



CONSOLIDATE!

RSWM LIMITED ANNUAL REPORT 2014-15

FORWARD LOOKING STATEMENT

In this annual report, we have disclosed forward looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make, may contain forward-looking statements that set out anticipated results based on the management's plans and assumptions.

We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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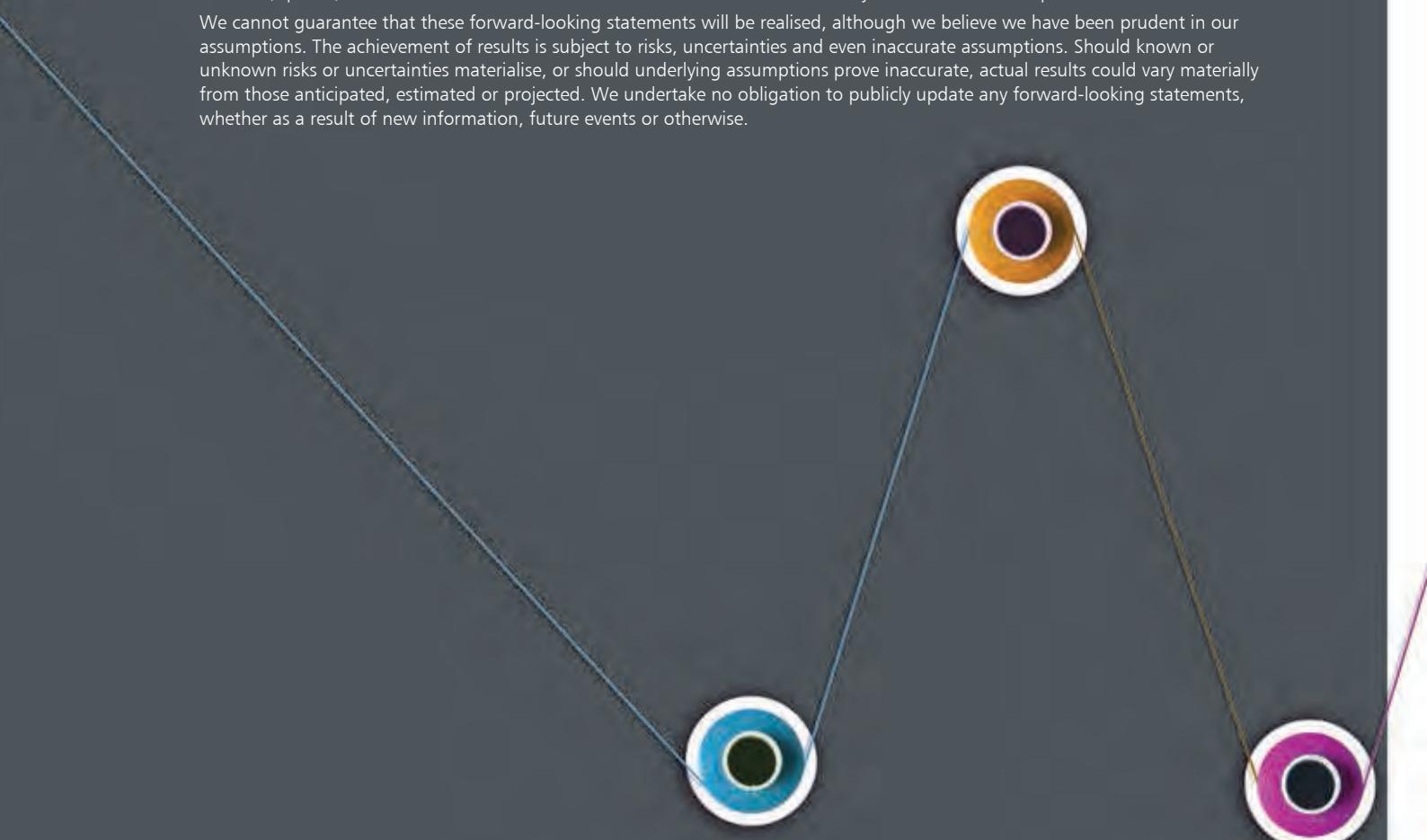
Report on
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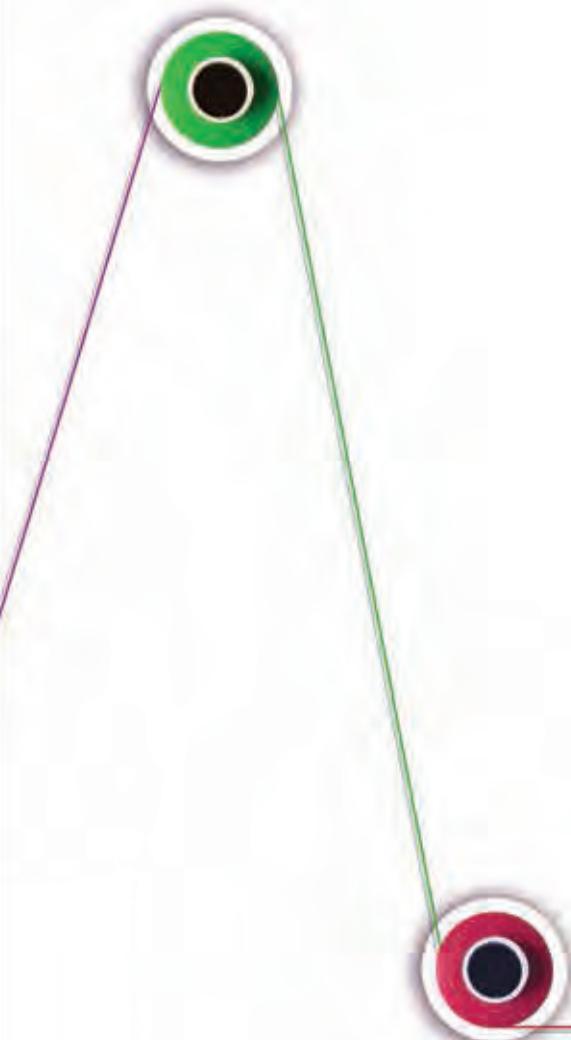
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6-year financial
highlights

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Financial
Statements





In five of the most challenging years for the global economy and textile industry...

- We invested ₹323 crore in adding 93,024 spindles and 1,440 rotors (yarn business).
- We invested ₹40 crore in adding 50 weaving looms (fabric business).
- We invested ₹124 crore in adding 14,232 spindles, 960 rotors and 14 looms (denim business).
- We invested ₹86 crore in a green fibre facility.
- We invested ₹16 crore in our subsidiary (eventually merged).

Now is the time to leverage economies-of-scale, enhance equipment efficiency and consolidate.

FROM THE CONVENTIONAL TO THE CUTTING-EDGE





We partnered a globally renowned company, Werner International, USA, to align business processes, streamlining shop-floor operations with global best practices.

WHEN WE INVEST IN CUTTING-EDGE EQUIPMENT, WE DON'T JUST ADD GROSS BLOCK; WE RAISE THE OPERATING BAR FOR ALL PRODUCTION INVESTMENTS MADE UNTIL THEN.

This is how we transformed one-time investments into organisation-wide cultural change.

- We modernised equipment, replacing spindles and looms with sophisticated, high-speed variants that increased output.
- We automated processes, introducing auto-doffing facilities on our ring frames (yarn and denim business) that enhanced productivity.
- We are strengthening our IT infrastructure, integrating business and shop-floor operations around cutting-edge ERP software.
- We commissioned an Energy Saving Cell, which analysed energy consumption (plant-wise, equipment-wise and process-wise) to reinforce energy efficiency.
- We partnered a globally renowned company, Werner International, USA, to align business processes, streamlining shop-floor operations with global best practices.
- We initiated a government-approved Integrated Skill Development Programme, which will be implemented in two years from FY 2015-16.

In so doing, we expect to strengthen productivity and profitability over the medium-term.

FROM MODEST TO ATTRACTIVE RETURNS

WHEN WE INVEST IN OUR BUSINESS, WE DON'T JUST DO SO TO ENHANCE RETURNS IN A LIMITED WAY; WE DO SO WITH THE OBJECTIVE TO TRANSFORM OUR CORPORATE DESTINY.

This is how we expect to transform the working of our businesses.

Denim business

- Increase production of denim fabric, utilising the new multi-capability looms of the fabric division to address evolving demand
- Build on the 190 new products' and 88 clients' addition in 2014-15, strengthening returns
- Commissioned a 'green' fibre line approved by a leading global brand, generating incremental volumes

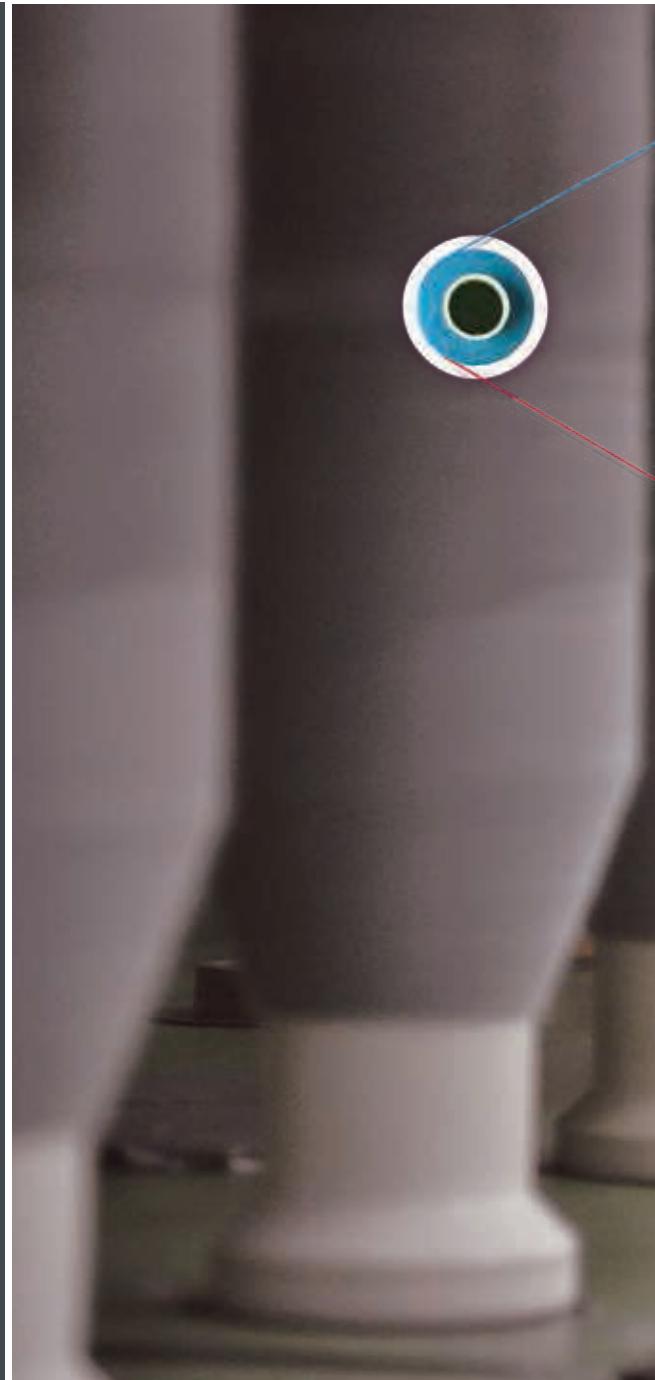
Green polyester staple fibre plant

To reduce our carbon footprint and global warming, the Company commissioned its 'green' polyester staple fibre plant in March, 2015, for captive consumption at its Ringas unit (Rajasthan).

Cheslind Textiles

- Modernise equipment and automate processes, standardising quality
- Integrate administrative, marketing and statutory functions, optimising costs
- Create an energetic workforce, maximising productivity
- Leverage the corporate standing to mobilise low-cost funds, strengthening competitiveness

These initiatives should transform the division's bottomline during the current fiscal, lifting the overall average.

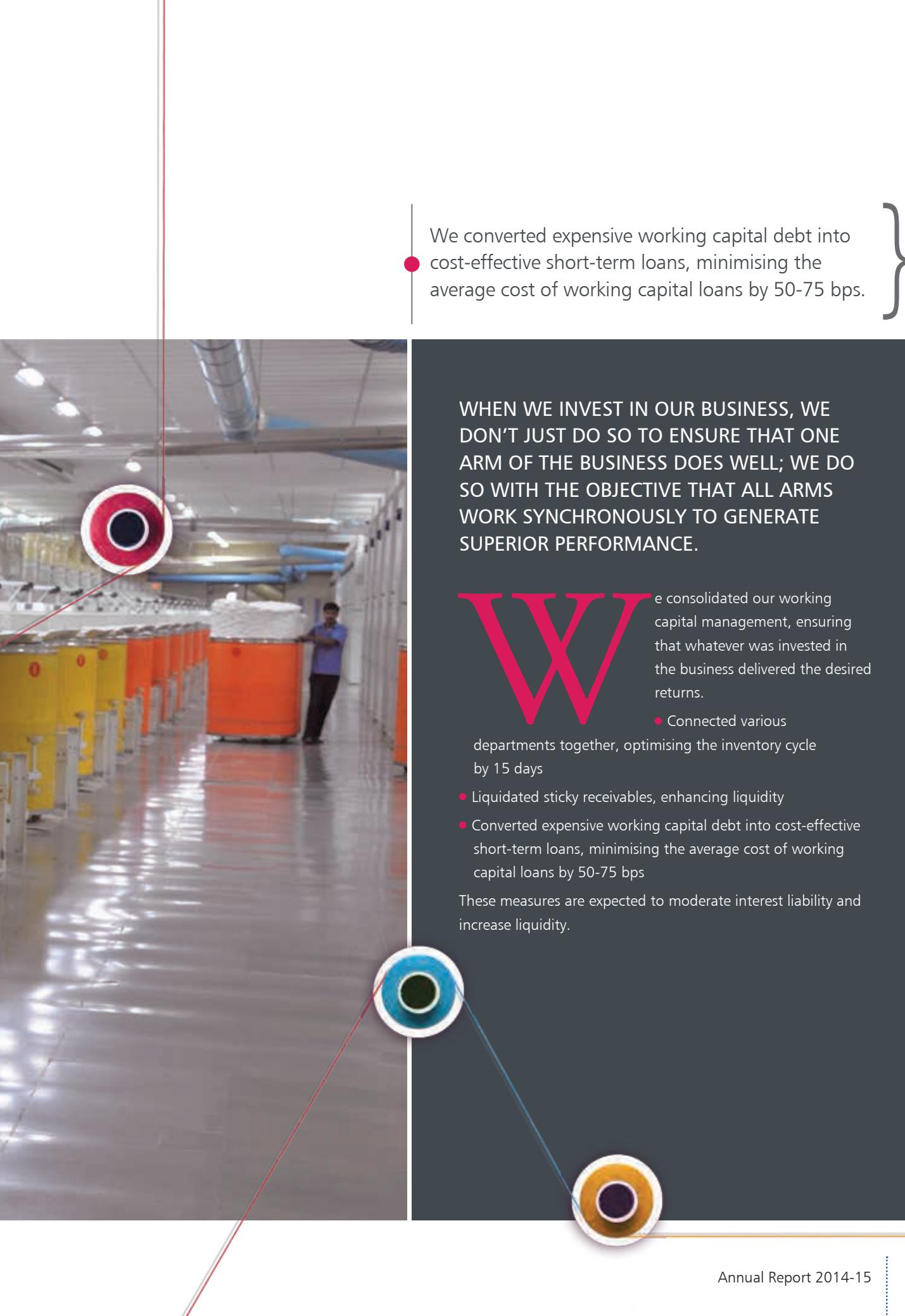


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- To reduce our carbon footprint and global warming, the Company commissioned its 'green' polyester staple fibre plant in March, 2015.
- 



FROM HIGH-COST TO COST-COMPETITIVE





- We converted expensive working capital debt into cost-effective short-term loans, minimising the average cost of working capital loans by 50-75 bps.

WHEN WE INVEST IN OUR BUSINESS, WE DON'T JUST DO SO TO ENSURE THAT ONE ARM OF THE BUSINESS DOES WELL; WE DO SO WITH THE OBJECTIVE THAT ALL ARMS WORK SYNCHRONOUSLY TO GENERATE SUPERIOR PERFORMANCE.

We consolidated our working capital management, ensuring that whatever was invested in the business delivered the desired returns.

- Connected various departments together, optimising the inventory cycle by 15 days
- Liquidated sticky receivables, enhancing liquidity
- Converted expensive working capital debt into cost-effective short-term loans, minimising the average cost of working capital loans by 50-75 bps

These measures are expected to moderate interest liability and increase liquidity.



RSWM LIMITED IS ONE OF THE MOST ATTRACTIVE PROXIES OF INDIA'S SYNTHETIC YARN INDUSTRY.

SPECIALISES IN THE MANUFACTURE OF QUALITY YARNS.
FOCUSES ON MAKING VALUE-ADDED BLENDED VARIANTS.
LAUNCHES PIONEERING PRODUCTS.
EMPHASISES ON GROWING PARTNERSHIPS.

- Headquartered in Noida, NCR, India
- Flagship company of the US\$1 billion LNJ Bhilwara Group
- Offers one of the widest products range (fibre blends, counts and shades)
- Possesses 11 state-of-the-art manufacturing facilities in Rajasthan and Tamil Nadu
- Markets products within India and 78 countries



VISION

With a unique insight into consumer behaviour, we strive to offer the best. By following decisive business strategies, the Company will continue its tradition of manufacturing the finest products.

MISSION

RSWM envisages itself as a trendsetter in the textile industry. It is committed to introduce innovative products which will set new standards.



GROWING ATTRACTIVELY IN THE PAST



THIS IS WHAT WE ACHIEVED IN 2014-15

- Commissioned 50 sophisticated looms in October 2014, enhancing fabrics capacity to 8.8 million metres per annum
- Commissioned a 50 tonne per day 'green' polyester fibre unit in March, 2015, reducing the Company's reliance on virgin fibre
- Merged Cheslind Textiles Ltd. with RSWM, added 64,512 spindles to the yarn manufacturing capacity in the process
- Commissioned a 25,344-spindle manufacturing unit in Kanya Kheri in May, 2015, to produce cotton and cotton blended mélange yarn
- Added 200 customers (leading yarn and fabric brands)

12.55%
Growth in net worth over 2013-14

12.52%
EBIDTA margin in 2014-15

NOW POISED FOR A GIANT LEAP IN THE FUTURE



17.96%

Return on net worth
in 2014-15

28.20%

Growth in net cash from
operations over 2013-14

58%

Growth in market
capitalisation over 2013-14

1.42

Debt-equity ratio
as on March 31, 2015

485.86

Addition in Gross Block in
2014-15 (₹ in crore)

9.54

Investment in R&D initiatives
in 2014-15 (₹ in crore)

CHAIRMAN'S
STATEMENT

“HAVING SUCCESSFULLY EXPANDED CAPACITIES LAST YEAR, WE WILL NOW FOCUS ON CONSOLIDATING OPERATIONS, MODERNISING EQUIPMENT AND AUTOMATING PROCESSES.”



Dear Shareholders

Even as our revenue and profitability growth remained subdued in 2014-15, I am happy to report two things: an improvement in our 2014-15 performance, even as the rest of the sector trended downwards, and an out-performance of our sectoral benchmarks.

A number of commentators are likely to ask how we succeeded in countering the prevailing industry scenario. The reality is that even as the external environment became increasingly challenging, we strengthened the various profitability drivers within our control. We streamlined operations and strengthened our working capital management, despite a fall in yarn and fabric realisations. The result is that even as the most critical profitability driver weakened, the Company reported healthy financials and readied for sustained medium-term growth.

The industry's way forward

Textile industry: Credible estimates suggest that India's textile industry, the size of which is presently estimated at about US\$108 billion, has the potential to cross US\$500 billion by 2025 based on necessary government support. Considering the relevance of the textile industry in the nation's economic progress, the Central Government implemented a number of national and state-level policies to encourage investment.

Fibre optimism: Until 2000, fibre consumption at the global level was dominated by cotton. By 2030, the

consumption of polyester could be double that of cotton. The Indian textile industry has been cotton-focused; the natural fibre accounts for about 55% of the total fibre consumption. However, polyester consumption is gaining momentum due to volatile cotton prices, increasing production, sourcing by global brands and growth in the women's wear segment. Credible estimates suggest that the share of man-made fibre as a proportion of total mill consumption is expected to reach ~65% (polyester 53%) by 2030.

Denim outlook: There is a sizeable denim opportunity in India. Currently, the jeans market in India is under-penetrated; per capita jeans consumption is 0.3 pairs per year, significantly lower than two to three pairs per capita in developed countries like the US and EU. However, a change is visible: rising disposable incomes in Tier-II and Tier-III centres (consequent to the economic progress spearheaded by the Central Government) and a growing e-retail exposure are expected to drive denim demand this point onwards.

RSWM's growth initiatives

Operational consolidation: Having expanded yarn and fabric capacities and having commissioned a recycled fibre unit, the focus will now be on consolidating operations. The Company expects to further modernise equipment and automate processes. This will improve productivity and optimise costs, strengthening prospective profitability.



Credible estimates suggest that India's textile industry, the size of which is presently estimated at about US\$108 billion, has the potential to cross US\$500 billion by 2025.



Financial strengthening: The Company expects to address its debt repayment obligation of about ₹844 crore across four years through accruals. This will strengthen our Balance Sheet, making it possible to mobilise low-cost funds for prospective funding requirements.

Intellectual capital: The Company will build skills and motivation through various training initiatives and employee engagement programmes. We will strengthen our leadership pipeline. We expect that these initiatives will translate into growth

that takes the Company to the next level.

