivable

Particulars	[Amount in Rs.]	
	As at 31st March, 2017	As at 31st March, 2016
Debts outstanding for the period exceeding six months		
Unsecured, Considered good	7 994	0
Others		
Unsecured, Considered good	1 02 46 765	34 59 681
	<u>1 02 54 759</u>	<u>34 59 681</u>
The amount dues by :		
Directors	NIL	NIL
Officers either severally or jointly with other persons	NIL	NIL
Firms or private companies in which any director is partner or director or a member.	NIL	NIL

18 Cash and Bank Balances

Particulars	[Amount in Rs.]	
	As at 31st March, 2017	As at 31st March, 2016
Cash and Cash Equivalents		
Balances with scheduled banks		
Current / Cash Credit accounts	21 06 577	23 99 416
Cheques/DD on hand	26 19 709	0
Cash in hand	91 109	2 81 749
Fixed Deposits:		
With Maturity Within 3 months	63 00 000	33 00 000
[Out of the above Fixed Deposit, Bank has created lien on Fixed Deposits amounting to Rs. 63,00,000 against the loans granted.]	<u>1 11 17 395</u>	<u>59 81 165</u>
Other Bank Balances		
With Maturity For more than 3 months but less than 12 months	2 14 70 000	67 50 000
[Out of the above Fixed Deposit, Bank has created lien on Fixed Deposits amounting to Rs. 2,00,00,000 against the loans granted and Rs. 14,70,000 against bank guarantee.]	<u>3 25 87 395</u>	<u>1 27 31 165</u>

19 Short-term loans and advances

Particulars	[Amount in Rs.]	
	As at 31st March, 2017	As at 31st March, 2016
Balances with revenue authorities	47 19 523	54 72 296
Prepaid Expenses	22 14 934	24 18 384
Other Recoverable	60 585	34 036
	<u>69 95 042</u>	<u>79 24 716</u>
The amount dues by :		
Directors	NIL	NIL
Officers either severally or jointly with other persons	NIL	NIL
Firms or private companies in which any director is partner or director or a member.	NIL	NIL

20 Other Current Assets

Particulars	[Amount in Rs.]	
	As at 31st March, 2017	As at 31st March, 2016
Cost of Work in Progress (Job)	60 36 624	51 53 906
Interest accrued :		
On Fixed Deposits	42 13 813	5 97 047
On Others	2 76 450	5 19 880
	<u>1 05 26 887</u>	<u>62 70 833</u>

21 Revenue from operations

Particulars	[Amount in Rs.]	
	2016-2017	2015-2016
Sale of Product		
Manufactured Goods	6 09 97 580	26 96 123
Traded Goods		
Processed Fabrics	4 71 459	2 50 381
	<u>6 14 69 039</u>	<u>29 46 504</u>
Sale of Services		
Processing Charges Received	35 63 35 948	42 48 94 877
(Net of Claims & Rate difference)		
	<u>41 78 04 987</u>	<u>42 78 41 381</u>

22 Other Income

Particulars	[Amount in Rs.]	
	2016-2017	2015-2016
Interest Income		
From Bank	33 42 102	38 93 835
From Others	27 96 018	11 39 418
Other Non-Operating Income		
Sundry Credit Balance Written Back	2 21 138	0
Foreign Exchange Fluctuation	10 566	0
Sales of Scrap	10 48 113	54 547
Miscellaneous Income	80 052	16 100
	<u>74 97 989</u>	<u>51 03 900</u>

23 Cost of Material Consumed

Particulars	[Amount in Rs.]	
	2016-2017	2015-2016
Raw Materials	5 04 08 681	20 82 566
Colours & Chemicals	12 11 28 263	18 65 41 526
	<u>17 15 36 944</u>	<u>18 86 24 092</u>

24 Purchase of Stock-in-Trade

Particulars	[Amount in Rs.]	
	2016-2017	2015-2016
Processed Fabrics	6 73 190	5 74 681
	<u>6 73 190</u>	<u>5 74 681</u>