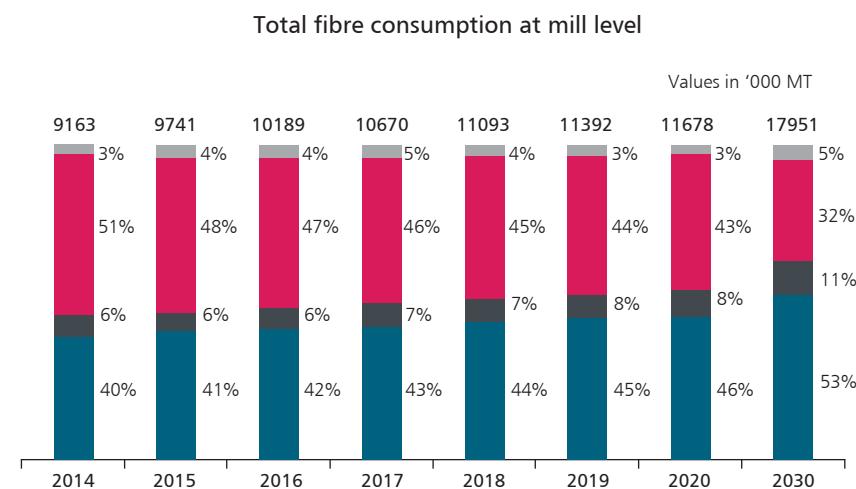
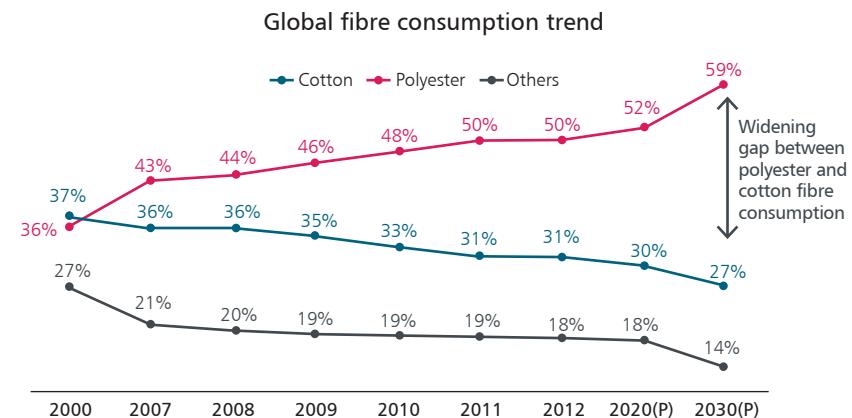
Message to shareholders

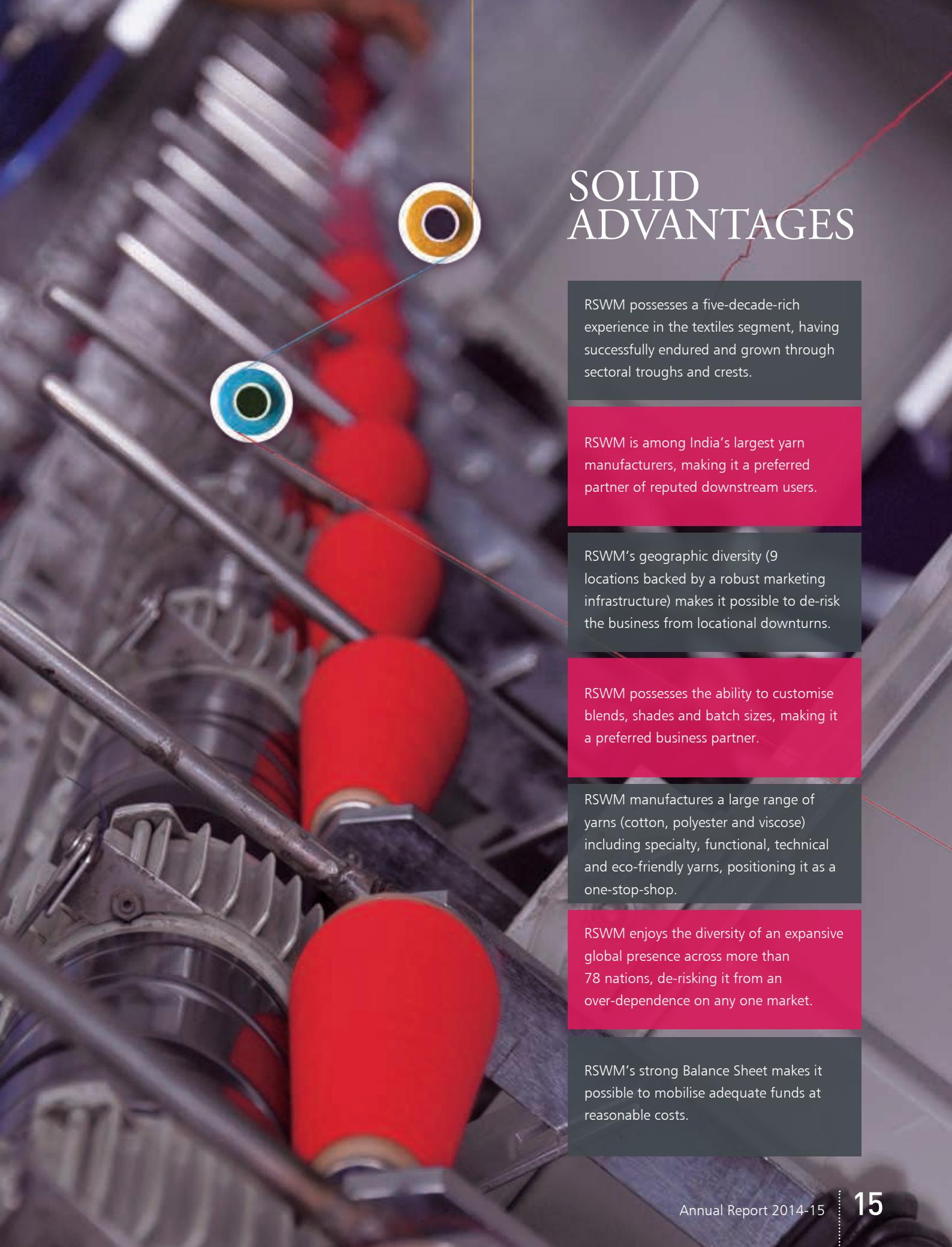
Having sustained business profitability across economic cycles, we are confident that the consolidation focus will translate into business gains and enhanced operating efficiency that readies RSWM for the next leap and enhances value for all its stakeholders.

With best wishes,

Ravi Jhunjhunwala
A fellow shareholder

India may start consuming more polyester than cotton in five years, widening the market for polyester fibre by 1,500 thousand tonnes.





SOLID ADVANTAGES

RSWM possesses a five-decade-rich experience in the textiles segment, having successfully endured and grown through sectoral troughs and crests.

RSWM is among India's largest yarn manufacturers, making it a preferred partner of reputed downstream users.

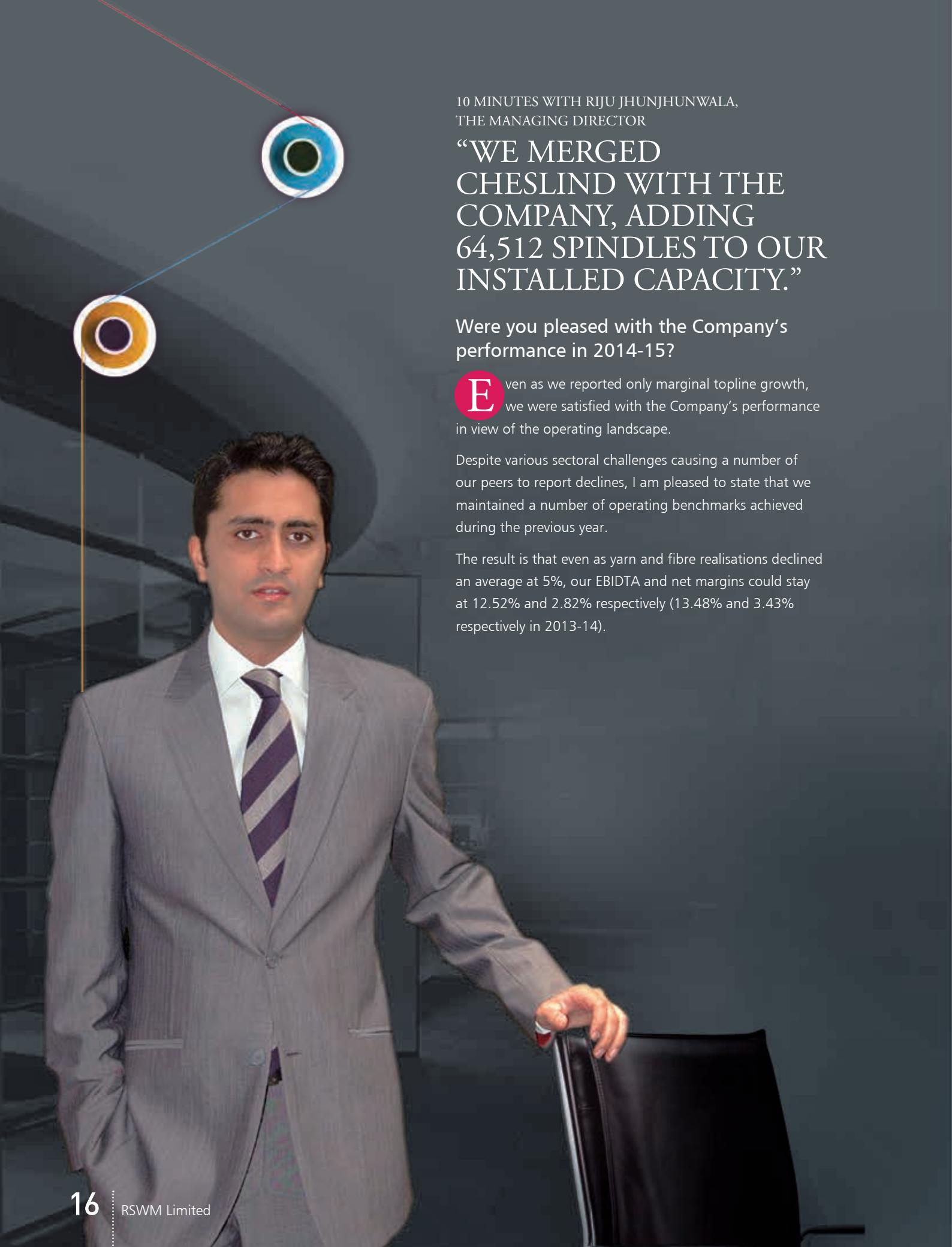
RSWM's geographic diversity (9 locations backed by a robust marketing infrastructure) makes it possible to de-risk the business from locational downturns.

RSWM possesses the ability to customise blends, shades and batch sizes, making it a preferred business partner.

RSWM manufactures a large range of yarns (cotton, polyester and viscose) including specialty, functional, technical and eco-friendly yarns, positioning it as a one-stop-shop.

RSWM enjoys the diversity of an expansive global presence across more than 78 nations, de-risking it from an over-dependence on any one market.

RSWM's strong Balance Sheet makes it possible to mobilise adequate funds at reasonable costs.



10 MINUTES WITH RIJU JHUNJHUNWALA,
THE MANAGING DIRECTOR

**“WE MERGED
CHESLIND WITH THE
COMPANY, ADDING
64,512 SPINDLES TO OUR
INSTALLED CAPACITY.”**

Were you pleased with the Company's performance in 2014-15?

Even as we reported only marginal topline growth, we were satisfied with the Company's performance in view of the operating landscape.

Despite various sectoral challenges causing a number of our peers to report declines, I am pleased to state that we maintained a number of operating benchmarks achieved during the previous year.

The result is that even as yarn and fibre realisations declined an average at 5%, our EBIDTA and net margins could stay at 12.52% and 2.82% respectively (13.48% and 3.43% respectively in 2013-14).

The EBIDTA margin declined only marginally but net profit drop was a shade higher.

This was a result of higher depreciation of ₹25 crore provided as per the Companies Act, 2013, and gains realised from efficient

working capital management. I am happy to state that in a stressed economy where receivables were under strain, we reported a 10%

decline in interest costs, achieved a 49 bps reduction in our average borrowing costs and succeeded in repaying ₹146 crore of debt.

Shareholders would be curious about how this was achieved.

If there is one big reason behind our achievement, it would be proactive inventory management. Our teams responded with disciplined supply chain management. Besides, we recovered

long-pending receivables and reduced our average collection period from 30 days in the previous year to 24 days. We infused cost-effective short-term working capital loans, which reduced our working capital loan costs by 50

basis points. A combination of these initiatives translated into superior working capital efficiency, which declined from 44 per cent of the Company's total funds outlay in 2013-14 to 40 per cent in 2014-15.

What initiatives are likely to strengthen the Company's performance in 2015-16?

We commissioned two projects in 2014-15: 50 looms in the fabric division and a 'green' fibre unit. The third project – 25,344 spindles for the manufacture of mélange yarns –

was commissioned in the first quarter of 2015-16. The capacity expansions are expected to drive topline growth; the 'green' fibre project will minimise operating costs. Besides, we

merged Cheslind with the Company, adding 64,512 spindles to our yarn manufacturing capacity.

How does Cheslind fit into the RSWM scheme of things?

Cheslind was the LNJ Bhilwara Group Company, which was undergoing a Corporate Debt Restructuring (CDR) scheme. The Company needed investments for enhancing equipment effectiveness, which would not have been possible as

long as it remained under the purview of the CDR scheme. The merger with RSWM helped Cheslind overcome the problem, making it possible to infuse low-cost funds for modernising equipment and automating processes. Besides, the merger enhanced

Cheslind's flexibility in manufacturing coarse and fine yarn counts, unveiling newer marketing opportunities. We are hopeful that the merger will generate a positive bottomline in the current financial year.

What is the Company's blueprint for 2015-16?

In one word, consolidation. The management has outlined a two-pronged approach (financial and non-financial). The financial initiatives will focus on debottlenecking the existing

production lines and automating processes; the non-financial initiatives will comprise employee motivation and skill development. The Company is making significant IT investments. The Company will invest ₹20 crore in

installing an ERP solution to integrate operations – plant and corporate – and the project is expected to go live in 2016-17, leading to faster decision-making.

How does the Company intend to grow shareholder value in 2015-16?

At RSWM, consolidation is about deriving the most from existing assets. This involves monitoring, analysing and improving

the productivity of every process with the singular goal of enhancing business profitability. We have already explained how we intend to enhance

revenues and profits during the current financial year which, we hope, will translate into a corresponding increase in shareholder value.



MANAGEMENT DISCUSSION AND ANALYSIS



ECONOMIC OVERVIEW

What changed in 2014-15?

In January, 2015, the Central Government revised the base year for calculating GDP from 2004-05 to 2011-12. GDP at factor cost will henceforth be represented as GVA (Gross Value Added) at basic prices for industry-wise estimates, while 'GDP at market prices' will be referred to as GDP.

Global economy

The global economy is expected to report an unchanged growth rate of just over 3% in 2014. The flat performance is a combination of a number of factors – sluggish trade across the world, weak commodity markets (especially energy and metals), deflationary conditions as well as reforms-induced slowdown across some countries.

While economic activity in the United States and United Kingdom gathered momentum, monetary policy remained accommodative and recovery sputtered in the Eurozone and Japan.

Global growth in 2015-16 is projected higher at 3.5-3.7% on account of lower oil prices, the full benefit of which is likely to be offset by the fact that many advanced and emerging market economies continue to be investment-shy on account of slower medium-term growth.

Indian economy

In 2014-15, the Indian economy retained its position as one of the largest in the world with a promising outlook. This optimism was inspired by moderated inflation, domestic demand growth, increased investments and declining oil prices, among other factors.



On the demand side, growth in private final consumption increased from 6.5% in 2013-14 to 7.6% in 2014-15. The RBI tightened its monetary policy, which helped contain demand pressure, creating a buffer against external shocks and keeping currency volatility under check.

The average WPI (Wholesale Price Index) inflation for 2014-15 declined to 3.4% (April-December),

compared to 8.9% in 2013-14, largely influenced by a decline in fuel prices. Food price inflation moderated to 4.8% during April-December, 2014 compared to 9.4% in 2013-14.

Following a decline in inflation, the RBI cut policy repo rates by 25 bps (to 7.75%) in January, 2015 and another 25 bps (to 7.50%) in March, 2015. RBI also reduced the SLR (Statutory Liquidity Ratio) in January, 2015 by

50 bps to 21.50% of net demand and time liabilities.

For 2015-16, the Economic Survey pegged real gross domestic product growth (at market prices) 7.6% which was 0.6-1.1 percentage points higher than estimates for the current financial year. In the short run, growth is likely to be boosted by a combination of lower oil prices and monetary policy easing.

There is a growing consensus that India has reached a sweet spot that is likely to translate into double-digit medium-term growth.

GDP indicators	2013-14	2014-15
GDP at constant prices (₹ in crore)	9,921,106	10,656,925
Growth (%)	6.9	7.4
GVA at basic prices (2011-12 prices) (₹ in crore)	9,169,787	9,857,672
Growth (%)	6.6	7.5



INDIAN TEXTILE INDUSTRY

India is a prominent player in the global textiles and garments space. It is one of the few nations with a strong presence across the textile value chain – from natural and synthetic fibres to yarn, fabrics and finished products.

The abundant availability of raw materials (cotton, wool, silk and jute) and skilled workforce have graduated India into a global textiles sourcing

hub. Besides, the sector is a major economic contributor through direct and indirect employment and net foreign exchange earnings.

The most significant change in the Indian textiles industry has been the gradual increase in the role of man-made fibres. India has established a presence for its innovative MMF textiles range in almost all countries.

India in the world

Second largest producer of textiles and garments

Second largest cotton producer

Global leader in jute production

The Indian textiles sector and its economic relevance

4%

Contribution to
India's GDP

14%

Contribution to
India's industrial
production

12%

Proportion of India's
exports

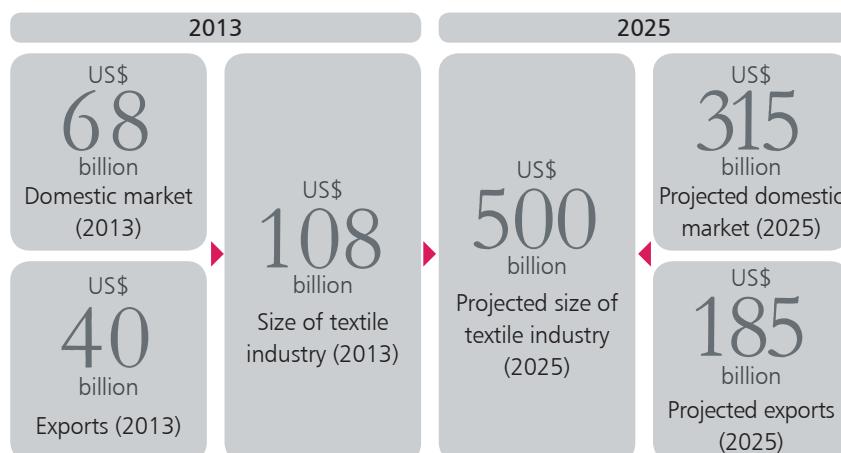
Favourable government policies

- The 2014 Budget allocated ₹5 billion for the development of a textile mega-cluster in Varanasi and another six in Bareilly, Lucknow, Surat, Kutch, Bhagalpur and Mysore.
- In May 2014, the RBI conferred the 'Authorised Dealer Category-I' status on banks to extend long-term export advances for a maximum of ten years. The export credit will be backed by an export performance bank guarantee from Indian banks, which will enable India's exporting companies to align their interest costs with lower international rates.
- The Ministry of Textiles approved a scheme for 'promoting usage of geotechnical textiles in the North-East Region'. The scheme was approved with a financial outlay of ₹427 crore (US\$ 69.12 million) for five years from 2014-15.

• According to the Working Group for Textiles and Jute, the subsidy outflow to the standalone spinning sector was maintained at 26% of the Plan allocation (₹11,952.80 crore) including committed liabilities of spinning sector of erstwhile/modified TUFS, RTUFS and fresh sanctions during the 12th Five Year Plan period.

Outlook

India's US\$108 billion textile industry



retains the potential to cross the US\$500-billion mark by 2025 following adequate government support. This could create another 35 million jobs and draw US\$200 billion in investments (Source: *Wazir Advisors and PCI Xylenes & Polyesters*).

Cotton overview

Cotton is the leading crop in India's textile sector, accounting for more than half the country's fibre consumption. Its production, however, is largely dependent on climatic conditions, nearly 65% of the cultivation area being rain-fed. In 2014-15, the Cotton Advisory Board pegged cotton production at 40 million bales. Due to China's decision to liquidate its substantial cotton stock, cotton prices are declining globally.

Cotton pricing and China's policy: In April 2014, China terminated its three-year-old cotton procurement policy and shifted to a direct subsidy-based policy. Under the new policy, farmers will sell cotton at market prices; in case the market price is lower than the government-set target price, the difference (subsidy) would be paid directly to farmers. China set the target price at RMB 19,800 per tonne for CY 2014-15, which is lower than the support price of RMB 20,400 per tonne for CY 2013-14. This is expected to reduce the import of cotton fibre by China.



What lies ahead?

In July 2014, India's Ministry of Textiles published its Vision, Strategy and Action Plan for Indian Textiles and Apparels. The document projects an increase in India's textile exports from US\$39 billion presently to US\$ 300 billion by 2024-25, raising the country's share of global exports to 12%.



INDIA'S DENIM SECTOR

INDIAN CONSUMERS, ESPECIALLY THE SECTOR IN NON-METRO LOCATIONS, ARE INCREASINGLY ACCEPTING DENIM AS THEIR EVERYDAY GARMENT. THE INDIAN DENIM INDUSTRY COMPRISES 324 DENIM MILLS PRODUCING 12,100 MILLION METRES PER ANNUM.

Challenges

- The Indian denim fabric industry is marked by oversupply. The country's installed denim capacity is 12,100 million metres per annum; average utilisation is estimated at 80-85%.
- The Indian denim fabric industry is cyclical, characterised by periods of excess and inadequate capacity.

Jeans market in India: The Indian jeans market (core denim product) is under-penetrated; per capita jeans consumption of 0.3 pairs is lower than 2-3 pairs in the US and the EU nations. India's jeans demand is expected to be driven by an increasing preference for casual and semi-formal clothing, BPO and KPO firms accepting casual wear as official uniform and the evolving

consumer profile on account of higher disposable incomes.

India's denim fabric industry is expected to grow at a CAGR of 6% in 2013-18, driven largely by volume growth arising out of a healthy demand for denim jeans and readymade clothing.

Readymade apparels: The domestic demand for readymade apparels is expected to report a CAGR of 5.5% to ₹1,705 billion during 2013-18, driven primarily by a volume growth of 4-5% and realisations growth of 1%. Rural demand is expected to outperform urban demand on account of their extensive under-penetration that is now likely to get corrected.

India's exports of readymade apparel

are expected to grow faster than the domestic market, registering a CAGR of 6-7% during 2013-18. A growing demand for readymade apparel in domestic and export markets is expected to strengthen the domestic denim fabric industry. Within the readymade garments market, the jeans segment is expected to report steady offtake growth.

Denim jeans: The domestic denim fabric market is expected to grow in line with the denim jeans market. CRISIL expects the market for denim jeans to reach ₹114 billion in 2018 from ₹89 billion in 2013, implying a 5% CAGR through the period. Although volumes are expected to grow 4%, realisation growth is expected to remain muted at 1%.



Business basics

Production (2014-15)

1,17,592

metric tonnes

Revenue from yarn business (2014-15)

₹2,122.98 crore

Export revenue (2014-15)

₹853.12 crore

Domestic business (2014-15)

₹1,269.86 crore

Investment in business (2014-15)

₹1,577.95 crore

Contribution to the Company's topline

70.69%

BUSINESS OPERATIONS

1a YARNS

With 4,68,152 spindles in operations across four manufacturing facilities in Rajasthan and one in Tamil Nadu, RSWM generates 322 tonnes per day of polyester viscose-blended yarn, making it one of the leading Indian players in this space.

The Company possesses one of the widest yarn ranges of fibre blends, counts and shades with a special focus on value-added variants.

The Company's specialty range comprises yarns made from a range of unorthodox fibres (soya protein, milk protein, bamboo, bamboo-charcoal and branded fibres such as Tencel®, Greenplus®, Protex®,

X-static®, Beltron®, Huvis FR Polyester®, Trevira CS®, Coolmax®, Coolplus®, Birla Modal®, Excel®, Viloft®, Cupro®, Lycra®, Climav, Seacell®, Sorona®, Teijin Conex®, Tworon® and Ingeo (PLA)®.

A prudent investment in cutting-edge technology has enabled the Company to achieve quality consistency. The Company's key domestic customers comprised Raymond Ltd., Siyaram Silk Mills Ltd., Welspun India Ltd., Alok Industries Ltd. and Arviva Industries Limited. The Company's yarns also find acceptance across 78 countries, exports contributing 40.19% of the yarn business.

We customised
50% of our yarns
production as per
client requirements.

AWARDS 2014-15

Received the Synthetic & Rayon Textiles Export Promotion Council, SRTEPC Gold Trophy for export of man-made fibre spun yarn and Silver Trophy for export of man-made fibre yarn blended with natural fibre – for the 19th consecutive year.



Operating matrix

Particulars	Banswara	Kharigram	Rishabhdev	Ringas	Mandpam	Mordi	Bagalur	
Spindles	95,376	1,67,792	52,848	27,840	49,152	10,632	64,512	
Rotors	3,120					1,680		
Products	100%-cotton, cotton-blended and synthetic-blended and raw white yarn	Synthetic-blended, cotton-blended fibre-dyed yarn and also raw white yarn	Synthetic-blended raw white yarn	Synthetic-blended, fibre-dyed yarn	Cotton mélange yarns	100% cotton yarns	100% cotton yarns	
Count	5s to 60s in single and multiple ply	5s to 60s in single and multiple ply	5s to 60s in single and multiple ply	5s to 60s in single and multiple ply	10s to 60s	6s to 20s	20s to 40s	
Niche products	Acrylic cotton yarn, core spun yarn, bamboo yarn, carpet yarn, open-end PC-blended yarn, tencel yarn, linen-blended yarn, technical yarn, injection slab yarns	Ultima yarn, dyed bamboo yarn, dyed PC yarn, core spun yarn, yarn out of green fibre, wool-blended yarn, linen-blended yarn, linen-blended yarn, elitwist yarn, injection yarns	yarn, sewing thread yarn, flame-retardant yarn, elitwist yarn, linen-blended yarns	100% viscose yarn, sewing thread yarn, flame-retardant yarn, elitwist yarn, linen-blended yarns	Dyed synthetic mélange yarn, yarn out of green fibre	Fashion products for hosiery and weaving	Yarn for variety of denim fabric	Organic, better cotton, slab yarns

The year that was

Domestic export demand remained robust and business volumes increased by 11.10% over the previous year. The Company's Ultima brand was accepted enthusiastically with sales volumes more than doubling over the previous fiscal.

Declining crude prices impacted the global yarn business, subduing demand from important global yarn markets. Despite this, the overall business volumes increased by 1.58% over the previous year largely due to increased domestic volumes.

Average yarn realisations in 2014-15 were marginally lower than in 2013-14, primarily due to declining crude prices. The impact of the decline was mitigated through a focus on value-addition; the proportion of value-added yarns in the sales mix doubled from the previous year.

The merger of Cheslind Textiles Ltd., with RSWM is expected to strengthen the Company's growth and profitability.

Business-strengthening initiatives

Shopfloor

- Invested ₹ 1.38 crore in modernising infrastructure
- Optimised operating costs and

invested in top-of-the-line automation across units

- Increased power trading across units, optimising power costs
- Commissioned a 50 TPD green polyester fibre unit, expected to optimise expenses in 2015-16

Marketplace

- Increased volumes in key North and South Indian textile markets
- Entered the home textiles segment, opening a value-added revenue accretion window
- Introduced four new yarns for niche use, which were well-received by customers

The blueprint for growth

The Company partnered, BGJC & Associates, to draw a business-strengthening blueprint. This encompasses financial and non-financial strategies: from employee motivation to equipment modernisation and from succession planning to workplace innovation. Cross-functional teams were identified with KRAs and timelines to achieve desired goals.

The Company will modernise Cheslind's operating unit – streamlining business operations and integrating processes with existing operations to enhance profitability.

12

Average age
of the spindles
(years)

40

Proportion of
value-added
yarns in the
product basket
(%)

25

Proportion of
revenue from
niche, value-
added yarns
(%)

25

Share of sales to
leading Indian
corporates
(%)



AWARDS 2014-15

Received second prize at the State Energy Conservation Award, 2014 for energy conservation measures implemented at the Rishabhdev unit during 2013-14.

The Company has dedicated 10% of its spindlage to new product development and production.

1b MÉLANGE YARNS



These value-added yarns, spun at the Mandpam plant, complement RSWM's wide yarn basket. These products generate a 50% premium over grey yarns even as they are quantitatively smaller than the other segments.

What is mélange yarn?

Mélange yarn is produced by a combination of two or more than two fibres. Conventionally, the term mélange is used for yarns produced by the combination of two fibres (whether of the same type but different in colour or when the fibre type is different).

Mélange yarns are widely used in warp and weft knitting machines, various V-bed knitting machines and winding machines, among others. Mélange

yarn is used in underwear, casual wear, sportswear, shirts, business suits, socks as well as bed linen, towels, decorative fabrics and other home fabric products.

Mélange yarn can be classified into two types:

Blended mélange yarn: This yarn comprises different fibres mixed/blended in a certain fixed ratio.

Non-blended mélange yarn: In this yarn, no different fibres are blended, but different coloured fibres of the same type are used (100% cotton-dyed yarn, 100% bamboo yarn, among others).

The year that was

The demand for mélange yarns was influenced by a lacklustre performance of the global fashion economy.

Business-strengthening initiatives

Shopfloor

- Introduced auto-doffing on the ring frames, reducing manpower
- Commissioning 25,344 spindles in early 2015-16, enhancing mélange

AWARDS 2014-15

Received the Texprocil Bronze Trophy for the third highest exports of cotton yarn (processed yarn) category – won by the mélange division.

Business basics

Production (2014-15)

9,913

metric tonnes

Revenue from mélange yarn business (2014-15)

₹318.36 crore

Export revenue (2014-15)

₹68.22 crore

Domestic business (2014-15)

₹250.14 crore

Investment in business (2014-15)

₹208.12 crore

Contribution to the Company's topline

10.60%

yarn production to 16,835 MT

- Received the ISO: 50001 certification (energy conservation), the only RSWM operating unit with this certification
- Added 40 value-added yarn variants

Marketplace

- Alliance with Decathlon, a reputed European chain store with a presence in North India, enhanced offtake
- Forged an alliance with REMEI AG for supplying mélange yarns
- Received product certifications from reputed international brands like H&M and C&A, which could generate attractive volumes
- Established presence in Eastern India's undergarment market; created a depot for seamlessly supplying products
- Increased exports to key international markets

The growth blueprint

The Company intends to commission a new facility and focus on reaching optimal capacity utilisation, which will allow it to cater effectively to its growing client base.



The Company's fabrics are manufactured at its ISO 9001: 2000-certified integrated plant in Mordi (Rajasthan). The unit comprises 154 state-of-the-art looms sourced from global textile machinery brands. The unit also houses the entire range of fabric processing and finishing equipment, making it possible to process fabrics and provide world-class finishes – all under one roof.

The Company's product range (marketed under the 'Mayur' brand) comprises fabrics for formal and semi-formal wear, covering unique blends of polyester and viscose in different yarn counts, shades and finishes.

The Company's innovation focus is showcased in the presence of 10 design experts and dedicated equipment for bulk sample yardage and design blankets.

The Company's pan-India presence is facilitated through a distribution network comprising more than 2,000 retailers. Domestic sales accounted for more than 70% of sales volumes in 2014-15; the rest was exported to quality-conscious customers across 25 countries.

The year that was

The performance of the fabric division remained subdued, revenues staying at the same level as in the previous fiscal. This was largely due to weak domestic demand despite exports increasing about 10% over the previous year. In the domestic market, growth in the institutional business (corporates and schools) cushioned a decline in retail volumes.

Business-strengthening initiatives

Shopfloor

- Undertook an energy audit at the plant to optimise steam consumption.
- Commissioned 50 high-speed looms in October 2014 sourced from leading global brands, which reduced operational costs while improving productivity and flexibility.
- Manufactured denim fabrics from the new machines.

Marketplace

- Launched the black and blue office wear range of fabrics.
- Launched new varieties of black and blue fabric to match denim colours, a

Business basics

Production (2014-15)

173.28

lac metres

Revenue from fabrics business (2014-15)

₹195.15 crore

Export revenue (2014-15)

₹45.37 crore

Domestic business (2014-15)

₹149.78 crore

Investment in business (2014-15)

₹148.15 crore

Contribution to the Company's topline

6.49%

substitute for denim in polyester viscose fabrics.

- Launched a special fabric (for making sarongs) in Islamic countries.
- Launched a cotton fabric (for suiting and shirting), the natural stretch range and yarn-dyed fabric range.
- Added 10 dealers to the distribution network; undertook measures to strengthen the Mayur brand.
- Added 12 international customers.

Blueprint for growth

The commissioning of new looms increased fabric capacity to 8.8 million metres per annum. The Company will focus on maximising equipment productivity, investing in a new Stenter machine for enhancing fabric finish, optimising costs, improving quality and enhancing flexibility.

AWARDS, 2014-15

Received the first prize (third time in a row) for the 'Best stall display in the Manufacturing Textile' category, at Vastra 2014, an international textile and apparel fair instituted jointly by RIICO and FICCI.

3 DENIM



The unit has 86 high-speed looms generating 18 million metres complemented by a 16.2 million metre fabric processing capacity per annum.

AWARDS, 2014-15

Received the Cotton Textiles Export Promotion Council Texprocil Silver Plaque and Certificate for the second highest exports of cotton denim fabric.

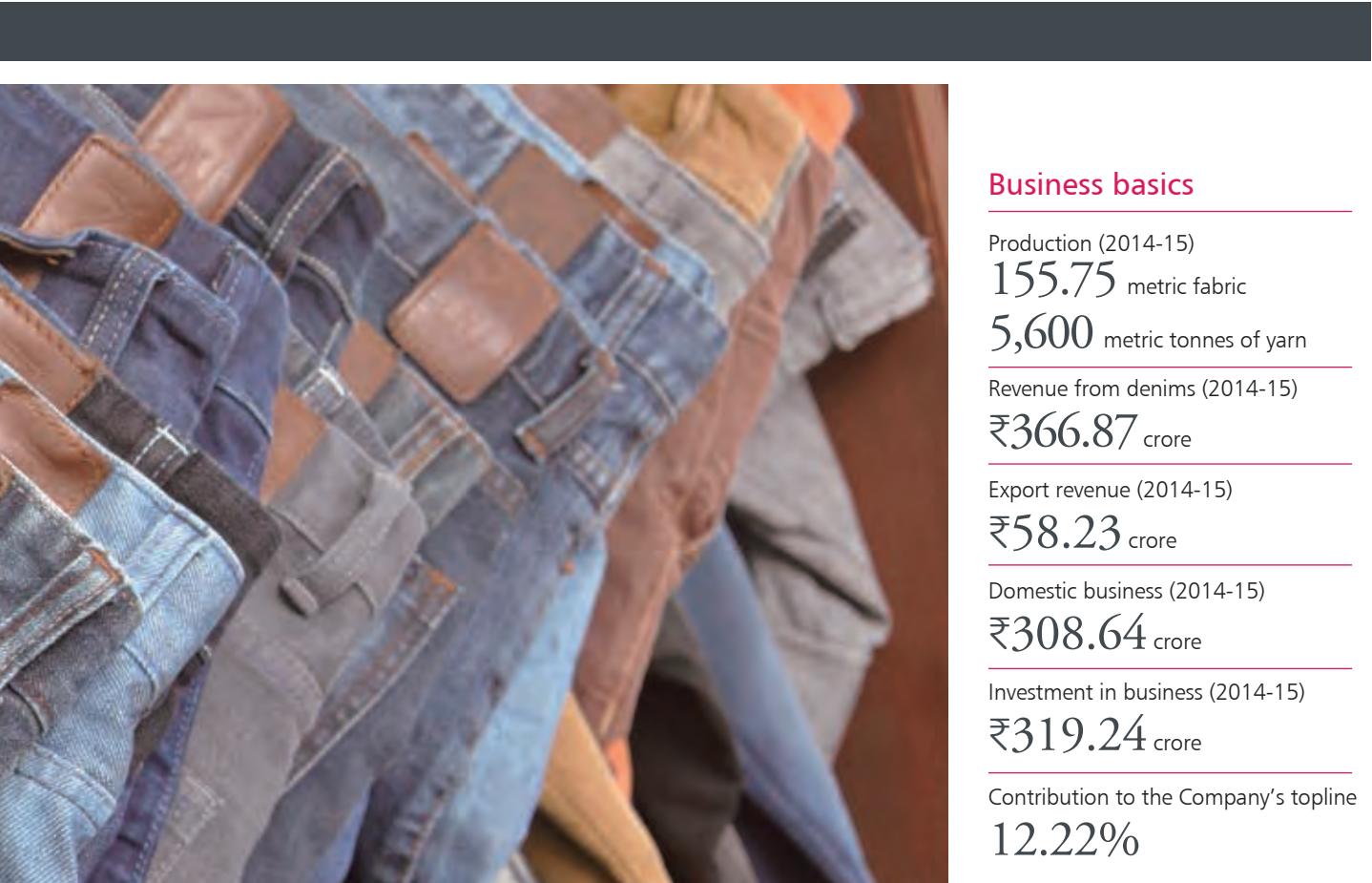
The denim business customises fabrics around diverse applications. The Company's integrated state-of-the art denim manufacturing plant in Mordi comprises a yarn spinning facility (ensuring superior product quality, higher reliability and better client service) and sophisticated equipment from leading global brands. The unit has 86 high-speed loom generating 18 million metres complemented by a 16.2 million metre fabric processing capacity per annum.

These facilities enjoy brand-enhancing global certifications like Global Organic Textile Standards (GOTS), Global Recycle Standards, SA 8000, Organic Exchange (OE blended and/or OE 100),

OEKO-TEX 100 and REACH.

The Company's denim fabric finds acceptance among leading international brands (Levi's, H&M, Zara, Warner, Carrefour, New Yorker, Lules, Marlboro, Diesel, Jack n Jones, Polo, Flori din, Mavi, Gap, TCP, Lee, Wrangler, Tesco, Grolls, Swiss Rail, Ann Taylor and domestic brands (Pepe, Spykar, Killer, Mufti, Pantaloons, Gini & Jony). Domestic brands comprise 60% of the fabric offtake; the rest is exported (including deemed exports).

Over the years, the Company created a product basket of 3,000+ fabric variants. The product range comprises denim-out-of-denim (recycled denim), work wear like anti-bacterial hydrophobic, hydrophilic, anti-odour



and fire-retardant, organic cotton fabric, power stretch, plasma denim, rich blended denims of cotton with linen, cotton with Kashmir wool, cotton with hemp, cotton with viscose and 100% tencel, among others. The Company's garmenting department develops denim apparel samples for customers.

The year that was

The performance of the denim business improved considerably; the unit recorded a positive bottomline in the fourth quarter. Increased volumes from existing customers and customer addition enhanced demand that was met by additional fabric volumes (from new looms in the fabric unit). An increased demand for value-added fabrics strengthened profitability.

Business-strengthening initiatives

Shopfloor

- Implemented initiatives for optimising energy and steam consumption.
- Created a line that converted hard waste (from the spinning unit) into yarn and fabric, green fabric into fresh fabric. The line was approved by a respected international brand.

Marketplace

- Added international customers (New Yorker, Mayoral, Pull & Bear) and domestic brands (Louis Philippe, Van Heusen, Allen Solly, US Polo, Izod and Being Human).
- Developed new products namely 3D (provides the fabric with an older look), dobby structures (structure of

Business basics

Production (2014-15)

155.75 metric fabric

5,600 metric tonnes of yarn

Revenue from denims (2014-15)

₹366.87 crore

Export revenue (2014-15)

₹58.23 crore

Domestic business (2014-15)

₹308.64 crore

Investment in business (2014-15)

₹319.24 crore

Contribution to the Company's topline

12.22%

suiting in denim), knit look (impacts a knitted character to the denim fabric), cordura-denim (provides denim fabric with corduroy characteristic of colour fading), neppy, mélange stretches (new range), dual colour, 16-dip indigo, super stretch indigo, all-season fabric (Thermolite and Coolmax) and yarn-dyed shirting, among others.

- Developed value-added indigo-dyed yarn that was accepted by quality-conscious clients.

The growth blueprint

The division expects to make a meaningful contribution to the Company's profits through debottlenecking measures, enhanced people productivity and new product development.

1 QUALITY MANAGEMENT



The Mandpam unit is certified with Integrated Management System (IMS), Oeko-Tex, Organic Exchange (OE blended and/or OE 100), GOTS, SA 8000, Fair Trade (FLO), and Global Recycle Standards (GRS) certifications.

Product quality is the ultimate determinant of success in the textile industry. Hence, RSWM is continuously focused on sustaining impeccable product quality across batches. Towards this end, RSWM has invested in cutting-edge automation from globally-reputed textile machinery makers.

In addition, the Company provides extensive training to its team on the finer technical nuances of quality products namely fabric geometry and the inter-relationship of yarn count, loop length, pick count, relaxation and fabric properties. As a result, we have been able to deliver products at par with the best in the industry.

This has resulted in receiving global recognition for the Company's facilities, systems and processes: ISO 9001:2000, ISO 14001, Oeko-Tex, Control Union Certification and SA-8000:2001 certification from BSI Management Systems and Fair Trade certification by FLO-CERT.

2 INFORMATION TECHNOLOGY

The Company will spend ₹20 crore to implement a new ERP solution across all functions of the organisation

At RSWM, information technology is not simply a business function but a critical business driver for ensuring greater productivity and better decision-making.

The Company has put in place a specialised Enterprise Resource Planning (ERP) solution for textile companies which connects all manufacturing locations and customised modules to cater to the needs emanating from functional areas like finance and human resources.

In its constant endeavour to implement

emerging IT tools that facilitate seamless data integration, superior business management and real-time decision making, the Company will spend ₹20 crore to implement a new ERP solution across all functions of the organisation which will also upgrade the IT hardware across functions. This initiative is expected to go live in 2016-17 and will facilitate superior business control and management.

RSWM is well-protected thanks to its efficient data recovery platform for ERP and of its e-mail system as well along with the seamless connection existing between all of its plants/locations.