25 Changes in Inventories

	[Amount in Rs.]	
Particulars	2016-2017	2015-2016
Closing Stock		
Traded goods	1 73 910	22 433
W.I.P.	0	1 937
Stock of Scrap/ Waste materials	50 000	1 75 000
	<u>2 23 910</u>	<u>1 99 370</u>
Opening Stock		
Traded goods	22 433	0
W.I.P.	1 937	0
Stock of Scrap/ Waste materials	1 75 000	1 50 000
	<u>1 99 370</u>	<u>1 50 000</u>
Decrease / (Increase) in Inventories	(24 540)	(49 370)

26 Operating Expenses

	[Amount in Rs.]	
Particulars	2016-2017	2015-2016
Power and Fuel		
Electric Power	3 10 33 524	3 50 03 780
Fuel	3 78 720	10 490
Coal and Wooden Dust	5 17 16 871	4 94 53 158
	<u>8 31 29 115</u>	<u>8 44 67 428</u>
Freight and Octroi		
Stores	1 88 056	2 12 157
Grey Cloth	15 18 162	17 93 004
	<u>17 06 218</u>	<u>20 05 161</u>
Packing Material	33 91 860	25 81 379
Jobwork Charges Paid	3 90 56 917	3 16 80 001
Stores, Spares & Other consumables	2 61 72 095	3 34 45 198
Electrical Expenses	14 53 235	18 56 550
Insurance charges	3 01 038	4 77 552
Cost of Work In Progress (Job)		
Closing	60 36 624	51 53 906
Less: Opening	51 53 906	48 41 588
	<u>(8 82 718)</u>	<u>(3 12 318)</u>
	<u>15 43 27 760</u>	<u>15 62 00 951</u>

27 Employees Benefits Expenses

	[Amount in Rs.]	
Particulars	2016-2017	2015-2016
Salary, Wages and Bonus	4 16 15 015	3 55 45 095
Contribution to Provident and other funds	15 08 512	7 62 395
Staff Welfare and Training Expense	5 00 281	6 30 143
	<u>4 36 23 808</u>	<u>3 69 37 633</u>

28 Finance Cost
[Amount in Rs.]

Particulars	2016-2017	2015-2016
Interest on:		
Interest to HDFC (Term Loan)	12 25 257	27 69 345
Interest on Bank	1 97 306	74 431
	<u>14 22 563</u>	<u>28 43 776</u>
Other Finance Cost		
Bank charges	77 931	88 785
Bank Guarantee Commission	1 12 639	66 015
	<u>1 90 570</u>	<u>1 54 800</u>
	<u>16 13 133</u>	<u>29 98 576</u>

29 Other expenses
[Amount in Rs.]

Particulars	2016-2017	2015-2016
Repairs and Maintenance		
Plant and Machinery	66 61 563	44 90 739
Building	2 63 930	4 17 626
Others	<u>14 96 842</u>	<u>5 83 603</u>
	84 22 335	54 91 968
Travelling Expenses	60 341	95 981
Donation	15 36 911	20 27 111
Fees and Legal Expenses	14 98 103	12 80 477
Selling and Distribution Expenses	29 66 332	24 77 918
Rent, Rates & Taxes		
Rent	9 60 000	10 08 564
Rates & Taxes	<u>5 23 847</u>	<u>5 23 847</u>
	14 83 847	15 32 411
Auditors Remuneration	2 75 000	2 75 000
Keyman Insurance	25 00 000	25 00 000
Miscellaneous Expenses	43 43 900	30 92 538
Prior Period Adjustments	96 000	11 640
	<u>2 31 82 769</u>	<u>1 87 85 044</u>
Auditor's Remuneration is made of		
Statutory Audit Fees	2 00 000	2 00 000
Tax Audit Fees	75 000	75 000
	<u>2 75 000</u>	<u>2 75 000</u>