3 HUMAN RESOURCES



Talent has always been important, but it has become progressively critical because of the increasing complexities, widening ambit of activities and the snowballing importance of domain-specific knowhow. This has created a situation where the performance of talent has a major impact on the bottomline. Cognizant of this reality, RSWM has fostered an environment of continuous learning with a focus on talent as a source of competitive advantage.

During the fiscal gone by, RSWM employees underwent functional and behavioural training, leading to enhanced efficiency. The recruitment process was streamlined and an in-built feedback generating system was implemented to ensure that the performance appraisal system was in line with globally-best standards.

As of 31st March 2015, the Company's workforce comprised 15,217 skilled and dedicated personnel.

Enlisting unbiasedly: RSWM has always led from the front when it

comes to promoting a gender-neutral workplace.

Honing skills: A learning organisation is one which is skilled at creating, acquiring, and transferring knowledge, and at modifying its behaviour to reflect new knowledge and insights. The Company, as such, has prudently devoted resources towards honing the skills of its workforce to usher in continuous improvement. Numerous across-the-table initiatives were undertaken to ensure systematic problem solving, experimentation with new approaches, learning from experience and past history, learning from experiences and industry-best practices, and transferring that knowledge quickly and efficiently throughout the organisation.

Consequently, the Company undertook a programme to raise awareness about the core purposes and values of the Company; ISO 9001:2008 and EMS 14001:2004 compliances; kaizen or continuous improvement; skill development programmes for jobbers, awareness programmes on market complaints, presentations on

the 5S culture, total safety and support system, quality life programmes and online training on topics like IT, helpdesk complaint system and intranet.

Managing performance: The Company cemented its credentials as a forward-thinking corporate by implementing innovative solutions that shrunk process delivery cycles, by laying down stringent parameters to effectively appraise workplace efficiency and by identifying procedural bottlenecks and removing them.

The Company adopted the 'Balanced Scorecard' framework which measures performance on the basis of multiple metrics – financial, customer, internal processes and learning growth. This system has become RSWM's lifeline. The identification of high performers coupled with employee empowerment initiatives is helping create the next generation of leaders.

Improving morale: RSWM's success can be attributed to a cohesive team of employees with a penchant for collaboration and an awareness

of interdependency. Collaborative activities have helped establish a stronger bond between co-workers and more effective communication.

The Company organised a number of indoor and outdoor sporting meets, attracting participation from officers, staff members, workers and family members. The HR teams also organised excursions for the staff and their families in addition to the following initiatives:

- Celebrated national and religious festivals.
- Organised picnics for all staff members and families, tours for the staff and families.
- Organised a sports day and a games extravaganza for workers.

- Observed Women's Day.
- Organised inter-unit tournaments in various disciplines.

Raising awareness: A tangible interdependency between ergonomics and occupational workplace health and safety has been established over the past few years. Moreover, their beneficial impact on a business's productivity and profits are emerging, both directly (such as reduced sick pay and compensation claims) and indirectly (for example, reduced absenteeism, improved corporate reputation and reduced staff churns).

The Company created a safety department and laid down policies, procedures and processes to be

implemented. The team organised a number of seminars for increasing safety awareness where training was imparted by an outstation team. Safety exhibitions and mock drills were organised at regular intervals as well. The Company also translated the "Muratech" manual for the (equipment in Kharigram) from English to Hindi to enhance procedural understanding and hasten troubleshooting. It also organised eye check-up camps for staff and workers, registered with NSDC for vocational training, organised worker awareness exhibitions on "dos" and "don'ts" for the spinning team through posters displayed at different shopfloor locations.

ANALYSIS OF FINANCIAL STATEMENTS



THE SLUGGISH BUSINESS ENVIRONMENT PREVAILING IN 2014-15 IMPACTED THE COMPANY'S FINANCIAL PERFORMANCE WHERE THE TOPLINE GREW MARGINALLY AND THE BOTTOMLINE REGISTERED A DE-GROWTH. BUT THIS COULD HAVE BEEN WORSE HAD THE COMPANY NOT IMPLEMENTED SEVERAL DE-RISKING MEASURES WHICH PARTLY CUSHIONED THE DECLINE IN THE PROFITS AND PROFITABILITY.

STATEMENT OF PROFIT AND LOSS

Revenue from operations: Net revenue increased by 4.70% from ₹2,870.25 crore in 2013-14 to ₹3,003.36 crore in 2014-15. This increase was largely due to growing yarn and denim sales which cushioned the decline in sales volumes of fabrics.

Operating expenses: It comprised total expenses excluding finance cost and depreciation. This expense head increased by 6.01% from ₹2506.86 crore in 2013-14 to ₹2657.47 crore in 2014-15. This increase was largely due to an increase in cotton prices and an increase in the operational scale (consequent to an increase in the

spinning and weaving capacity).

Finance cost: It increased by 2.84% from ₹121.76 crore in 2013-14 to ₹125.22 crore in 2014-15. This increase was owing to a growing reliance on debt – for funding the recently commissioned capacity additions. The interest cover was a healthy 3.01x in 2014-15, showcasing the Company's comfort in servicing its interest liability.

Depreciation: The provision for depreciation grew by 22.20% from ₹110.69 crore in 2013-14 to ₹135.27 crore in 2014-15 due to the capacity addition in the spinning and fabric

business segments.

Profits and margins: The subdued business environment coupled with increased costs impacted business profit and margins.

- EBIDTA declined by 3% from ₹388.79 crore in 2013-14 to ₹377.45 crore in 2014-15 while the EBIDTA margin stood at 13.48% in 2014-15 against 12.52% in 2013-14
- The profit for the year declined by 14.06% from ₹98.80 crore in 2013-14 to ₹84.91 crore in 2014-15; the net margin declined by 61 bps from 3.44% in 2013-14 to 2.83% in 2014-15.

BALANCE SHEET

Capital employed: The capital employed in the business increased by 9.90% from ₹1854.66 crore as on March 31, 2014 to ₹2038.20 crore as on March 31, 2015. This increase was funded by a prudent balance of internal accruals and external debt. The funds were deployed for capacity augmentation and meeting additional working capital requirements. The return on capital employed stood at 11.88% in 2014-15 against 14.99% in 2013-14 – as the new investments are yet to deliver optimum returns.

Shareholders' funds: The balance under this head increased by 12.37% from ₹394.05 crore as on March 31, 2014 to ₹442.80 crore as on March 31, 2015. This increase was due to an increase in share capital and ploughback on business surplus.

Share capital increased as the Company issued 1,36,65,555 Optionally Convertible Redeemable Preference Shares to the shareholders of Cheslind Textiles Ltd. under the merger scheme. Upon conversion, the fully diluted equity will stand at ₹3,339.78 crore.

Non-current liabilities: The balance under this head increased by 8.40% from ₹703.90 crore as on March 31, 2014 to ₹763.02 crore as on March 31, 2015 – the Company added ₹63.24 crore to its long-term debt portfolio sourced from banks. The current maturity of long-term debt stood at ₹175.01 crore as on March 31, 2015 which will be repaid in the current year.

Current liabilities: The balance under this head increased by 9.9% from ₹755.39 crore as on March 31, 2014 to ₹830.18 crore as on March 31, 2015. The increase was on account of an increase in trade payables and other current liabilities. The short-term borrowings stood at ₹447.35 crore as on March 31, 2015

The Company's debt-equity ratio stood at 1.50x as on March 31, 2015 against 1.53x as on March 31, 2014.

Non-current assets: The balance under this head increased by 15.30% from ₹1,114.53 crore as on March 31, 2014 to ₹1,285.02 crore as on March 31, 2015 – a reduction in debtor days from 8 days in 2013-14 to 7 days in 2014-15.

- Tangible assets increased by 10.96% from ₹926.77 crore as on March 31, 2014 to ₹1028.30 crore as on March 31, 2015, consequent to the capitalisation of the new capacities.

- Capital work-in-progress increased by 802.74% from ₹13.99 crore as on March 31, 2014 to ₹126.25 crore as on March 31, 2015. This comprises capital projects which are expected to be commissioned in the current year.

- Non-current investment declined by 28.81% from ₹127.36 crore as on March 31, 2014 to ₹90.67 crore as on March 31, 2015. This decline was due to the merger of the subsidiary Cheslind Textiles with the Company.

Current assets: The balance under this head increased by 1.76% from ₹740.13 crore as on March 31, 2014 to ₹753.17 crore as on March 31, 2015. What is heartening is that the trade receivables balance declined from ₹236.86 crore as on March 31, 2014 to ₹196.96 crore as on March 31, 2015 – a reduction in debtor days from 8 days in 2013-14 to 7 days in 2014-15.

RISK MANAGEMENT

A NUMBER OF QUESTIONS ANSWERED

BUSINESS IS ABOUT TAKING AND MANAGING RISKS. THE RISK PROFILES OF CORPORATES EVOLVE WITH ALTERING BUSINESS DYNAMICS AND GROWTH. RSWM, WHICH HAS GROWN AT A STEADY PACE TO EMERGE AS ONE OF THE LEADING PLAYERS IN THE SYNTHETIC YARN AND TEXTILE SPACE IN INDIA, IS NO EXCEPTION. HENCE, STAKEHOLDER CONCERNs ARE MOSTLY ABOUT HOW THE COMPANY INTENDS TO SUSTAIN ITS GROWTH MOMENTUM IN THE YEARS TO COME.

1

Is the industry growth strong enough to ensure the effective utilisation of additional yarn capacities?

RELEVANCE: THE YARN BUSINESS ACCOUNTS FOR THE LION'S SHARE OF THE COMPANY'S REVENUE PIE.

Mitigation: Favourable government policies implemented by the Central and State Governments have attracted investments in creating spinning capacities. While this could impact the spinning space in general, the impact on RSWM is not expected to be significant for the following reasons:

- Majority of these upcoming capacities will manufacture commodity yarns, a space where the Company's

presence is marginal.

- A bulk of the Company's yarn portfolio comprises specialised yarns; customised yarn comprises more than 25% of the Company's sales volumes.
- A vertically integrated fabrics segment provides sizeable in-house yarn consumption.
- Long business relationships with customers de-risks sales from attrition.

2

How is the Company optimising costs to remain competitive?

RELEVANCE: INCREASING OPERATING COSTS COULD NEUTRALISE RSWM'S COMPETITIVE EDGE ESPECIALLY IN THE LIGHT OF NEW COST-EFFECTIVE GLOBAL TEXTILE HUBS.

Mitigation: The Company has adopted a three-pronged approach to enhance competitiveness.

Automation and modernisation: The Company has consistently invested in modernising its equipment and automating processes. This enhanced productivity and ensured systematic manpower allocation, optimising production costs.

Utilisation of utilities: Power and steam consumption entail considerable expenditure for a textile unit. The Company conducts periodic audits across facilities for identifying areas to optimise power and steam consumption.

Value addition: The Company has consistently climbed the value chain across verticals, strengthening brand relationships and realisations.

3

With no significant capex plans planned, how does the Company expect to sustain growth?

RELEVANCE: THE GROWTH IN THE TEXTILE INDUSTRY IS PRIMARILY DRIVEN THROUGH CAPACITY EXPANSIONS.

Mitigation: The Company added 67,032 spindles, 960 rotors and 50 looms in the three years leading to 2014-15. In 2014-15, the Company added 50 looms to its fabrics unit and set up 25,344 spindles for increasing mélange yarn production

(to be commissioned in 2015-16). The merger with Cheslind is expected to accelerate growth. The Company's 'Vision 2020' has articulated a definite plan related to capacity building.

4

Is the Company prepared to market the incremental volumes following its recent expansion?

RELEVANCE: INABILITY TO MARKET ADDITIONAL PRODUCTION VOLUMES COULD LEAD TO INVENTORY PILE UP, IMPACTING LIQUIDITY AND PROFITABILITY.

Mitigation: The Company balanced domestic and international revenues across product segments. This helped de-risk the Company from an excessive dependence on any single geography. Moreover, the Company forged strong relationships

with key customers across markets. The Company strategically added customers, marketing offices and depots to facilitate the seamless marketing of the incremental production.

5

Does the Company possess the necessary financials to fund its growth?

RELEVANCE: THE TEXTILE INDUSTRY IS CAPITAL-INTENSIVE; CAPACITY AUGMENTATION REQUIRES SIZEABLE FUNDS.

Mitigation: The Company enjoyed a debt-equity ratio of 1.50 (March 31, 2015). Having invested ₹443 crore in three years, the Company will

consolidate operations over 18-24 months and repay ₹375 crore of debt to strengthen its Balance Sheet.



DIRECTORS' REPORT

Dear members

The Directors present the Annual Report together with the audited Balance Sheet and the Statement of Profit and Loss of RSWM Limited for the year ended 31st March, 2015.

Company's Performance

Your Company's performance during the year 2014-2015 is summarized below:

Financial Results

(₹ in Crore)

	2014-15	2013-14
Turnover		
Export	1,024.94	922.56
Domestic	1,989.37	1,961.76
TOTAL	3,014.31	2,884.32
Profit before Interest & Depreciation	377.45	388.78
Less: Interest	(125.22)	(121.76)
Profit before Depreciation	252.23	267.02
Less: Depreciation	(135.27)	(110.69)
Profit/(Loss) before Tax	116.96	156.33
Less: Current Tax	(24.50)	(34.07)
Deferred Tax Liability	(7.55)	(23.46)
Profit/(Loss) after Tax	84.91	98.80
Add: Opening Balance	165.24	110.17
Profit available for appropriation	250.15	208.97

Number of meetings of the board

The particulars of the meetings held during the year along with the details regarding the meetings attended by the directors form part of the Corporate Governance Report.

The composition of the Board and its committees has also been given in detail in the report on Corporate Governance.

Dividend and other appropriations

Your Directors are pleased to recommend a dividend @100% i.e. ₹10/- per Equity Share of ₹10/- each for the year ended the 31st March, 2015. This will absorb an amount of ₹27.78 crore (inclusive of distribution tax). A proposal for confirmation of the dividend for the year ended 31st March, 2015 will be placed before the shareholders at the ensuing Annual General Meeting.

No amount is proposed to be transferred to General Reserve. The amount of ₹ 204.99 crore has been carried over to the next year.

Operational performance

Your Directors inform the members that the operational performance of the Company include the financial performance of the operations of M/s. Cheslind Textiles Ltd. which had since merged with the Company vide orders of the Hon'ble High Court of Rajasthan at Jodhpur and also the Hon'ble High Court of Madras at Chennai. Your Directors are pleased to inform the members that during the year under review, your Company recorded consistent performance vis-à-vis the previous year. The Company maintained its performance despite absorbing higher depreciation charges on account of various expansions which were completed during the year under review. The improved sentiments in the global markets also helped the Company to achieve the better performance. However, the profits of the Company were impacted on account of absorbing of losses and unabsorbed depreciation of erstwhile Cheslind Textiles Limited.

The Company registered increase of 4.51% in its gross turnover from ₹2884.32 crore in 2013-14 to ₹3014.31 crore in 2014-15. The Domestic turnover also registered increase at ₹1,989.37 crore in 2014-15 as against ₹1961.76 crore in 2013-14 whereas Export turnover increased to ₹1,024.94 crore in 2014-15 from ₹922.56 crore in the previous year. The analytical reviews of the Company's performance and its businesses, including initiatives in the areas of human resources and information technology, have been presented in the section on Management Discussion and Analysis of the Annual Report.

Working results of last three financial years 2012-13 to 2014-15 are given in Annexure – 1 and form part of this report.

Expansion and modernisation

Your Directors feel great pleasure in informing the members about the completion of its expansion projects involving setting up of 25,344 spindles for mélange yarn at Kanya Kheri, Bhilwara which will be commission shortly. Further, 50MT Green Polyester Fibre Project at Ringas and installation

of 50 looms at Mordi, Banswara Unit have already been commissioned. Your Directors informed the members that the full benefits of these expansions would be reaped in the current financial year with the full working of these expansions.

Your Directors inform the members that the capex proposal for modernization of fabric division amounting to ₹3.17 crore and the modernization of Bagalur Unit of erstwhile Cheslind Textiles Limited amounting to ₹10 crore are being under implementation which would be helpful in enhancing the overall profitability of the Company.

Your Directors, with the completion of above expansion programmes, are in the process of firming up new initiatives, once the above expansion programmes are fully stabilized.

Subsidiary company and joint venture

Your Directors in their previous report had informed the members about the Scheme of Amalgamation of M/s. Cheslind Textiles Limited, subsidiary of your Company. Your Directors informed the members that your Company obtained all the regulatory approvals as well as the approval of Shareholders and Creditors of the Company during the period under review. Yours Directors gladly inform the members that the Hon'ble High Court of Rajasthan at Jodhpur sanctioned the Scheme of Amalgamation on 26th March, 2015 and subsequently the Hon'ble High Court of Madras at Chennai also sanctioned the scheme on 31st March, 2015 which became effective with the filing of the orders of the respective High Courts with the Registrar of Companies.

Your Directors informed the members that, accordingly financial statements of the Company have been drawn taking into account the operations of merged entity viz. erstwhile Cheslind Textiles Limited.

Your Directors are hopeful that, with the combined operations of the Company, all the objectives of Scheme of Amalgamation would be achieved in due course.

Your Directors also gladly inform the members that, during the year under review, your Company continuously received wind power supply from LNJ Power Ventures Ltd. which was set up as a Joint Venture Company to supply power to the

Company under a Power Purchase Agreement for 20 years at fixed rate. This has also enabled the Company for meeting its Renewable Power obligations as per Rajasthan Electricity Regulatory Commission's guidelines.

A statement containing the salient features of the financial statements of LNJ Power Ventures in the prescribed format AOC-1 is annexed as Annexure-II.

Contribution to the exchequer

Your Company has contributed an amount of ₹ 102.07 crore in terms of taxes and duties to the Exchequer.

Corporate social responsibility

Corporate Social Responsibility (CSR) had been the core philosophy of the Company since its existence spanning over five decades. For your Company, it is a continuous process wherein the focus is being given on creating new opportunities, providing education, helping the people in various ways and make them self reliant.

With the Corporate Social Responsibility now becoming the statutory obligation, your Directors had during the year under review, formally constituted a Corporate Social Responsibility Committee comprising of Shri Arun Churiwal, Shri Riju Jhunjhunwala and Shri Amar Nath Choudhary. Your Directors, upon recommendation of the CSR Committee, adopted CSR Policy during the year and initiated the implementation.

The detail of the CSR spend by the Company is enclosed as Annexure - III forming part of this report.

Directors' responsibility statement

Pursuant to Section 134(3) (c) of the Companies Act, 2013, the Directors state that:

- in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed and no material departures have been made from the same;
- appropriate Accounting Policies have been selected and applied consistently and they have made judgments and

estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company on 31st March, 2015 and of the Profit and Loss of the Company for the year ended on that date;

- 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;
- the Annual Accounts 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.

Energy conservation, technology absorption and foreign exchange earnings and outgo

The information required to be disclosed pursuant to Section 134(3) (m) of the Companies Act, 2013 read with the Rules, 8(3) of the Companies (Accounts) Rules, 2014 is given in Annexure – IV forming part of this Report.

Extract of annual return

Pursuant to section 92 of the companies Act, 2013 read with Rule 12 of The Companies (Management and administration) Rules, 2014, the Extract of Annual Return in prescribed format MGT-9 is annexed as annexure – V.

Directors & Key Managerial Personnel

Your Directors in their previous report informed the members about the resignation of Shri L. N. Jhunjhunwala, Chairman-Emeritus and the founder of the Company as well as the Group from the directorship of the Company. Your Directors had also informed the members that Shri L. N. Jhunjhunwala upon the unanimous request of the Board of Directors had

agreed to continue as Chairman—Emeritus. Your Directors are utmost thankful to Shri L. N. Jhunjhunwala for his continuous guidance to them and the Company.

Shri Ravi Jhunjhunwala and Shri Arun Churiwal, Directors retire by rotation and being eligible offer themselves for re-appointment.

As informed to the members in the previous report by your Directors, Dr. Kamal Gupta, Shri D. N. Davar, Shri Amar Nath Choudhary and Shri Sushil Jhunjhunwala, Independent Directors were appointed for a term of 5 years by the Shareholders at the last Annual General Meeting held on the 16th September, 2014. Shri P. S. Dasgupta, Independent Director was also appointed for a term of 4 years at the same Annual General Meeting.

During the period under review, EXIM Bank has withdrawn its nomination of Shri T. G. Regunathan as its Nominee-Director on the Board of Directors of the Company. The Board places on record its deep appreciation for the services rendered by Shri T. G. Regunathan during his tenure.

Your Directors further inform the members that, during the year under review, Smt. Geeta Mathur was appointed as an Additional Director in the category of Independent Director. Smt. Geeta Mathur brings with her vast experience in the field of Banking and Finance. Your Directors take this opportunity to welcome Smt. Geeta Mathur on the Board of Directors. The proposal for confirmation of her appointment as an Additional Director as well as Independent Director for a term of 5 years shall be put up before the ensuing Annual General Meeting.

Your Directors further inform that, during the year under review, Shri J. C. Laddha was re-appointed as Executive Director till 31st March, 2015 after the expiry of his term on 31st December, 2014. However considering his experience and contributions towards the Company, your Directors requested Shri J. C. Laddha to continue as Non-Executive and Non-Independent Director w.e.f. 1st April, 2015 which was accepted by him. Further, your Directors taking into consideration the succession planning at the

top Management of the Company, reappointed Shri Arun Churiwal, whose term was due to expire on the 16th March, 2015 as the Managing Director of the Company for a period upto the 31st March, 2016. Shri Riju Jhunjhunwala was also re-designated as Managing Director w.e.f. 10th February, 2015 for his remaining tenure upto the 30th April, 2016.