30 Current Tax
[Amount in Rs.]

Particulars	2016-2017	2015-2016
Provision for current tax	30 00 000	21 00 000
Income Tax Expense	2 24 615	4 52 247
	<u>32 24 615</u>	<u>25 52 247</u>

31 Earning per share

Particulars	2016-2017	2015-2016
Net Profit/(Loss) for the year Rs.	63 48 854	42 47 240
Number of equity shares	38 75 000	38 75 000
Nominal value of the share Rs.	10	10
Basic Earnings per Share Rs.	1.64	1.10
Diluted Earnings per Share Rs.	1.64	1.10

32. Contingent Liabilities and Capital commitments

[Amount in Rs.]

Particulars	2016-2017	2015-2016
Contingent Liabilities		
- Claims not acknowledged as debts – ESI [See note no. 32 (a)]	4,97,990	4,97,990
[See note no. 32 (b)]	25,93,261	25,86,010
- Claims Related to employees pending with Hon'ble Supreme Court of India	3,00,000	3,00,000
- Pending export obligations liability on account of Custom Duty on Procurement of Machinery	70,04,724	25,40,209
- Demand under Textile committee (Cess) Rules 1975	12,33,153	12,33,153
- Demand under Central Excise	13,80,542	13,80,542
Capital Commitments		
- Estimated amount of contracts remaining to be executed on capital account and not provided for	15,75,84,262	NIL
- Other commitments	NIL	NIL

- (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. 7,97,990/-. 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. 3,00,000/- 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. 25,34,922/-. 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. 13,00,000/- has been given under the direction of E.S.I Court Ahmedabad. Further during the year ESI Court has issued order for payment of Rs. 7,251/- (PY Rs. 51,088/-) in relation to contractor's liability and the same has been deposited by the company and Rs. 58,339/- is shown as deposit as on 31/03/2017.

33. Employee Benefits

- (a) Defined contribution to provident fund employee state insurance fund and Employees Death Linked Insurance

The Company makes contribution towards Employees' Provident Fund Employee State Insurance fund and Employees Death Linked Insurance. In accordance with the provisions of these schemes the Company is required to contribute a specified percentage of payroll costs. The Company has during the year recognized the sum of Rs. 15,08,512 (March 31 2016: Rs. 7,62,395) as expense towards contributions to these plans.

(b) Defined Contribution Benefit Plans (Gratuity)

The following table sets out the status of the gratuity plans as at 31st March, 2017.

[Amount in Rs.]

Particulars	2016-2017	2015-2016
Changes in the present value of obligation		
Present value of obligation (Opening)	15,10,797	13,64,650
Interest cost	1,00,463	93,352
Past service cost	NIL	NIL
Current service cost	1,17,476	95,051
Curtailment Cost / (Gain)	NIL	NIL
Settlement Cost / (Gain)	NIL	NIL
Benefits paid	NIL	NIL
Actuarial (Gain) / Loss	6,38,410	(42,256)
Present value of obligation (Closing)	23,67,146	15,10,797
Changes in the fair value of plan assets	NIL	NIL
Percentage of each category of plan assets to total fair value of plan assets at the year end	NIL	NIL
Reconciliation of the present value of defined benefit obligation and the fair value of assets		
Present value of funded obligation as at the year end	NIL	NIL
Fair value of plan assets as at year end	NIL	NIL
Funded (Asset)/Liability recognized in the balance sheet	NIL	NIL
Present value of unfunded obligation as at the year end	23,67,146	15,10,797
Unrecognized past service cost	NIL	NIL
Unrecognized Actuarial (Gain) / Loss	NIL	NIL
Unfunded net liability/(asset) recognized in the balance sheet	23,67,146	15,10,797
Amount recognized in the balance sheet		
Present value of obligation as at the year end	23,67,146	15,10,797
Fair value of plan assets as at the year end	NIL	NIL
(Asset) / Liability recognized in the balance sheet	23,67,146	15,10,797
Expenses recognized in the Statement of profit & loss		
Current service cost	1,17,476	95,051
Past service cost	NIL	NIL
Interest cost	1,00,463	93,352
Expected return on plan assets	NIL	NIL
Curtailment Cost / (Credit)	NIL	NIL
Settlement Cost / (Credit)	NIL	NIL
Net Actuarial (Gain) / Loss	6,38,410	(42,256)
Employee's Contribution	NIL	NIL
Total expenses recognized in the profit & loss account	8,56,349	1,46,147
Principal actuarial assumption		
Rate of discounting	6.75%	7.60%
Expected return on plan assets	—	—
Rate of increase in salaries	5.00%	5.00%
Attrition Rate (Employees opting for early retirement)	—	—