Your Directors further inform the members that declarations has been taken from the Independent Directors at the beginning of the financial year stating that they meet the criteria of independence as specified under sub-section (6) of Section 149 of Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges.

During the year, Shri Arun Churiwal, Managing Director of the Company, Shri Surender Gupta, Company Secretary of the Company and Shri B. M. Sharma, Chief Financial Officer of the Company were designated as Key Managerial Personnel.

Directors' appointment and remuneration policy

Pursuant to the provision of Section 178 of the Companies act, 2013 and Clause 49 of the Listing Agreement the Board of Directors on the recommendation of Nomination and Remuneration Committee has framed a policy for the appointment of Directors and Senior Management and their remuneration. The policy forms part of the Board Report and is annexed as Annexure VI.

Annual evaluation by the board

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing agreement, the annual evaluation has been made by the Board of its own performance, its committees and the individual directors. The manner of evaluation is mentioned in the Nomination and Remuneration policy which forms part of Board Report.

Particulars of loans, guarantees or investments

Details of loans, Guarantees and Investments are given in the notes to the Financial Statements at appropriate places.

Particulars of contracts or arrangements with related parties

All contracts/ arrangements/ transactions entered into by the Company during the financial year with the related parties are on arm's length basis and in the ordinary course of business. During the financial year, there was no material contracts or arrangements entered into by the Company with any of the related party. Your Directors draw attention of the members to note 41 to the financial statement which contain particulars with respect to related parties. The policy on dealing with the related party transactions as approved by the Board of Directors is disclosed on the website of the Company under the following link:

http://www.rswm.in/pdf/Policy_on_Related_Party_Transaction.pdf

Significant and material orders passed by the regulators or courts

During the year under review, the Hon'ble High Court of Rajasthan at Jodhpur has approved the merger of Cheslind Textiles Limited with the Company vide its order dated 26th March, 2015.

Further, the Hon'ble High Court of Rajasthan at Jodhpur dismissed the petition challenging constitutional validity of Entry Tax vide its order dated 11th December 2014. For details in this regard, the shareholders can refer to note no 31 in the notes on accounts.

Risk management policy

The Company has adopted the risk management policy which aimed at creating and protecting shareholders value by minimizing threats and losses and identifying and maximizing opportunities. Your Directors periodically review the risks associated with the business or which threaten the prospects of the Company.

Internal control systems

Your Company is having adequate internal control systems to ensure that all the assets are properly safeguarded, that the information provided to the management is reliable; all the obligations of the Company are properly adhered to.

Your Directors also assess opportunities for improvement in systems and controls and provide value added services to the organization after it is reviewed by the Audit Committee and the Board. The up-gradation of ERP is made at regular interval to ensure the reliability of financial and other information. The annual operating plan is submitted to the Audit Committee for review and concurrence and the findings of internal audit are reported to the Audit Committee on quarterly basis. The Audit Committee then addresses the significant issues raised by the auditors. With the diversification of portfolio of the Company, the risk associated with the business also gets diversified. In order to minimize the risks your Company believes in strengthening the internal control system to continuously monitor the business of the Company.

Particulars of employees

The information pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, of the employees is annexed as Annexure - VII

Further pursuant to Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the relevant statement is annexed as Annexure - VIII.

Auditors

Statutory Auditors

The Company's Auditors M/s. S. Bhargava Associates, Chartered Accountants (Firm Registration No. 003191C) and M/s. S. S. Kothari Mehta & Co., Chartered Accountants (Firm Registration No. 000756N) who retires at the conclusion of the ensuing Annual General Meeting, are eligible for re-appointment. Further, they have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed thereunder.

Internal Auditors

Your Directors, during the year under review, appointed M/s. P. K. Deora & Co., Chartered Accountants (Firm Reg. No. 004167N), M/s. Doogar & Associates, Chartered Accountant (Firm Reg. No. 000561N) and M/s. SSMS & Associates, Chartered Accountants (Firm Reg. No. 019351C) to act as

the Internal Auditors of the Company for the financial year 2014-15, pursuant to Section 138 of the Companies Act, 2013 read with The Companies (Accounts) Rules, 2014,

Secretarial Auditor

Your Directors, during the year under review, also appointed Shri Mahesh Gupta, Practicing Company Secretary (Membership No. FCS 2870 and CP No.1999) Proprietor of M/s Mahesh Gupta & Company, Company Secretaries, Delhi as the Secretarial Auditor of the Company for the financial year 2014-15, pursuant to Section 204 of the Companies Act, 2013 read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Report of Secretarial Audit is annexed as Annexure IX.

Cost Auditor

Your Directors inform the members that Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Rules, 2014 and Notification issued by Ministry of Corporate Affairs dated 31st December, 2014, the textile Companies were notified to get its cost records audited from the financial year commencing on or after 1st day of April, 2015. Accordingly your Directors appointed M/s N D Birla & Company, Cost Accountants, Ahmedabad, (Firm Reg. No. 000028) as the Cost Auditor of the Company.

Corporate governance

Report on Corporate Governance along with the Certificate of Auditors M/s S. Bhargava Associates, Chartered Accountants (Firm Registration No. 003191C), 1, Pareek College Road, Bani Park, Jaipur (Rajasthan) and M/s. S. S. Kothari Mehta & Co., Chartered Accountants (Firm Registration No 000756N), 146-149, Tribhuvan Complex, Ishwar Nagar, Mathura Road, New Delhi-110065, confirming compliance to conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement, form part of the Annual Report.

Whistle blower policy

Your Directors inform the members that with the objective of pursuing the business in a fair and transparent manner by

adopting the highest standards of professionalism, honesty, integrity and ethical behavior and to encourage and protect the employees who wish to raise and report their genuine concerns about any unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct, the Company has adopted a Whistle Blower Policy. The Policy adopted by the Company contains a framework whereby the identity of the complainant is not disclosed. The policy has been disclosed on the website of the Company, the link of which is given hereunder:

http://www.rswm.in/pdf/whistle_blower_policy.pdf

Management discussion and analysis report

Management discussion and analysis report, as required by Clause 49 of Listing Agreement, forms part of the Annual Report.

Acknowledgements

Your Directors take this opportunity to thank Customers, members, suppliers, bankers, business partners / associates, Central and State Governments for their consistent support and co-operation extended to the Company. We also acknowledge the significant contribution made by the employees for their dedication and hard work and trust reposed on us. We look forward to have the same support in our endeavor to help the Company to grow faster.

For and on behalf of the Board

RAVI JHUNJHUNWALA

Place: Kharigram (Rajasthan)

Chairman

Date: 8th May, 2015

DIN - 00060972

ANNEXURE – I TO DIRECTORS' REPORT

WORKING RESULTS

	Particulars		2014-15	2013-14	2012-13
I	PRODUCTION				
	YARN				
A	Own	In Tonnes	1,33,106	1,24,428	1,15,720
B	Job Spinning from outside (Domestic)	In Tonnes	-	-	-
	TOTAL		1,33,106	1,24,428	1,15,720
	FABRIC & DENIM				
	Own	(In ,000 meters)	32,903	33,702	27,517
	Job Weaving from outside	(In ,000 meters)	-	-	321
	TOTAL		32,903	33,702	27,838
II	TURNOVER	(₹ in lac)			
	YARN				
A	Domestic				
	Grey Yarn		1,06,648	1,03,839	90,373
	Dyed Yarn		55,943	59,763	53,984
	Job Spinning		1,050	926	757
			1,63,641	1,64,528	1,45,114
B	Export				
	Grey Yarn		63,519	53,270	41,893
	Dyed Yarn		29,352	29,132	22,187
			92,871	82,402	64,080
	Inter Unit/Division Transfer/job receipt		6,761	6,260	5,413
			2,49,750	2,40,670	2,03,781
	FABRIC & DENIM				
A	Domestic		36,541	34,642	31,755
B	Export		10,298	9,516	7,939
	Inter Unit/Division Transfer		-	1	-
			46,839	44,157	39,694

	Particulars	2014-15	2013-14	2012-13
	PROCESSING CHARGES			
	Weaving Charges	5	5	85
	Processing Charges	1,403	1,817	1,949
		1,408	1,822	2,034
	Inter Unit/Division Transfer	-	-	-
		1,408	1,822	2,034
	WASTE			
A	Domestic	4,100	2,578	1,941
B	Export	-	-	-
		4,100	2,578	1,941
	Inter Unit/Division Transfer	667	794	346
		3,433	1,784	1,595
	Total	3,01,431	2,88,433	2,47,104

ANNEXURE- II TO DIRECTORS' REPORT

FORM: AOC-I

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates/Joint Ventures	LNJ Power Ventures Limited
1. Latest audited Balance Sheet Date	31 March, 2015. (Unaudited)
2. Shares of Associate/Joint Ventures held by the company on the year end	
No.	2,60,000
Amount of Investment in Associates/Joint Venture	₹26 lacs
Extent of Holding%	26%
3. Description of how there is significant influence	No Significant influence.
4. Reason why the associate/joint venture is not consolidated	Bhilwara Energy Ltd (BEL) is promoter-member of LNJ Power Ventures Ltd and RSWM Ltd is user-member. According to Agreement between shareholders, BEL shall have the responsibility of the day to day management and control and user member (RSWM) shall have no Operational or management rights in relation to the Associate Company.
5. Net worth attributable to shareholding as per latest audited Balance Sheet	₹105.10 lacs (26% of ₹404.24 lacs).
6. Profit/Loss for the year	₹375.72 lac (PAT)
i. Considered in Consolidation	Not Considered.
ii. Not Considered in Consolidation	₹375.72 lacs.

- Names of associates or Joint Ventures which are yet to commence operations. – NA
- Names of associates or Joint ventures which have been liquidated or sold during the year- NA

For and on behalf of Board of Directors

Sd/- Ravi Jhunjhunwala Chairman DIN: 00060972	Sd/- Arun Churiwal Managing Director & CEO DIN: 00001718	Sd/- Riju Jhunjhunwala Managing Director DIN: 00061060	Sd/- Prakash Maheshwari Executive Director DIN: 02388988
Sd/- B. M. Sharma Chief Financial Officer M. No. FCA 35012	Sd/- Surender Gupta Company Secretary M. No. FCS 2615		

ANNEXURE III TO DIRECTOR'S REPORT

Annual Report on Corporate Social Responsibility (CSR) for the financial year 2014-15

1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to web-link to the CSR policy and projects or programs.

A brief outline of the Company's CSR policy is given hereunder

- To develop a foundation, which shall take up all the CSR initiatives being carried out by the Company. This foundation will also take up specific CSR projects with defined objectives, budget and timelines for delivery.
- To develop and institutionalize mechanisms and systems for identification, implementation and monitoring of CSR initiatives/projects.
- To implement CSR initiatives/projects in the geographical vicinity of the manufacturing units.
- To implement CSR initiatives/projects preferably in the economic vicinity of its business operations.
- To create and develop sustainable models of socio-economic development with active inputs and participation of the target audience. These models should become self-sustainable in terms of implementation and financial support over a period of time.
- To collaborate with Government bodies/agencies and other NGOs for selected developmental initiatives/projects in the region.
- To collaborate with local communities and concerned institutions for implementation of developmental initiatives/projects.

- To seek voluntary contributions from its manpower assets for participation in the implementation of these initiatives/projects.
- To ensure that these initiatives and developmental projects are in line with the statutory guidelines provided by Government and statutory agencies on Environmental, Health and Safety.

Overview of projects or programmes undertaken is given in the Para 5 C of this statement.

The web link of CSR Policy of the company is stated herein below;

http://rswm.in/pdf/RSWM_CSR_POLICY.pdf

2. The Composition of CSR Committee.

Shri Arun Churiwal (Chairman)
Shri Riju Jhunjhunwala
Shri A. N. Chaudhary

3. Average net profit of the Company for last three financial years.

Average net profit: ₹ 7460.12 lac

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)

The Company is required to spend ₹ 149.20 lac

5. Details of CSR spent during the financial year;

(a) Total amount to be spent for the financial year;

₹ 149.20 lac

(b) Amount unspent, if any;

₹ 24.09 lac

(c) Manner in which the amount spent during the financial year is detailed below.

₹ In lacs

Sr. No.	CSR Project or activity Identified	Sector in which the Project is covered	Locations District & State where the projects or programs was undertaken	Amount Outlay (Budget) project or Program wise	Amount spent on the Project or Programs	Cumulative Expenditure upto reporting period	Amount spent: Direct or through implementing agency
(i)	Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;	Sanitation and safe Drinking Water	Banswara, Bhilwara & Sikar (Rajasthan)	36.00	23.19	23.19	Direct
(ii)	Promoting education, including special education and employment enhancing vocation skills especially among children , women, elderly, and the differently abled and livelihood enhancement projects;	Promoting Education	Banswara, Bhilwara, Udaipur & Sikar (Rajasthan)	15.00	17.78	17.78	Direct
(iii)	Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backwards groups;	Empowering Women	Bhilwara (Rajasthan)	8.00	0.26	0.26	Direct
(iv)	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water	Ensuring environment sustainability, ecology balance	Banswara, Bhilwara (Rajasthan)	7.00	4.78	4.78	Direct
(v)	Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art, setting up public libraries, promotion and development of traditional arts and handicrafts;	Protection of National Heritage	Banswara, Udaipur, Sikar (Rajasthan)	23.00	22.01	22.01	Direct
(vi)	Measures for the benefit of armed forces veterans, war widows and their dependants;	-	-	1.00	-	-	-

Sr. No.	CSR Project or activity Identified	Sector in which the Project is covered	Locations	Amount Outlay (Budget) project or Program wise	Amount spent on the Project or Programs	Cumulative Expenditure upto reporting period	Amount spent: Direct or through implementing agency
			District & State where the projects or programs was undertaken				
(vii)	Training to promote rural sports, nationally recognized sports, Paralympics sports and Olympic Sports;	Training to Promote Rural Sports	Banswara, Bhilwara (Rajasthan)	4.00	4.31	4.31	Direct
(viii)	Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for Socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;	Contribution to Prime Minister Relief Fund	Bhilwara (Rajasthan)	1.00	0.51	0.51	Government
(ix)	Contribution or funds provided to technology incubators located within academic institutions which are approved by the Central Government;	-	-	-	-	-	-
(x)	Rural development projects	Road for village	Banswara, Bhilwara (Rajasthan)	55.41	21.00 31.27	21.00 31.27	Government Direct
	TOTAL			150.41		125.11	

6. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the reasons for not spending the amount in its Board report.

Some CSR activities could not be completed before 31st March, 2015 and thus budgeted funds remained partially unutilized. These activities will be completed in financial year 2015-2016 and funds would be utilized accordingly. CSR spend during financial year 2015-2016 shall be in addition to unspent funds of financial year 2014-2015.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in

compliance with CSR objectives and of the company.

The object of the CSR is met keeping into consideration the agreed schedules, with definitive and clear objectives and dialogue with the stakeholders and sharing of knowledge and building of trust.

Sd/-

Arun Churiwal
(Managing Director, CEO
and Chairman CSR Committee)

DIN: 00001718

Sd/-

Riju Jhunjhunwala
(Managing Director)

DIN: 00061060

ANNEXURE –IV TO DIRECTORS' REPORT

Particulars of Energy Conservation , Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts)Rules, 2014

Energy Conservation

A) Energy Conservation Measures Taken during the year:

Energy Conservation dictates that how much concerned a Company is in conducting its business operations with minimisation of power units and decreasing the side effects of global warming. The Company has undertaken following major steps.

I) SPINNING

Variable Frequency Drive:

- Installed for S/A & R/A fan in H-Plant to control the fan speed according to season.
- Installed on Main Centrifugal Fan of waste collection motors through suction pressure feedback.
- VFD with panel on Auto coner machines & B/ Room Transport Fans.
- Installed on Pumps in H-plant to control Air Washer optimisation as per season to control % RH.
- Installed on Sch.238 Autoconers suction pressure monitoring & control.
- Installed on China's Carding WCS system (55 KW).
- Installed on Dyeing m/c's of 300 kg. & 400 kg.
- Installed on 6 TPH Boiler & ID Fan.
- Installed on Ring Frame's LR 6 & G5/1.

Energy Efficient Motors:

- Replaced existing 92% efficiency motors with 94.5% efficiency motors on G5/1 and Jingwei Ring Frame.
- Main motors replaced in Chinese Ring Frames.
- Installed on Carding and DO/2S D/F Machines.

Utility & Others:

- Replaced conventional Tube Lights by LED Lights.

- Replaced GA22 Compressor (100 CFM) by new VFD based compressor (70 to 140 CFM).
- TFO speed optimised (reduction of speed by 500 RPM) cost of pulley change (Recommended by E-Cube).
- Installed Del-Star Unit on TFO in M1-7.

II) FABRIC

- Replaced High Squeezing Roberto roll in Mangle in place of Rubber Roll in VDR and Stenter M/c.
- Executed Steam Saving Projects successfully.
- Replaced conventional Tube Lights by LED Lights.
- Installed VFD for S/A & R/A fan in H-Plant to control the fan speed according to season.

III) THERMAL POWER PLANT

- Replaced HPMV / HPSV & GLS lamps by suitable wattage LED lights.
- Optimised Pump running hours with same requirement of water.

IV) DENIM

- Replaced conventional Tube Lights by LED Lights.
- Continuous monitoring of steam and compressed air consumption through internal audit to sustain at optimised level of consumption.
- Converted H Plant SA / RA Fan in Star Connection from Star Delta Connection.
- In Ring Frame Zinser 351 one spindle motor removed from all sixteen machines.

B) Energy Conservation Plan for the Year 2015-16

I) SPINNING

Variable Frequency Drive:

- Install on Dyeing m/c's of 50, 100 & 200 Kg.
- Install on S/A & R/A fan of H-Plant to control the fan speed according to season in M.No.7.

- Install VFD on main centrifugal fan of waste collection motors with suction pressure feedback.
- Install Conversion kit of Variator to VFD on Ring Frame's on G1/5 & LR6.
- Install on Pneumafil fan motor of Ring frames with suction pressure feedback system.
- Install on suction fan of Simplex machine.
- Install on mechanical Doffing System of Carding m/cs.
- Installation at Bale Press.

Energy Efficient Motors:

- Replace low efficiency 30 KW Motor by IE3 Motor in H Plant of M7.
- Replace Main Motor of Chinese Ring Frame by IE3 motors.
- Replace old low efficiency SAF & RAF motors with IE3 motors.

Utility & Others:

- Replace conventional Tube Lights by LED Lights in all Units (As decided in GECC).
- Replace Conventional High wattage flood light in Switch yard & Dye house with LED lights.
- Replace Air Washer Pumps in H Plant Pump by High Efficient Pump.
- Install Steam heaters in Carding Department for winter.
- Replacement of Low efficient & High power consumption Air compressor with High efficiency Air Compressor.
- Install Auto Fuel Feeding system on 6 TPH Boiler.
- Replacement of High losses Aluminium wounded Transformer by Copper wounded Transformer.
- To save energy from leakages / losses of Compressed Air Network by undergoing AMC

with external expert agency for all units.

- Replacement of Low efficient & multiple rewound pumps by latest technology energy efficient Mono Block pumps.
- As recommended by Oerlikon install Retrofit suction arrangement in 338 Autoconers.
- Conversion of t flat belt pulley system to grooved pulley and belt system of Ring Frame.
- Install Solar Water Heater to raise water inlet temperature of YCP.
- Install Occupancy Sensors in Offices, Lobby and Corridor to switch off lights automatically in absence of person.
- Energy Saving in terms of reduction in motor losses through specialised motor winding on 7.5 KW motor of weaving machines model P7100.
- Replace conventional Tube Lights by LED Lights in all Units (In Warping Section).

II) FABRIC

- Replace Air Washer Pumps in H Plant Pump by High Efficient Pump with lowering the pump capacity.
- Install 4 KW Single Stage Vertical Pump at RO water Supply by 5.5 KW (Permit Pump).
- Install high efficient RO Reject water pump in place of low efficient pump of same capacity.
- Install high energy efficient pump of 7.5 KW / 5.5 KW in place of low efficient pump of in H Plant & Softening plant.
- Replacement of SA Fan motor with increase in RPM from 935 to 1440 rpm of same capacity motors of 22 KW & 18.5 KW.
- Replace conventional Tube Lights by LED Lights.
- Replacement of conventional HPMV flood lights & Street lights by LED type light of suitable wattage.

- To conduct Harmonic study of plant & further installation of Filters to minimise Harmonics level which results in Electronic failure / malfunctioning.
- III) THERMAL POWER PLANT**
- Conversion of Air Cooled packaged AC unit by water cooled packaged AC.
 - Replace conventional Tube Lights by LED Lights.
 - Install 3 phase Stabilizer to optimize required voltage for lighting of plant and colony.

IV) DENIM

- Install VFD of suitable capacity in Carding WCS, IFR machine, Stenter, Fan motor of Pad Steamer machine.
- Replace conventional Tube Lights by LED Lights.
- Replace 150 W Street Light by 60 W LED.

C) Steps taken by the Company for utilising alternate source of energy.

Company is producing and getting power from 20 MW WIND POWER PROJECT at Jaisalmer (Rajasthan)

C. Capital Investment under Energy Conservation Equipments

Manufacturing Location	Capital Investment on Energy Saving Equipments (` in lacs)	Energy Saved in MU (Kwh)	Amount saved from Energy Saving (` in lacs)
Kharigram, Bhilwara	48.00	1.258	76.98
Lodha, Banswara	47.39	0.711	42.68
Mandpam, Bhilwara	40.00	0.393	23.60
Rishabhdev, Udaipur	20.53	0.532	37.22
Ringas, Sikar	6.00	0.698	42.76
Bagalur, Tamilnadu	9.70	1.094	48.50
Denim, Mordi, Banswara	4.35	0.721	43.30
TPP, Mordi, Banswara	1.50	0.048	3.40
Total	177.47	5.455	318.44

Technology Absorption

A) Major efforts made towards technology absorption

- Export Segment made commercially successful with continual business and considerable increase in specialty products meant for Home Furnishing & Carpet Pile Application.
- New blends like Cotton/Linen (OE), Excel 100%, Excel/Silk, Modal/Linen, Modal 100% Melanges, Viscose/Flax, PVC Filacia, Sorona/Cotton, Miyabi Cotton, Recrobulk

Poly Cotton, Bamboo/Wool, Bamboo Linen, Soft Core Lycra, Fancy Doubler Yarns with variations etc. made successfully.

- Three nos. Schlafhorst Autoconer AC-X5 (Germany) installed for balancing the increased production output and also improved yarn clearing efficiency with reduced hard waste, replacing obsolete Muratec 7V's 5 nos. Autoconers.
- QA Lab upgraded with installation of Uster Tester-5,

Premier's latest generation Evenness Tester & Tensomax Strength Tester.

- High Speed Carding machines supported with installation of Continuous Waste Collection System.
- Automatic Robot Based Doffing Trolley System (Imported) installed to support lesser worker's engagement & improved plant performance.
- Retrofit Automatic Doffing System installed successfully for further planning to arrest labour shortage losses due to manual doffing involving more workers.
- Fibre stamping machines installed in Dye House department with considerable improvement in output. This is supported with modification of Continuous Dryers.
- In order to strengthen Zero Discharge Water Management, third stage RO facility installed for Zero Discharge & reduced cost of water treatment at Multi Effect Evaporator.
- High Speed Assembly Winders installed replacing old & obsolete Cheese Winders for quality & productivity improvisation.

- (B) The benefits derived like product improvement, cost reduction, product development or import substitution.
1. Technological investment in some plants has improved process balancing to reduce losses and avoid product complaints.
 2. Export Segment made commercially successful with continual business and considerable increase in specialty products meant for Home Furnishing & Carpet Pile Application.
 3. New blends like Cotton/Linen (OE), Excel 100%, Excel/Silk, Modal/Linen, Modal 100% Melanges, Viscose/Flax, PVC Filacia, Sorona/Cotton, Miyabi Cotton, Recrobulk Poly Cotton, Bamboo/Wool, Bamboo Linen, Soft Core Lycra, Fancy Doubler Yarns with variations etc. made successfully.
 4. Fully equipped zero discharge facility at most of the plant locations has resulted in considerable gain in water treatment & reduce cost apart from improved quality of dyeing and processing.

(C) Information regarding imported technology (imported during last three years)

Details of technology imported	Technology Import From	Year of Import	Status Implementation/absorption
Recycled Fibre Plant	China Texmatech- Co.-China	2014-15	Plant commissioned
Looms	Tekmatex- Japan	2014-15	Plant commissioned
Autoconer	Saurer Schlafhorst- Germany	2014-15/2013-14	Plant commissioned
Blow Room -PVCL Project	Trutzschler-Germany	2013-14	Plant commissioned
SQC. Equipments	Uster Technologies- Switzerland	2013-14/2014-15	Plant commissioned
AFIS PRO2	Allma Volkmann(Saurer)-Germany	2014-15	Plant commissioned
Effluent Treatment Plant	WTT.SR-Italy	2013-14	Plant commissioned
Sussen Elite Compact Set for Ring Frames	Neuenhauser Maschinen BAU GMBH -Germany	2013-14	Plant commissioned
Core Spun Attachment	Pinter S.A.- Italy	2013-14	Plant commissioned
Lycra Attachment	Pinter S.A.- Italy	2013-14	Plant commissioned
Yarn Dying Machines	Thies GMBH-Germany	2013-14	Plant commissioned
Computer Color Matching Equipments	Cubotex SRL-Belgium	2013-14	Plant commissioned

CAPEX PROPOSALS FOR 2015-16

- Fire Diversion System planned supported with Metal Detectors and Sprinkler System at various appropriate places to safe guard facilities from fire occurrence.
- Retrofit Automatic Doffing Attachment finalized for 44 Ring Frames (44352 Spndls) at Cheslind plant to support in improved efficiency with reduced labour short losses.
- Ring Data & Roving Stop Motion System finalised for 42 Ring Frames (42336 Spndls.) at Cheslind Plant to improve plant performance with much reduced waste generation.
- Sewage Treatment Plant finalised at Cheslind Plant.
- 2nd Stage RO Capacity increase finalised at KGM plant to support Zero Discharge at reduced cost of water treatment at MEE.
- Uster Quantum Classimat planned, replacing obsolete Premier Classimat.
- Unimix proposed for installation on Blow Room at Rishabhdev to avoid blend variation with direct feed.
- Centralized Waste Collection System proposed for Lodha Plant to support High Production Cards for improved quality of Cotton Blends.

(D) Expenditure incurred on research and development

₹ in lacs

	2014-15	2013-14
a) Capital	170.79	413.75
b) Recurring	782.88	703.33
Total	953.67	1117.08
Total R & D Expenditure of total turnover	0.32%	0.39%

C. Foreign Exchange Earnings and Outgo-

1. Activities relating to export, initiatives to increase exports, Developments of New export markets for Products and Services and Export Plan.

The Company has continued to maintain focus and avail of export opportunities based on economic consideration. During the year, the company has exports (FOB value) worth ₹ 961.36 crore (\$ 153.20 million).

2. Total Foreign Exchange Earned and Used

	₹ in crore
Foreign Exchange earned in terms of Actual inflows	961.36
Foreign Exchange outgo in terms of Actual Outflows	162.73

ANNEXURE- V TO DIRECTORS' REPORT

EXTRACT OF ANNUAL RETURN

Form No. MGT-9

as on the financial year ended on 31st March, 2015

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

I. REGISTRATION AND OTHER DETAILS:	
i)	CIN:-
ii)	Registration Date
iii)	Name of the Company
iv)	Category / Sub-Category of the Company
v)	Address of the Registered office and contact details
vi)	Whether listed company
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Spinning, Weaving & Processing of manmade textile fabrics	2470	64.22
2	Cotton Spinning & weaving	2352	35.78

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S. No.	Name and address of the company	CIN/GLN	Holding/ subsidiary/ associate	% Of shares held	Applicable section
1	LNJ Power Ventures Limited. 40-41, Community Centre, New Friends Colony, Bhilwara Bhawan, New Delhi - 110065	U74899DL1995PLC065394	Associate	26	2(6)

IV. SHARE HOLDING PATTERN(Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	Promoters									
(1)	Indian									
a)	Individual/HUF	18,08,068	-	18,08,068	7.81	18,08,068	-	18,08,068	7.81	0.00
b)	Central Govt.	-	-	-	-	-	-	-	-	-
c)	State Govt(s)	-	-	-	-	-	-	-	-	-
d)	Bodies Corp.	51,63,816	-	51,63,816	22.31	51,63,816	-	51,63,816	22.31	0.00
e)	Banks/FI	-	-	-	-	-	-	-	-	-
f)	Any other	-	-	-	-	-	-	-	-	-
	Sub-total (A) (1)	69,71,884	-	69,71,884	30.12	69,71,884	-	69,71,884	30.12	0.00
(2)	Foreign									
a)	NRIs - Individuals	-	-	-	-	-	-	-	-	-
b)	Other - Individuals	-	-	-	-	-	-	-	-	-
c)	Bodies Corp.	49,34,770	-	49,34,770	21.32	49,34,770	-	49,34,770	21.32	0.00
d)	Banks/FI	-	-	-	-	-	-	-	-	-
e)	Any Other	-	-	-	-	-	-	-	-	-
	Sub-total (A) (2)	49,34,770	-	49,34,770	21.32	49,34,770	-	49,34,770	21.32	0.00
	Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	1,19,06,654	-	1,19,06,654	51.44	1,19,06,654	-	1,19,06,654	51.44	0.00
B.	Public Shareholding									
1.	Institutions									
a)	Mutual Funds/UTI	15,73,272	3,780	15,77,052	6.81	15,76,474	3,780	15,80,254	6.82	0.01
b)	Banks/FI	14,908	1,048	15,956	0.07	14,072	1,048	15,120	0.07	0.00
c)	Central Govt.	-	-	-	-	-	-	-	-	-
d)	State Govt(s)	-	1,732	1,732	0.01	-	1,732	1,732	0.01	0.00
e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
f)	Insurance Companies	1,38,283	-	1,38,283	0.60	1,38,283	-	1,38,283	0.60	-
g)	FII	-	100	100	0.00	-	100	100	-	-
h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i)	Others (Specify)	-	-	-	-	-	-	-	-	-
	Sub-total (B)(1)	17,26,463	6,660	17,33,123	7.49	17,28,829	6,660	17,35,489	7.50	0.01

	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year		
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares			
2. NON-INSTITUTIONS												
a) Bodies Corp.												
i) Indian	29,08,344	8,322	29,16,666	12.60	19,41,437	8,122	19,49,559	8.42	-4.18			
ii) Overseas	-	-	-	-	-	-	-	-	-			
b) Individuals												
i) Individual shareholders holding nominal share capital upto ₹1 lac	28,44,417	4,60,307	33,04,724	14.27	31,97,373	4,23,776	36,21,149	15.64	1.38			
ii) Individual shareholders holding nominal share capital in excess of ₹1 lac	17,85,924	10,664	17,96,588	7.76	25,31,325	10,664	25,41,989	10.98	3.22			
c) Others (specify)												
i) Trust	100	-	100	0.00	100	-	100	0.00	0.00			
ii) Non Resident Individual	10,69,505	2,829	10,72,334	4.63	9,72,420	2,829	9,75,249	4.21	-0.42			
iii) Foreign Companies	-	4,18,500	4,18,500	1.81	-	4,18,500	4,18,500	1.81	0.00			
Sub-total (B)(2)	86,08,290	9,00,622	95,08,912	41.07	86,42,655	8,63,891	95,06,546	41.06	-0.01			
Total Shareholding of Public (B) = (B) (1)+(B)(2)	1,03,34,753	9,07,282	1,12,42,035	48.56	1,03,71,484	8,70,551	1,12,42,035	48.56	0.00			
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-			
Grand Total (A+B+C)	2,22,41,407	9,07,282	2,31,48,689	100.00	2,22,78,138	8,70,551	2,31,48,689	100.00	0.00			

(ii) Shareholding of Promoters

S. No.	Shareholders' Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1	Shri Lakshmi Niwas Jhunjhunwala	1,37,112	0.59	-	1,37,112	0.59	-	0.00
2	Shri Ravi Jhunjhunwala	8,09,094	3.50	-	8,09,094	3.50	-	0.00
3	Smt. Mani Devi Jhunjhunwala	3,60,208	1.56	-	3,60,208	1.56	-	0.00
4	Shri Riju Jhunjhunwala	1,75,000	0.76	-	1,75,000	0.76	-	0.00
5	Smt. Rita Jhunjhunwala	1,56,048	0.67	-	1,56,048	0.67	-	0.00
6	Smt. Sushila Devi Chokhani	65,332	0.28	-	65,332	0.28	-	0.00
7	Shri Rishabh Jhunjhunwala	40,000	0.17	-	40,000	0.17	-	0.00
8	Lakshminiwas Jhunjhunwala(huf)	35,664	0.15	-	35,664	0.15	-	0.00
9	Ravi Jhunjhunwala (huf)	25,000	0.11	-	25,000	0.11	-	0.00
10	Shri Arun Churiwal	1,610	0.01	-	1,610	0.01	-	0.00
11	Shri Shekhar Agarwal	1,500	0.01	-	1,500	0.01	-	0.00
12	Shri Shekhar Agarwal	1,500	0.01	-	1,500	0.01	-	0.00
13	M/s LNJ Financial Services Ltd.	17,67,394	7.63	-	17,67,394	7.63	-	0.00
14	M/s Purvi Vanijya Niyojan Ltd.	12,18,431	5.26	-	12,18,431	5.26	-	0.00
15	M/ s Nivedan Vanijya Niyojan Ltd.	8,65,074	3.74	-	8,65,074	3.74	-	0.00
16	M/s Investors India Ltd.	4,59,955	1.99	-	4,59,955	1.99	-	0.00
17	M/s Akunth Textile Processors Pvt. Ltd	2,40,000	1.04	-	2,40,000	1.04	-	0.00
18	M/s N.R. Finvest Pvt. Ltd.	2,40,000	1.04	-	2,40,000	1.04	-	0.00
19	M/s Bharat Investments Growth Ltd.	1,44,300	0.62	-	1,44,300	0.62	-	0.00
20	M/s Raghav Commercial Ltd.	1,19,800	0.52	-	1,19,800	0.52	-	0.00
21	M/s Kalati Holding Pvt. Ltd.	1,06,573	0.46	-	1,06,573	0.46	-	0.00
22	M/s India Tex Fab Marketing Ltd.	2,289	0.01	-	2,289	0.01	-	0.00
23	M/s Micro Base Ltd.	36,50,970	15.77	-	36,50,970	15.77	-	0.00
24	M/s Microlight Investments Ltd.	10,85,000	4.69	-	10,85,000	4.69	-	0.00
25	M/s Corn Hill Investments Ltd.	1,98,800	0.86	-	1,98,800	0.86	-	0.00
TOTAL		1,19,06,654	51.44		1,19,06,654	51.44		0.00

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

S. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year			No change during the year	
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			No change during the year	
	At the End of the year			No change during the year	

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

S. No.	Name	Shareholding		Date	Increase / Decrease in shareholding	Reason for increase/ decrease	Cumulative Shareholding during the year (01-04-14 to 31-03-15)	
		No. of Shares at the beginning (01-04-14)/ end of the year (31-03-15)	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
1	IDFC STERLING EQUITY FUND#	15,72,818	6.79	01-Apr-14				
				05-Sep-14	-15,72,818	Transfer	Nil	Nil
		NIL	NIL	31-Mar-15			Nil	Nil
2	FINQUEST SECURITIES PVT. LTD. - CLIENT BENEFICIARY A/C	6,56,819	2.84	01-Apr-14				
				05-Sep-14	-1,47,782	Transfer	5,09,037	2.20
				19-Sep-14	-2,817	Transfer	5,06,220	2.19
				30-Sep-14	-13,951	Transfer	4,92,269	2.13
				30-Jan-15	-50,000	Transfer	4,42,269	1.91
		4,42,269	1.91	31-Mar-15			4,42,269	1.91
3	KESWANI HARESH	5,01,147	2.16	01-Apr-14				
				09-May-14	2,641	Transfer	5,03,788	2.18
				30-Jun-14	-8,435	Transfer	4,95,353	2.14
				11-Jul-14	-2,000	Transfer	4,93,353	2.13
				08-Aug-14	2,164	Transfer	4,95,517	2.14
				22-Aug-14	-2,000	Transfer	4,93,517	2.13
				29-Aug-14	-11,520	Transfer	4,81,997	2.08
				05-Sep-14	-10,000	Transfer	4,71,997	2.04
				12-Sep-14	-1,000	Transfer	4,70,997	2.03
				19-Sep-14	-4,000	Transfer	4,66,997	2.02
				30-Sep-14	429	Transfer	4,67,426	2.02
				10-Oct-14	12,094	Transfer	4,79,520	2.07
				24-Oct-14	923	Transfer	4,80,443	2.08
				21-Nov-14	13,884	Transfer	4,94,327	2.14
				06-Feb-15	-7,000	Transfer	4,87,327	2.11
				13-Feb-15	-13,741	Transfer	4,73,586	2.05

S. No.	Name	Shareholding		Date	Increase / Decrease in shareholding	Reason for increase/ decrease	Cumulative Shareholding during the year (01-04-14 to 31-03-15)	
		No. of Shares at the beginning (01-04- 14)/ end of the year (31-03-15)	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
				20-Feb-15	-5,000	Transfer	4,68,586	2.02
				27-Mar-15	-13,772	Transfer	4,54,814	1.96
		4,54,814	1.96	31-Mar-15			4,54,814	1.96
4	BONANZA PORTFOLIO LTD	4,37,007	1.89	01-Apr-14				
				04-Apr-14	-4,886	Transfer	4,32,121	1.87
				11-Apr-14	-952	Transfer	4,31,169	1.86
				18-Apr-14	-661	Transfer	4,30,508	1.86
				25-Apr-14	-630	Transfer	4,29,878	1.86
				02-May-14	3,044	Transfer	4,32,922	1.87
				09-May-14	100	Transfer	4,33,022	1.87
				16-May-14	340	Transfer	4,33,362	1.87
				23-May-14	-35,784	Transfer	3,97,578	1.72
				30-May-14	-11,918	Transfer	3,85,660	1.67
				06-Jun-14	-6,351	Transfer	3,79,309	1.64
				13-Jun-14	-1,555	Transfer	3,77,754	1.63
				20-Jun-14	-604	Transfer	3,77,150	1.63
				30-Jun-14	14,653	Transfer	3,91,803	1.69
				04-Jul-14	-110	Transfer	3,91,693	1.69
				11-Jul-14	-3,439	Transfer	3,88,254	1.68
				18-Jul-14	-1,013	Transfer	3,87,241	1.67
				25-Jul-14	-8,527	Transfer	3,78,714	1.64
				01-Aug-14	-3,423	Transfer	3,75,291	1.62
				09-Aug-14	-5,916	Transfer	3,69,375	1.60
				15-Aug-14	-3,938	Transfer	3,65,437	1.58
				22-Aug-14	-5,748	Transfer	3,59,689	1.55
				29-Aug-14	-2,776	Transfer	3,56,913	1.54
				05-Sep-14	-4,856	Transfer	3,52,057	1.52
				12-Sep-14	-3,878	Transfer	3,48,179	1.50
				19-Sep-14	-14,724	Transfer	3,33,455	1.44
				30-Sep-14	-1,738	Transfer	3,31,717	1.43
				10-Oct-14	40	Transfer	3,31,757	1.43
				17-Oct-14	-7,557	Transfer	3,24,200	1.40
				24-Oct-14	-2,254	Transfer	3,21,946	1.39
				31-Oct-14	-17,580	Transfer	3,04,366	1.31
				07-Nov-14	-18,660	Transfer	2,85,706	1.23
				14-Nov-14	-30,701	Transfer	2,55,005	1.10
				21-Nov-14	-2,943	Transfer	2,52,062	1.09
				28-Nov-14	-4,196	Transfer	2,47,866	1.07

S. No.	Name	Shareholding		Date	Increase / Decrease in shareholding	Reason for increase/ decrease	Cumulative Shareholding during the year (01-04-14 to 31-03-15)	
		No. of Shares at the beginning (01-04- 14)/ end of the year (31-03-15)	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
				05-Dec-14	-7,678	Transfer	2,40,188	1.04
				12-Dec-14	-5,517	Transfer	2,34,671	1.01
				19-Dec-14	-18,799	Transfer	2,15,872	0.93
				31-Dec-14	-3,126	Transfer	2,12,746	0.92
				09-Jan-15	151	Transfer	2,12,897	0.92
				16-Jan-15	-9,819	Transfer	2,03,078	0.88
				23-Jan-15	-3,812	Transfer	1,99,266	0.86
				30-Jan-15	-350	Transfer	1,98,916	0.86
				06-Feb-15	-15,475	Transfer	1,83,441	0.79
				13-Feb-15	-15,072	Transfer	1,68,369	0.73
				20-Feb-15	-7,545	Transfer	1,60,824	0.69
				27-Feb-15	-9,675	Transfer	1,51,149	0.65
				06-Mar-15	6,578	Transfer	1,57,727	0.68
				13-Mar-15	-1,030	Transfer	1,56,697	0.68
				20-Mar-15	-505	Transfer	1,56,192	0.67
				27-Mar-15	-700	Transfer	1,55,492	0.67
		1,55,492	0.67	31-Mar-15			1,55,492	0.67
5	DELTRA LIMITED	3,90,600	1.69	01-Apr-14		Nil movement during the year		
		3,90,600	1.69	31-Mar-15			3,90,600	1.69
6	RICKY ISHWARDAS KIRPALANI	3,17,910	1.37	01-Apr-14				
				11-Apr-14	-3,017	Transfer	3,14,893	1.36
				18-Apr-14	3,000	Transfer	3,17,893	1.37
				25-Apr-14	-9,000	Transfer	3,08,893	1.33
				02-May-14	-21,229	Transfer	2,87,664	1.24
				09-May-14	-2,000	Transfer	2,85,664	1.23
				16-May-15	2,447	Transfer	2,88,111	1.24
				06-Jun-14	-4,450	Transfer	2,83,661	1.23
				13-Jun-14	-700	Transfer	2,82,961	1.22
				20-Jun-14	-10,000	Transfer	2,72,961	1.18
				18-Jul-14	2,000	Transfer	2,74,961	1.19
				09-Aug-14	2,725	Transfer	2,77,686	1.20
				22-Aug-14	-5,000	Transfer	2,72,686	1.18
				12-Sep-14	3,984	Transfer	2,76,670	1.20
				19-Sep-14	2,000	Transfer	2,78,670	1.20
				25-Sep-14	-3,709	Transfer	2,74,961	1.19
				30-Sep-14	28,182	Transfer	3,03,143	1.31
				17-Oct-14	4,039	Transfer	3,07,182	1.33