34. The company operates in a solitary business segment i.e. textile business. Accordingly no further financial information for business segment is required to be given.

35. **Related Party Disclosures**

As required by accounting standard – AS 18 "Related Parties Disclosure" issued by The Institute of Chartered Accountants of India are as follows:

(a) List of related parties with whom transactions have taken place during the year and relationship:

Sr. No.	Name of related party	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 Textiles 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) **Transaction with Related Parties**

[Amount in Rs.]

Sr. No.	Particulars	Relationship	2016-2017	2015-2016
(i)	Managerial Remuneration - Sunil R. Agarwal	Key Management Personnel	1,20,00,000	42,00,000
(ii)	Rent Expense - Sunil R. Agarwal - Raghuvir Exim Ltd.	Key Management Personnel	4,20,000	4,20,000
		Enterprise over which key management personnel exercise significant influence by controlling interest.	2,40,000	2,40,000
	- The Sagar Textiles Mills Pvt. Ltd	Enterprise over which key management personnel exercise significant influence by controlling interest.	3,00,000	3,00,000
(iii)	Security deposit taken during the Year - Sunil R. Agarwal	Key Management Personnel	1,00,000	—
(iv)	Security deposit repaid during the year - Sunil R. Agarwal - Hardik S. Agarwal - Yash S. Agarwal	Key Management Personnel Key Management Personnel Key Management Personnel	1,00,000 0 0	1,00,000 1,00,000 1,00,000
(v)	Sales Processing Charges and Other Income - Raghukaushal Textile Pvt. Ltd.	Enterprise over which relatives of key management personnel exercise significant influence.	1,98,71,257	2,08,72,888
	- Raghuvir Lifestyle Pvt. Ltd.	Enterprise over which relatives of key management personnel exercise significant influence.	94,900	10,25,156
	- Raghuvir Exim Ltd.	Enterprise over which key management personnel exercise significant influence by controlling interest.	33,83,90,838	37,24,52,866

(vi)	Donation - Raghuvir Research Foundation Trust	Enterprise over which key management personnel exercise significant influence by controlling interest.	15,00,000	20,00,000
(vi)	Reimbursement of Capital Expenses - Sunil R. Agarwal	Key Management Personnel	25,000	—

(c) Outstanding Balances

[Amount in Rs.]

Sr. No.	Particulars	Relationship	2016-2017	2015-2016
(i)	Due by Company As Expense - Raghuvir Exim Ltd.	Enterprise over which key management personnel exercise significant influence by controlling interest.	18,000	NIL
	- The Sagar Textiles Mill Pvt. Ltd.	Enterprise over which key management personnel exercise significant influence by controlling interest.	20,2500	67,500
	- Sunil R. Agarwal	Key Management Personnel	31,500	NIL
	As Trade Paybles - Raghuvir Exim Ltd.	Enterprise over which key management personnel exercise significant influence by controlling interest.	NIL	1,61,68,555
	As Remuneration - Sunil R. Agarwal	Key Management Personnel	1,93,510	86,640
	As Reimbursement of Capital Expenses - Sunil R. Agarwal	Key Management Personnel	25,000	NIL
	Due to Company As Trade Receivables - Raghukaushal Textile Pvt. Ltd.	Enterprise over which relatives of key management personnel exercise significant influence.	6,70,291	26,74,694
	- Raghuvir Exim Ltd.	Enterprise over which key management personnel exercise significant influence by controlling interest.	13,46,702	NIL

Note : The particulars given above have been identified on the basis of information available with the company

36. Assets retired from active use amounting to Rs. 2,72,66,043/- (P.Y. Rs. 2,55,97,150/-) being assets retired from active use on which depreciation has not been charged from the date of retirement.

37. Dues to Micro, Small and Medium Enterprise

Sr. No.	Particulars	2016-2017	2015-2016
1	Principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	Refer Note	Refer Note
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.	Refer Note	Refer Note
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.	Refer Note	Refer Note
4	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Refer Note	Refer Note
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.	Refer Note	Refer Note

Trade payable includes Rs. NIL (Previous Year Rs. NIL) payable to "Suppliers" registered under Micro, Small and Medium Enterprises Development Act, 2006. No interest has been paid / is payable by the Company during the year to "Suppliers" registered under this Act. The aforementioned is based on the responses received by the Company to its inquiries with suppliers with regard to applicability under the said Act.

38. Other information

Sr.No.	Particulars	2016-2017		2015-2016	
a.	C.I.F. value of Imports of :				
	Raw Materials	NIL		NIL	
	Spare Parts	NIL		NIL	
	Stores	1,05,32,652		1,59,73,352	
	Capital Goods	NIL		NIL	
	Service Charges	NIL		10,060	
b.	Expenditure in Foreign Currency				
	Cost of Store Purchase	1,03,27,261		1,59,73,352	
	Cost of Spare Parts Purchase	NIL		NIL	
	Service Charges	NIL		10,060	
		Value (Rs.)	%	Value (Rs.)	%
c.	Consumption of:				
i.	Raw materials:				
	Indigenous	5,04,08,681	100	20,82,566	100
	Imported	NIL	NIL	NIL	NIL
ii	Stores and Spare parts:				
	Indigenous	1,10,05,945	47.03	85,83,001	28.29
	Imported	1,23,94,424	52.97	2,17,59,514	71.71
d.	Remittances in Foreign Currency on account of Dividend	NIL	NIL	NIL	NIL

39 Disclosure on Specified Bank Notes (SBNs)

During the year, the Company had specified bank notes or other denomination notes as defined in the MAC notification G.S.R. 308(E) dated 31st March, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016, the denomination wise SBNs and other notes as per the notification is given below:

[Amount in Rs.]

Particulars	SBNs*	Other denomination notes	Total
Closing cash in hand as on 8 th November, 2016	5,94,500	1,12,855	7,07,355
(+) Permitted receipts	—	5,91,000	5,91,000
(-) Permitted payments	—	1,27,276	1,27,276
(-) Amount deposited in Banks	5,94,500	—	5,94,500
Closing cash in hand as on 30th December, 2016	Nil	5,76,579	5,76,579

* For the purposes of this clause, the term Rs. Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India in the Ministry of Finance Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016

40. In the opinion of the Board, current assets, loans & advance are approximately of the value stated, if realized in the ordinary course of business.
41. Balances of sundry creditors, sundry debtors, loans and advances are subject to confirmations and reconciliation if any by the respective parties.
42. Previous year figures have been regrouped, reclassified and reworked wherever necessary for comparative purpose.

FOR G. K. CHOKSI & Co.