S. No.	Name	Shareholding		Date	Increase / Decrease in shareholding	Reason for increase/ decrease	Cumulative Shareholding during the year (01-04-14 to 31-03-15)	
		No. of Shares at the beginning (01-04- 14)/ end of the year (31-03-15)	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
				24-Oct-14	2,000	Transfer	3,09,182	1.34
				31-Dec-14	-2,995	Transfer	3,06,187	1.32
				09-Jan-15	-1,614	Transfer	3,04,573	1.32
				06-Feb-15	-4,605	Transfer	2,99,968	1.30
				13-Feb-15	-29,801	Transfer	2,70,167	1.17
				20-Feb-15	-1,000	Transfer	2,69,167	1.16
				27-Feb-15	-2,000	Transfer	2,67,167	1.15
				06-Mar-15	-5,598	Transfer	2,61,569	1.13
				13-Mar-15	-6,710	Transfer	2,54,859	1.10
		2,50,243	1.08	31-Mar-15	-4,616	Transfer	2,50,243	1.08
7	RUCHIT BHARAT PATEL#	2,40,285	1.04	01-Apr-14				
				25-Apr-14	-5,000	Transfer	2,35,285	1.02
				30-May-14	-9,566	Transfer	2,25,719	0.98
				06-Jun-14	-60,000	Transfer	1,65,719	0.72
				20-Jun-14	-1,104	Transfer	1,64,615	0.71
				30-Jun-14	-53,931	Transfer	1,10,684	0.48
				04-Jul-14	-1,10,684	Transfer	0	0.00
		NIL	NIL	31-Mar-15			0	0.00
8	D AND A FINANCIAL SERVICES PVT. LTD.	2,18,500	0.94	01-Apr-14		Nil movement during the year		
		2,18,500	0.94	31-Mar-15			2,18,500	0.94
9	REMCOM SALES SERVICES PVT. LTD.#	2,17,200	0.94	01-Apr-14				
				11-Apr-14	-17,894	Transfer	1,99,306	0.86
				25-Apr-14	-20,000	Transfer	1,79,306	0.77
				02-May-14	-68,100	Transfer	1,11,206	0.48
				09-May-14	-11,900	Transfer	99,306	0.43
				30-May-14	-50,000	Transfer	49,306	0.21
				06-Jun-14	-15,000	Transfer	34,306	0.15
				20-Jun-14	-5,000	Transfer	29,306	0.13
				30-Jun-14	-5,000	Transfer	24,306	0.10
				04-Jul-14	-14,000	Transfer	10,306	0.04
				11-Jul-14	-10,300	Transfer	6	0.00
				01-Aug-14	-6	Transfer	0	0.00
		NIL	NIL	31-Mar-15			0	0.00
10	BISHWANATH PRASAD AGRAWAL	1,50,000	0.65	01-Apr-14				
				12-Sep-14	3,963	Transfer	1,53,963	0.67
				19-Sep-14	1,000	Transfer	1,54,963	0.67

S. No.	Name	Shareholding		Date	Increase / Decrease in shareholding	Reason for increase/ decrease	Cumulative Shareholding during the year (01-04-14 to 31-03-15)	
		No. of Shares at the beginning (01-04- 14)/ end of the year (31-03-15)	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
				17-Oct-14	1,037	Transfer	1,56,000	0.67
				14-Nov-14	38,000	Transfer	1,94,000	0.84
		1,94,000	0.84	31-Mar-15			1,94,000	0.84
11	IDFC PREMIER EQUITY FUND*	NIL	NIL	01-Apr-14				
				05-Sep-14	15,72,769	Transfer	15,72,769	6.79
		15,72,769	6.79	31-Mar-15			15,72,769	6.79
12	MINAL B. PATEL*	NIL	NIL	01-Apr-14				
		6,90,000	2.98	31-Mar-15	6,90,000	Transfer	6,90,000	2.98
13	DOLLY KHANNA*	NIL	NIL	01-Apr-14				
				13-Jun-14	3,520	Transfer	3,520	0.02
				20-Jun-14	1,500	Transfer	5,020	0.02
				30-Jun-14	1,950	Transfer	6,970	0.03
				25-Jul-14	1,490	Transfer	8,460	0.04
				30-Sep-14	950	Transfer	9,410	0.04
				10-Oct-14	2,550	Transfer	11,960	0.05
				05-Dec-14	1,526	Transfer	13,486	0.06
				19-Dec-14	1,250	Transfer	14,736	0.06
				09-Jan-15	3,390	Transfer	18,126	0.08
				16-Jan-15	13,517	Transfer	31,643	0.14
				23-Jan-15	25,593	Transfer	57,236	0.25
				30-Jan-15	28,562	Transfer	85,798	0.37
				06-Feb-15	3,500	Transfer	89,298	0.39
				13-Feb-15	19,000	Transfer	1,08,298	0.47
				27-Feb-15	2,845	Transfer	1,11,143	0.48
				06-Mar-15	10,500	Transfer	1,21,643	0.53
				13-Mar-15	19,000	Transfer	1,40,643	0.61
				20-Mar-15	9,000	Transfer	1,49,643	0.65
				27-Mar-15	10,000	Transfer	1,59,643	0.69
		1,59,643	0.69	31-Mar-15			1,59,643	0.69
14	NARENDRA LAKHI CHULANI	1,06,402	0.46	01-Apr-14				
				30-May-14	-5,000	Transfer	1,01,402	0.44
				12-Sep-14	5,000	Transfer	1,06,402	0.46
				30-Sep-14	10,000	Transfer	1,16,402	0.50
				10-Oct-14	10,000	Transfer	1,26,402	0.55
				17-Oct-14	10,000	Transfer	1,36,402	0.59
				05-Dec-14	10,000	Transfer	1,46,402	0.63
		1,46,402	0.63	31-Mar-15			1,46,402	0.63

Appeared in the list of top ten shareholders in the beginning of the year. Ceased to be among Top Ten shareholder at the end of the financial year.

* Not appeared in the list of Top Ten shareholders in the beginning of the year. Appeared in the list of Top Ten shareholders at the end of financial year.

(v) Shareholding of Directors and Key Managerial Personnel					
S. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Shri Ravi Jhunjhunwala, Chairman				
	At the beginning of the year	8,34,094*	3.60	8,34,094*	3.60
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No change during the year			
	At the End of the year	8,34,094*	3.60	8,34,094*	3.60
	Shri Shekhar Agarwal, Vice Chairman				
	At the beginning of the year	3,000	0.01	3,000	0.01
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No change during the year			
	At the End of the year	3,000	0.01	3,000	0.01
	Shri Arun Churiwal, Managing Director &CEO (Key Managerial Personnel)				
	At the beginning of the year	1,610	0.01	1,610	0.01
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No change during the year			
	At the End of the year	1,610	0.01	1,610	0.01
	Shri Riju Jhunjhunwala, Managing Director				
	At the beginning of the year	1,75,000	0.76	1,75,000	0.76
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No change during the year			
	At the End of the year	1,75,000	0.76	1,75,000	0.76

* includes 25000 equity shares of Shri Ravi Jhunjhunwala HUF.

Note: Except as mentioned in the above table, no other Directors/KMP of the Company hold any Equity Shares in the Company.

(V)	INDEBTEDNESS				
	Indebtedness of the Company including interest outstanding/accrued but not due for payment				(₹ in lac)
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness	
Indebtedness at the beginning of the financial year					
i) Principal Amount	1,21,127.89	119.99	-	1,21,247.88	
ii) Interest due but not paid	-	-	-	-	
iii) Interest accrued but not due	157.63	-	-	157.63	
Total (i+ii+iii)	1,21,285.52	119.99	-	1,21,405.51	
Change in Indebtedness during the financial year					
• Addition	25,118.38	-	-	25,118.38	
• Reduction	16,950.59	87.50	-	17,038.09	
Net Change	8,167.79	(87.50)	-	8,080.29	
Indebtedness at the end of the financial year					
i) Principal Amount	1,29,153.55	32.49	-	1,29,186.04	
ii) Interest due but not paid	-	-	-	-	
iii) Interest accrued but not due	299.76	-	-	299.76	
Total (i+ii+iii)	1,29,453.31	32.49	-	1,29,485.80	

(vi)	REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL				
	A. Remuneration to Managing Director, Whole-time Directors and/or Manager:				
S. no.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount (₹ in Lacs)
		Shri Arun Churiwal (MD & CEO & KMP)	Shri Riju Jhunjhunwala	Shri J.C. Laddha	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	63.67	53.28	75.66	192.61
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	20.61	16.30	147.32	184.23
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission (Amount)	124.38	93.29	93.29	310.96
	- as % of profit	1%	0.75%	0.75%	-
	- others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total (A)	208.66	162.87	316.27	687.80
	Ceiling as per the Act	Overall ceiling is ₹1244 Lacs (being 10% of the net profits of the Company calculated as per section 198 of Companies Act, 2013).			

B	Remuneration to other directors:							
S. No.	Particulars	Name of Directors						Total Amount (₹ in Lacs)
	1. Independent Directors	Shri Kamal Gupta	Shri D. N. Davar	Shri Sushil Jhunjhunwala	Shri A. N. Choudhary	Shri P. S. Dasgupta	Smt. Geeta Mathur	
	• Fee for attending board committee meetings	12.65	10.95	3.20	6.40	3.40	3.00	39.60
	• Commission	-	-	-	-	-	-	-
	• Others, please specify	-	-	-	-	-	-	-
	Total (1)	12.65	10.95	3.20	6.40	3.40	3.00	39.60
	2. Other Non-Executive Directors	Shri Ravi Jhunjhunwala, Chairman	Shri Shekhar Agarwal, Vice Chairman					
	• Fee for attending board committee meetings	2.65	7.00					9.65
	• Commission	-	-					
	• Others, please specify	-	-					
	Total (2)	2.65	7.00					9.65
	Total (B)=(1+2)							49.25
	Total Managerial Remuneration							*
	Overall Ceiling as per the Act	Overall ceiling is ₹124.38 Lakh (being 1% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013).						

* The Company pays only sitting fee to Non-Executive Directors including Independent Directors for attending the Board meetings and various committees of Directors meetings.

C.	REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD			
S. No.	Particulars of Remuneration	Key Managerial Personnel		
1	Gross salary	Shri Surender Gupta, Company Secretary	Shri. B.M. Sharma, Chief Financial Officer	Total
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	31.11	39.97	71.08
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.23	0.32	0.55
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify...	-	-	-
5	Others, please specify			
	Medical	0.15	0.15	0.30
	LTA	0.70	2.19*	2.89
	Retiral benefits	3.33	5.42	8.75
	Total	35.52	48.05	83.57

* LTA for FY 2013-14 paid in FY 2014-15

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			None		
Punishment			None		
Compounding			None		
B. DIRECTORS					
Penalty			None		
Punishment			None		
Compounding			None		
C. OTHER OFFICERS IN DEFAULT					
Penalty			None		
Punishment			None		
Compounding			None		

ANNEXURE – VI TO DIRECTORS' REPORT

NOMINATION & REMUNERATION POLICY

Pursuant to Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, every Listed Company is required to constitute a Nomination and Remuneration Committee with atleast three or more non-executive Directors, out of which not less than one half shall be independent directors. The Company has already a Remuneration Committee with three Non Executive Independent Directors. In order to align the same with the provisions of the Companies Act, 2013, and the Listing Agreement as amended from time to time, the Board of Directors at their meeting held on the 22nd April, 2014, renamed the "Remuneration Committee" as "Nomination and Remuneration Committee".

The Nomination and Remuneration Committee and its Policy being in compliance with the provisions of Section 178 of the Companies Act, 2013, read with the applicable Rules so also, Clause 49 of the Listing Agreement, applies to the Board of Directors, Key Managerial Personnel and the Senior management Personnel of the Company.

"Key Managerial personnel (KMP) means and comprise-

- Managing Director & Chief Executive officer;
- Whole-time Director;

- Company Secretary;
- Chief Financial Officer;
- Such other Officer as may be prescribed.

Senior Management comprise the personnel of the Company who are members of its core management team, excluding the Board of Directors, so also, that would also include all members of management one level below the Executive Directors, including Functional Heads.

Role and Objective of Committee:

1. To Formulate the criteria for determining qualifications, positive attributes and independence of a Director.
2. Identify persons who are qualified to become Directors and who may be appointed in senior management positions in accordance with the criteria laid down in the policy.
3. Recommend to the Board the appointment and removal of Directors and Senior Management.
4. Carry out evaluation of every Director's performance.
5. Formulate criteria for evaluation of Independent Directors and the Board.
6. Recommend to the Board a Policy, relating to the

- remuneration for the directors, key managerial personnel and Senior management.
7. To devise a policy on Board diversity.
 8. To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run Company successfully.
 9. To ensure the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
 10. To develop a Succession Plan for the Board and to review it regularly.
 11. To perform such other functions as may be referred by the Board or be necessary in view of the Listing Agreement and the provisions of the Companies Act, 2013 and Rules made thereunder.

Membership :

1. The Committee shall comprise at least three (3) Directors, all of whom shall be non-executive Directors and at least half of them shall be independent.
2. Minimum two (2) members shall constitute a Quorum for a Committee meeting.
3. Membership of the Committee shall be disclosed in the Annual Report.
4. Term of the Committee shall be continued unless terminated by the Board of Directors.

Chairman:

1. Chairman of the Committee shall be an Independent Director.
2. Chairperson of the Company may be appointed as a member of the Committee but shall not Chair the Committee.
3. In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
4. Chairman of the Nomination and Remuneration Committee could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

Frequency of Meetings:

The meeting of the Committee shall be held at such regular intervals as may be required.

Committee Member's Interests:

1. A member of the Committee is not entitled to be

present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

2. The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

Voting :

1. Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall, for all purposes, be deemed to be a decision of the Committee.
2. In the case of equality of votes, the Chairman of the meeting will have a casting vote.

Appointment of Directors/KMP/Senior Officials:

While recommending a candidate for appointment, the Committee shall have regard to:

- Assessing the appointee against a range of criteria which includes but not limited to qualifications, skills, experience, background and other qualities required to operate successfully;
- The experience and knowledge that the appointee brings to the role of KMP/Senior Officials, which, in turn, will enhance the skill sets and experience of the Board as a whole;
- The nature of existing positions held by the appointee including directorship and such other relationship and the impact of the same on the Company's welfare.

Letter of Appointment:

Each Director/KMP/Senior Official is required to sign the duplicate copy of the letter of appointment issued by the Company, which contains the terms and conditions of his/her appointment.

Policy on Board Diversity:

The Nomination and Remuneration Committee shall ensure that the Board of Directors have the combination of Directors from different areas/fields or as may be considered appropriate in the best interests of the Company. The Board shall have atleast one Board member who has accounting/financial management expertise.

Remuneration of Directors, Key Managerial Personnel and Senior Management:

The salaries of Directors, Key Management Personnel and other senior officials shall be based and determined on the

individual person's responsibilities and performance and in accordance with the limits as prescribed statutorily, if any.

1. Fixed Pay :

Managerial Person, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force. The salary paid need to be competitive and reflective of the individual's role, responsibility and experience in relation to performance of day-to-day activities to be usually reviewed on an annual basis;

2. Minimum Remuneration :

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Person in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.

3. Provision for excess remuneration :

If any Managerial Person draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company.

The Company shall not waive recovery of such sum refundable to it, unless permitted by the Central Government.

4. Increment :

Increments to the existing remuneration/compensation structure may be recommended by the Committee to the Board, which should be within the slabs approved by the Shareholders in the case of Managerial Person.

Remuneration to Non-Executive/Independent Director:

1. Remuneration/Commission:

The remuneration/commission shall be in accordance with the statutory provisions of the Companies Act, 2013, and the Rules made there under for the time being in force.

2. Sitting Fees:

The Non- Executive/Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee(s) thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or

Committee or such amount as may be prescribed by the Central Government from time to time.

Other Provisions:

- Section 197(1) of the Companies Act, 2013 provides for the total managerial remuneration payable by the Company to its Directors, including Managing Director and Whole Time Director, and its Manager in respect of any financial year shall not exceed eleven percent of the net profits of the Company computed in the manner laid down in Section 198 in the manner as prescribed under the Act.
- The Company, with the approval of the Shareholders and Central Government, may authorise the payment of remuneration exceeding eleven percent of the net profits of the company, subject to the provisions of Schedule V.
- The Company may, with the approval of the shareholders, authorise the payment of remuneration upto five percent of the net profits of the Company to its any one Managing Director/Whole Time Director/Manager and ten percent in case of more than one such official.
- The Company may pay remuneration to its Directors, other than Managing Director and Whole Time Director upto one percent of the net profits of the Company, if there is a Managing Director or Whole Time Director or Manager and three percent of the net profits in any other case.
- The Independent Directors shall not be entitled to any Stock Option.

Evaluation/ Assessment of Directors/ KMPs/Senior Officials of the Company

The evaluation/assessment of the Directors, KMPs and the senior officials of the Company is to be conducted on an annual basis and to satisfy the requirements of the Listing Agreement.

The following criteria may assist in determining how effective the performance of the Directors/KMPs/Senior officials has been:

- Leadership & stewardship abilities
- Assess policies, structures & procedures
- Regular monitoring of corporate results against projections
- Contributing to clearly define corporate objectives & plans
- Obtain adequate, relevant & timely information.

- Review achievement of strategic and operational plans, objectives, budgets
 - Identify, monitor & mitigate significant corporate risks
 - Directly monitor & evaluate KMPs, senior officials
 - Review management's Succession Plan
 - Effective meetings
 - Clearly defining role & monitoring activities of Committees
 - Review of ethical conduct

Evaluation following the aforesaid parameters, will be conducted by the Independent Directors for each of the Executive/Non-Independent Directors in a separate meeting

of the Independent Directors.

The Executive Director/Non-Independent Directors along with the Independent Directors will evaluate/assess each of the Independent Directors relative to the aforesaid parameters. Only the Independent Director being evaluated will not participate in the said evaluation discussion.

DEVIATIONS FROM THIS POLICY:

Deviations on elements of this policy, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case.

ANNEXURE – VII TO DIRECTORS' REPORT

Disclosure as per Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel Rules, 2014)

(i) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;

Median Salary for FY 2014-15 ₹1.15 Lacs

	Name of the Director	Remuneration FY 14-15 (₹ in lacs)	Ratio
1	Sh. Arun Churiwal	208.66	181.44x
2	Shri Riju Jhunjunwala	162.87	141.62x
3	Shri J C Laddha	316.27	275.01x

(ii) the percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary or manager, if any, in the financial year

	Name of the Director	% increase in remuneration
1	Shri Arun Churiwal (Manging Director, Chief Executive Officer & Key Managerial Personnel)	(-15
2	Shri Riju Jhunjunwala (Managing Director)	(- 7
3	Shri J C Laddha (Executive Director)	42
4	Shri B. M. Sharma (Chief Financial Officer)	14
5	Shri Surrender Gupta (Company Secretary)	12

(iii) the percentage increase in the median remuneration of employees in the financial year;

% increase in the Median remuneration of the employees	5.30
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(iv) the number of permanent employees on the rolls of Company

No. of Permanent Employees as on 31 March 2015	15217
--	-------

(v) The explanation on the relationship between average increase in remuneration and Company performance. Remuneration of Whole Time Director is fixed by the Board which comprises of two components. The fixed component is monthly basic salary and perquisites and variable component is commission based on the performance of the Company. Remuneration paid is as approved by the Board. Commission payable this year is lower than previous year in view of lower profits. Remuneration of KMP's is fixed on the basis of Company's HR policy and annual increments are based on Company's performance as well as individual's performance. Remuneration is adjusted for industry trend and cost of living in the areas where KMP's are stationed.

(vi) Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company
 Remuneration of KMPs is fixed according to HR policy of the Company and annual increments are based on Company's performance as well as individual's performances . This may or may not be in the proportion of performance of the Company.

(vii) variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of Listed Companies.

Variation in the Market Capitalisation of the Company	Capitalisation as on 31st March 2015 (` in Crore)	Capitalisation as on 31st March 2014 (` in Crore)	% variation
NSE	496.19	316.79	56.63
BSE	498.85	314.82	58.46
Variation in Price Earning ratio	P/E ratio as on 31st March 2015	P/E ratio as on 31st March 2014	% variation
NSE	5.84	3.21	82.25
BSE	5.88	3.19	84.38
Closing Market Price of Shares	31-Mar-15	31-Mar-14	
Market Price in NSE (`)	214.35	136.85	
Market Price in BSE (`)	215.50	136.00	

The Company had come out with last public issue in 1965. The market price of the Shares of Company as on March 31, 2015 is ₹215.50 which is 2055% of the initial nominal value.

(viii) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

Salaries of employees other than managerial personnel increased by 19.68% in comparison with the managerial remuneration which increased by 11.85%.

The remuneration to employees and to managerial personnel commensurate with industry standards.

(ix) comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company;

The total remuneration of Key Managerial Personnel declined by 3.41% from ₹3.14 crore in 2013-14 to ₹2.86 crore in 2014-15 whereas the profit before tax also decreased by 25% to ₹116.96 crore in 2014-15 from ₹156.33 crore in 2013-14.

(x) the key parameters for any variable component of remuneration availed by the directors;

The Company does not pay any remuneration to Non Executive Directors apart from sitting fees for attending the meetings of the Board and Committees. The variable component in the remuneration availed by the Executive Directors comprise of Commission which is based on the profits earned by the Company in that particular year.

(xi) the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year; and

Not applicable as no employee is drawing remuneration in excess of the highest paid Director.

(xii) affirmation that the remuneration is as per the remuneration policy of the company.

Yes, the remuneration is as per the remuneration policy of the Company.