[Firm Registration No. 101895W]
Chartered Accountants

SANDIP A. PARIKH
Partner
Mem. No. 040727

Place: Ahmedabad
Date: 29th May, 2017

FOR AND ON BEHALF OF THE BOARD

SUNIL R. AGARWAL
Chairman & Managing Director
Din No. 00265303

DILIP P. NIRMAL
Chief Financial Officer

Place: Ahmedabad
Date: 29th May, 2017

HARDIK S. AGARWAL
Director
Din No. 03546802

PRATIKA P. BOTHRA
Company Secretary
M.NO.: A44123

RAGHUVIR SYNTHETICS LIMITED

CIN : L17119GJ1982PLC005424

Regd. Office : Rakhial Road, Rakhial, Ahmedabad-380 023.

PHONE : 079-22910963-1015-1902

E-mail : raghuvirad1@sancharnet.in

ATTENDANCE SLIP

This attendance slip duly filled in is to be handed over at the entrance of the meeting hall.

For Demat Shares

For Physical Shares

DP ID :	Regd. Folio No. :
Client ID :	No. of Shares held :

(To be filled in if Proxy Form has been duly deposited with the Company) :

I hereby record my presence at the 35th Annual General Meeting of the Company being held on 28th September, 2017 at 12.00 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

Regd. Office : Rakhial Road, Rakhial, Ahmedabad-380 023.

PHONE : 079-22910963-1015-1902 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 35th Annual General Meeting of the Company, to be held on 28th September, 2017 at 12.00 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)
ORDINARY BUSINESS	
1. ADOPTION OF AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2017. (ORDINARY RESOLUTION)	
2. TO RE-APPOINT MR. YASH SUNIL AGARWAL (DIN: 02170408) AS A DIRECTOR OF THE COMPANY WHO RETIRES BY ROTATION. (ORDINARY RESOLUTION)	
3. APPOINTMENT OF M/S. ASHOK K. BHATT & CO., CHARTERED ACCOUNTANTS, AS STATUTORY AUDITORS OF THE COMPANY AND FIXING THEIR REMUNERATION. (ORDINARY RESOLUTION)	
SPECIAL BUSINESS	
4. RE-APPOINTMENT OF MR. SUNIL AGARWAL AS CHAIRMAN & MANAGING DIRECTOR OF THE COMPANY AND FIXING THEIR REMUNERATION. (SPECIAL RESOLUTION)	
5. APPROVAL OF ESTIMATED MATERIAL RELATED PARTY TRANSACTIONS FOR THE YEAR 2017-18 WITH RAGHUVIR EXIM LTD. (ORDINARY RESOLUTION)	

Signed this day of 2017.

Signature of shareholder(s)

Signature of Proxy holder(s)

Notes: (1) For the resolutions, Explanatory Statement and Notes, please refer to the Notice of the 35th 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.

Affix
Revenue
Stamp of not
less than
Rs. 1/-

RAGHUVIR SYNTHETICS LIMITED

CIN: L17119GJ1982PLC005424

Registered office: Rakhial Road, Rakhial, Ahmedabad-380023, GUJARAT

TEL NO.: 079-22910963-1015-1902

Web: www.raghuvir.com, E-mail: 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 35th Annual general meeting of the member to be held on Thursday, 28th September, 2017 at 12.00 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:

EVSN (E-voting Sequence number)	# Default PAN
170817039	

Only members who have not updated their PAN with the Company Depository Participant / Registrar and Transfer Agent shall use default PAN or else actual PAN registered with Company/Depository Participant/Registrar and Transfer Agent needs to be entered in the PAN filed for login e-voting site.

The remote e-voting facility will be available during the following voting period:

Commencement of E-voting	From 9.00 A.M. on 25 th September, 2017
End of e-voting	Upto 5.00 P.M. on 27 th September, 2017

The remote e-voting shall not be allowed beyond 5.00 P.M on 27th September, 2017. 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 21st September, 2017.

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 Thursday, 28th September, 2017.

BOOK - POST

If Undelivered please return to :
RAGHUVIR SYNTHETICS LIMITED
Rakhial Road, Rakhial,
Ahmedabad-380 023. (INDIA)

GIRISH - Ph. 22745361, 22778341