ANNEXURE – VIII TO DIRECTORS' REPORT

Statement of Particulars of Employees pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

A. Persons employed throughout the financial year & paid ₹ 60 Lacs P.A. or more.

S. No.	Name of Employee	Designation	Remuneration (₹ In Lacs)	Qualification	Experience (Years)	Commencement of Employment	No. of Shares Held	Whether Permanent/ Contractual	Age (Years)	Organisation	Post Held	Duration (Years)
1	Shri Riju Jhunjhunwala	Managing Director	162.87	MBA	11.5	1st May, 2013	1,75,000	Contractual	36	HEG Limited	Executive Director	15 Months
2	Shri Arun Churiwal	Managing Director & CEO	208.66	BA (Hons)	36	17th March, 2009	1,610	Contractual	64	-	-	-
3	Shri J. C. Laddha	Executive Director	316.27	B.Com, FCA	42	1st January, 1990	-	Contractual	65	Bhilwara Spinners Limited	Whole Time Director	3
4	Shri Prakash Maheshwari	Chief Executive-Corporate Management Services	83.06	BSC, FCA	38	1st April, 2003	-	Permanent	60	HEG Limited	President	14
5	Shri V. P. Bagri	Sr. Vice President - Corporate Affairs	66.43	CS, LIB	34	1st May, 1996	-	Permanent	58	Himachal Fibres	FC, CS	9
6	Shri Vimal Banika	President	107.57	CA	35	1st April, 1990	8,000	Permanent	64	Shashi Commercial Ltd	Manager	4
7	Shri M. L. Jhunjhunwala	President	90.10	B.Com, ICWA	41	1st October, 1992	5,170	Permanent	60	Rajasthan Textile Mills	Export Manager	13
8	Sh S. C. Garg	Chief Executive-Melange Yarn	86.75	B.Text (Tech) MBA	34	17th July, 1993	-	Permanent	58	Fenner India Limited	General Manager	1
9	Sh Sanjay Sharma	Chief Operating Officer	81.54	B.Text (Tech)	37	11th September, 2002	-	Permanent	58	Indo Rama Synthetics India Ltd	Asst. Vice President	7
10	Shri Rajeev Jain	Deputy Yarn Business Head (Operations)	77.27	B.Text.,MBA	33	29th March, 2008	-	Permanent	54	Spentex Industries Ltd	Unit Head	2
11	Shri Prabir Bandhopadhyay	Chief Executive-Denim Business	75.90	M.Tech.,PGIM	33	6th May, 2008	-	Permanent	58	Soma Textiles & Industries Ltd	Executive Director	8

Notes :

- None of the employee is holding more than 2% of the paid - up capital of the Company.
- Shri Riju Jhunjhunwala, Managing Director is relative of Shri Ravi Jhunjhunwala, Chairman.

ANNEXURE – IX TO DIRECTORS' REPORT

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

[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,
RSWM LIMITED
Kharigram, P.O.
Gulabpura,
Dist. Bhilwara,
Rajasthan -311021

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by RSWM LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 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 Bye-laws framed thereunder;
- (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.
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - Not Applicable as the Company did not issue any securities during the financial year under review.
- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - Not Applicable as the Company has not granted any Options to its employees during the financial year under review.
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not Applicable as the Company has not issued any debt securities during the financial year under review.
- 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- Not Applicable as the Company is not registered as Registrars to an Issue and Share Transfer Agents during the financial year under review.
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- Not Applicable as the Company has not get delisted its equity shares from any stock exchange during the financial year under review.
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- Not Applicable as the Company has not bought back any of its securities during the financial year under review.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. Not applicable – (notified but effective from 1st July, 2015).
- (ii) The Listing Agreements entered into by the company with Stock Exchange.

During the period under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines etc. mentioned above.

The Company was required to spend on CSR Activities ₹149.20 lacs against which Company allocated a sum of ₹150.41 lacs on identified CSR activities as mentioned in Schedule VII, pursuant to Section 135(5) of the Companies Act, 2013. Out of above stated allocation, Company spent

₹125.11 lacs during the year.

This report is to be read with our letter of even date which is annexed as 'Annexure –A" and form an integral part of this report.

We 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.

We further report that based on the compliance mechanism established by the Company and on the basis of the Certificates issued by the Managing Director & CEO and CFO and taken on record by the Board of Directors at their meeting(s) and verified the same on test basis. We are of the opinion that the management has 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.

We further report that during the audit period;

1. The Scheme of amalgamation of M/s Cheslind Textiles Limited with the Company, w.e.f. 01.04.2013, the appointed date had been sanctioned by the Hon'ble High Court of Rajasthan at Jodhpur and Hon'ble High court of Madras at Chennai vide their order dated 26/03/2015 and 31/03/2015 respectively and effected by the Company on 30.04.2015.
2. Pursuant to Section 180(1)(a) of the Companies Act, 2013, the company has obtained approval of the members by way of special resolution for creation of mortgage(s) and charge(s) in addition to the existing mortgages, charges and hypothecations created by the Company.

**For Mahesh Gupta and Company
Company Secretaries**

**Mahesh Kumar Gupta
Proprietor
FCS No.: 2870
C P No.: 1999**

Place: Delhi
Date: 08/05/2015

ANNEXURE - A

To,
The Members,
RSWM LIMITED
Kharigram, P.O.
Gulabpura,
Dist. Bhilwara,
Rajasthan -311021

Our report of even date is to be read along with this letter.

- 1) Maintenance of secretarial records 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 verifications were 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) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- 5) The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

**For Mahesh Gupta and Company
Company Secretaries**

**Mahesh Kumar Gupta
Proprietor
FCS No.: 2870
C P No.: 1999**



CORPORATE GOVERNANCE 2014-15

Corporate Governance Philosophy

Corporate Governance may be defined as a set of system, process and principles which ensure that a Company is governed in the best interest of all stakeholders. RSWM Limited (RSWM) has consistently practiced good Corporate Governance norms for the efficient conduct of its business and its obligations towards all its stakeholders viz., the shareholders, customers, employees and the community in which the Company operates. The Company's philosophy on Corporate Governance is embedded in the rich legacy of ethical governance practices, most of which were implemented before they were mandatorily prescribed. The objective of Good Corporate Governance is to ensure the Board's commitment towards transparent management to maximize long term value for the Company's shareholders and all other participants involved in a process, which is economic and, at the same time, social.

This chapter, along with the chapters on Management Discussion and Analysis and Additional Shareholder Information, reports RSWM's compliance with the Clause 49.

Board of Directors

Composition

The Company is managed by its Board of Directors, which formulate strategies, policies and review its performance periodically. As on 31st March, 2015, RSWM's Board comprises of eleven Directors. Eight Directors including the Chairman and the Vice Chairman are Non-Executive. Among the Non-Executive, six Directors comprising more than 50% of the total strength of the Board, are Independent Directors.

The composition of the Board of Directors of the Company is in conformity with Clause 49 of the Listing Agreement. During the year, Shri L. N. Jhunjhunwala resigned from the directorship of the Company with effect from 21st April, 2014 but upon the univocal request of the Board agreed to continue as Chairman - Emeritus. Further, during the year, EXIM bank withdrew the nomination of Shri T. G. Reghunathan from the Board of Directors of the Company with effect from 13th June, 2014. Smt. Geeta Mathur was inducted on the Board with effect from 11th November, 2014 as Independent Director. With the induction of Smt. Geeta Mathur on the Board, the Company also fulfills the requirement of appointing a woman Director on the Board of Directors of the Company.

Number of Board Meetings

During 2014-15, the Board of RSWM met six times on 9th April, 2014, 22nd April, 2014, 2nd August, 2014, 11th November, 2014, 10th February, 2015 and 27th March, 2015. The maximum time gap between any two consecutive meetings was less than four months.

The Company in consultation with all the Directors of the Company prepared a tentative calendar for the next meetings of the Board/ Committee to ensure the presence of all the Directors in the meetings. Agenda papers containing all the necessary information are sent well in advance to all the Directors of the Company so as to enable the Directors to become aware of all the facts on timely basis.

Directors' Attendance Record and Directorship Held

S. No.	Name of Director	Position	Category	No. of meetings held in 2014-15 during tenure	No. of meetings attended	No. of outside Directorships of public companies*	No. of Outside Board-level Committees where chairperson or member #	
							Member**	Chairperson
1.	Shri L. N. Jhunjhunwala@	Chairman - Emeritus	Promoter - Non-Executive	1	-			
2.	Shri Ravi Jhunjhunwala	Chairman	Promoter - Non-Executive	6	5	9	4	1
3.	Shri Shekhar Agarwal	Vice Chairman	Promoter - Non-Executive	6	5	5	3	-
4.	Shri Arun Churiwal	Managing Director	Promoter - Executive	6	6	3	2	-
5.	Shri Riju Jhunjhunwala	Managing Director	Promoter - Executive	6	6	9	9	2
6.	Shri J. C. Laddha ¹	Executive Director	Non-Promoter – Executive	6	5	-	-	-
7.	Dr. Kamal Gupta	Director	Independent - Non-Executive	6	6	6	8	3
8.	Shri D. N. Davar	Director	Independent - Non-Executive	6	6	9	7	5
9.	Shri Sushil Jhunjhunwala	Director	Independent - Non-Executive	6	4	3	2	-
10.	Shri A. N. Choudhary	Director	Independent - Non-Executive	6	5	2	2	1
11.	Shri P. S. Dasgupta	Director	Independent - Non-Executive	6	5	8	8	2
12.	Shri T. G. Regunathan ²	Nominee Director – Exim Bank	Independent – Non-Executive	2	-	-	-	-
13.	Smt. Geeta Mathur ³	Director	Independent - Non-Executive	3	3	9	6	2
14.	Shri Prakash Maheshwari ⁴	Executive Director	Non-Promoter – Executive	1	1	1	1	-

Notes: * Excludes directorships in private limited companies, foreign companies, memberships of management committees of various chambers, bodies and Section 25 companies

Includes Audit and Stakeholders' Relationship Committees of public limited Companies.

** Includes Committee chairmanships.

@ Shri L.N. Jhunjhunwala had resigned from the Directorship of the Company w.e.f. 21st April, 2014.

1 Shri J.C. Laddha completed his term as Executive Director on

31st March, 2015 and thereafter he was appointed as the Non-Independent Non-Executive Director by the Board, subject to approval of the Shareholders of the Company.

2 Shri T.G. Regunathan had resigned from the Directorship of the Company w.e.f. 13th June, 2014

3 Smt. Geeta Mathur was co-opted on the Board as Additional Director (Independent) w.e.f 11th November, 2014.

4 Shri Prakash Maheshwari was appointed as Executive Director w.e.f. 1st April, 2015.

The last Annual General Meeting held on 16th September, 2014 was attended by Dr. Kamal Gupta, Chairman of the Audit Committee and Shri J. C. Laddha, Executive Director of the Company.

None of the Directors is a member of more than 10 Board level committees and Chairman of 5 such committees across all the Public Companies in which he is a Director. All the Independent Directors by providing a declaration affirmed their independence.

Independent Director means Director as mandates in Clause 49 of the Listing Agreement and Section 149(6) of the Companies Act, 2013. All the Independent Directors have given the declaration of their independency at the beginning of the financial year or at their co-option on the Board.

Information Supplied to the Board

The Board has complete access to all information about the Company. The following information is regularly provided to the Board:

- Annual operating plans and budgets and any update thereof.
- Capital budgets and any updates thereof.
- Quarterly results for the Company and operating divisions and business segments.
- Minutes of the meetings of the Audit Committee and other Committees of the Board.
- Information on recruitment and remuneration of senior officers just below the level of the Board, including the appointment or removal of Chief Financial Officer and Company Secretary.
- Show cause, demand, prosecution notices and penalty notices which are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company.
- Any issue, which involves possible public or product

liability claims of substantial nature, including any judgment or order which, may have passed strictures regarding the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.

- Details of any joint venture or collaboration agreement.
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
- Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of voluntary retirement scheme among others.
- Sale of material nature of investments, subsidiaries, assets, which is not in the normal course of business.
- Quarterly details of foreign exchange exposures and the steps taken by the management to limit the risks of adverse exchange rate movements, if material.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders services such as non-payment of dividend, delay in share transfer among others.

The Board is presented with detailed notes on these matters, as part of the agenda papers of the meeting or directly tabled at the Board meetings, as and when required.

The Board reviews the declaration made by the Management regarding compliance with applicable laws on quarterly basis as well as steps taken by the Company to rectify instances of non-compliances, if any.

Directors with Materially Significant Pecuniary Relationship or Business Transaction with the Company

All Executive Directors receive salaries, allowances, perquisites and commission, while all Non-Executive Directors are paid sitting fees for attending the Board meetings as well as Committee meetings. There have been no materially significant pecuniary relationships or transactions between the Company and its Directors in the financial year under review.

Shareholding of Non-Executive Directors

Equity Shares and Convertible Instruments held by Non-Executive Directors as on 31st March, 2015

Name of Director	Category	Number of Equity shares held	Convertible Warrants
Shri Ravi Jhunjhunwala	Promoter - Non-Executive	8,09,094	Nil
Shri Shekhar Agarwal	Promoter - Non-Executive	3,000	Nil
Dr. Kamal Gupta	Independent - Non-Executive	Nil	Nil
Shri D. N. Davar	Independent - Non-Executive	Nil	Nil
Shri Sushil Jhunjhunwala	Independent - Non-Executive	Nil	Nil
Shri A. N. Choudhary	Independent - Non-Executive	Nil	Nil
Shri P. S. Dasgupta	Independent - Non-Executive	Nil	Nil
Smt. Geeta Mathur	Independent - Non-Executive	Nil	Nil

Board-Level Committees

I) Audit Committee

As on 31st March, 2015, RSWM's Audit Committee comprised three members — all of them, including the Chairman of the Committee, are Independent Directors. The terms of reference of the Audit Committee are in conformity with those mentioned in Clause 49 of the Listing Agreement of the Stock Exchanges as well as Section 177 of the Companies Act, 2013. In 2014-15, the Audit Committee met five times on 9th April, 2014, 22nd April, 2014, 2nd August, 2014, 11th November, 2014 and 10th February, 2015.

Details of the Audit Committee

Name of the Member	Position	No. of Meetings held during tenure	No. of Meetings Attended	Sitting fees (₹)
Dr. Kamal Gupta (Chairman)	Independent – Non-Executive	5	5	2,65,000
Shri D. N. Davar	Independent – Non-Executive	5	5	2,65,000
Shri A. N. Choudhary	Independent – Non-Executive	5	4	2,45,000

Shri Surender Gupta, the Company Secretary, is also the

Secretary to the Committee. Invitees to the Audit Committee include the Chairman, Vice Chairman, Managing Director & Chief Executive Officer, Joint Managing Director, Executive Director, Chief Financial Officer, Chief Operating Officers, Chief Coordinator – Internal Audit and the representatives of the Statutory and the Internal Auditors.

Dr. Kamal Gupta, Chairman of the Audit Committee, possesses high degree of accounting and financial management expertise and all members of the Committee have sound accounting and financial knowledge. The Chairman of the Audit Committee attended the Annual General Meeting held on 16th September, 2014 to answer shareholder queries.

Company has performed all functions mentioned in the terms of reference of the Audit Committee as listed under Clause 49III (D) of the Listing Agreement

RSWM has systems and procedures in place to ensure that the Audit Committee mandatorily reviews:

- Management Discussion and Analysis of the financial condition and results of operations of the Company
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management
- Management letters/letters of internal control weaknesses issued by the Statutory Auditors
- Internal audit reports relating to internal control weaknesses

- Review of the appointment, removal and terms of remuneration of the Chief Internal Auditor.
- The uses/applications of funds raised through public issues, rights issues, preferential issues by major category (capital expenditure, sales and marketing, working capital among others), as part of the quarterly declaration of financial results whenever applicable
- Statement certified by the Statutory Auditors, on an annual basis detailing the use of funds raised through public issues, rights issues, preferential issues for purposes other than those stated in the offer document/prospectus/notice, if applicable

The Audit Committee is empowered to:

- Investigate any activity within its terms of reference and to seek any information it requires from any employee
- Obtain legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise, when considered necessary

M/s. N. D. Birla & Co., Cost Accountants, was appointed as Cost Auditors of the Company pursuant to Section 148 of the Companies Act, 2013. The Cost Audit report for the financial year ended the 31st March, 2014 was filed in XBRL mode on due date i.e. the 30th September, 2014.

II) Nomination and Remuneration Committee

a) Terms of Reference

As mentioned in the previous annual report, the erstwhile Remuneration Committee was renamed as Nomination and Remuneration Committee, during the year, to function in accordance with the provisions of Companies Act, 2013 and Clause 49 of the Listing Agreement, which included the following:-

- Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria and recommend to the Board their approval and removal.
- Carry out the evaluation of directors performance
- Formulate the criteria for determining qualification, positive attributes and independence of a director.

- Recommend to the Board a policy relating to the remuneration for the directors, KMP and other employees.
- Carry out such other functions as are required or appropriate in discharging their duties.

b) Composition of Nomination and Remuneration Committee

As on 31st March, 2015, the Composition of Nomination and Remuneration Committee is as follows:

1.	Dr. Kamal Gupta (Chairman)	Independent - Non-Executive
2.	Shri D. N. Davar	Independent - Non-Executive
3.	Shri Shekhar Agarwal	Promoter - Non-Executive

c) Meeting and Attendance

In 2014-15, the Nomination and Remuneration Committee met three times on 11th November, 2014, 10th February, 2015 and 27th March, 2015. The detail of attendance of the Nomination and Remuneration Committee was as under:

Name of the Member	No. of Meetings held during tenure	No. of Meetings Attended	Sitting fees (₹)
Dr. Kamal Gupta	3	3	2,25,000
Shri D. N. Davar	3	3	2,25,000
Shri Shekhar Agarwal	3	2	1,50,000

d) Nomination and Remuneration Policy

Pursuant to Clause 49 of the Listing Agreement and relevant provisions of the Companies Act, 2013, the Company has framed a policy relating to the remuneration of the Directors, Key Managerial Personnel and Senior Management which is approved by the Board of Directors on the recommendation of the Nomination and Remuneration Committee.

The terms of reference of the Nomination and Remuneration Committee, inter alia, includes determination of salary, perquisites, commission to be paid to the Company's Managing Director(s) and whole time Directors, recommend

to the Board, retirement benefits to be paid to the Managing Director(s) and whole time Directors. The compensation terms of Executive Directors are approved by the Board of Directors upon recommendation of the Nomination and Remuneration Committee and subsequently approved by the shareholders in the General Meeting. The Nomination and Remuneration Committee recommends the remuneration based on the criteria such as responsibilities given, past track

record of performance, industry standards and various other factors. The non-executive directors are paid sitting fees for attending the Board meetings as well as other Committee meetings.

Remuneration of Non-Executive/ Independent Director(s): Non-Executive/Independent Directors are paid sitting fees for attending the Board and committee meetings.

e) Details of Remuneration Paid or Payable to Directors for 2014-15

(₹)

Name of Director	Category	Sitting fees*	Salaries, allowances and perquisites #	Commission	Total
Shri Ravi Jhunjhunwala	Promoter - Non-Executive	2,65,000	-	-	2,65,000
Shri Shekhar Agarwal	Promoter - Non-Executive	7,00,000	-	-	7,00,000
Shri Arun Churiwal	Promoter - Executive	-	84,28,378	1,24,38,000	2,08,66,378
Shri Riju Jhunjhunwala	Promoter - Executive	-	69,58,428	93,29,000	1,62,87,428
Shri J. C. Laddha	Non-Promoter - Executive	-	2,22,97,854	93,29,000	3,16,26,854
Dr. Kamal Gupta	Independent - Non-Executive	12,65,000	-	-	12,65,000
Shri D. N. Davar	Independent - Non-Executive	10,95,000	-	-	10,95,000
Shri Sushil Jhunjhunwala	Independent - Non-Executive	3,20,000	-	-	3,20,000
Shri A. N. Choudhary	Independent - Non-Executive	6,40,000	-	-	6,40,000
Shri P.S. Dasgupta	Independent - Non-Executive	3,40,000	-	-	3,40,000
Smt Geeta Mathur	Independent - Non-Executive	3,00,000	-	-	3,00,000

* Includes sitting fees for all committee meetings.

includes retirement benefits

During the year ended the 31st March, 2015, the Company did not advance any loans to any of its Directors. The Company does not have any Stock Option Scheme.

III) Stakeholders' Relationship Committee

As informed in the previous Annual Report, the erstwhile, Shareholders'/Investor Grievance Committee was renamed as Stakeholders' Relationship Committee during the year.

As on 31st March, 2015, the Company's Stakeholders' Relationship Committee comprised of four Directors — Dr. Kamal Gupta (Chairman), Shri Shekhar Agarwal, Shri Arun Churiwal and Shri D.N. Davar.

The Company Secretary, Shri Surender Gupta is the Compliance Officer. During 2014-15, the Committee met four times on 22nd April, 2014, 2nd August, 2014, 11th November, 2014 and 10th February, 2015.

a) Details of Stakeholders' Relationship Committee

Name of the Member	Position	No. of Meetings held during tenure	No. of Meetings Attended	Sitting fees (₹)
Dr. Kamal Gupta	Independent – Non-Executive	4	4	1,90,000
Shri Shekhar Agarwal	Promoter – Non-Executive	4	3	1,15,000
Shri Arun Churiwal	Promoter - Executive	4	4	-
Shri D. N. Davar	Independent – Non-Executive	4	4	1,90,000

The Committee mainly look into the matters pertaining to Redressal of the Stakeholders' grievances and related matters.

The Committee received 20 complaints during the financial year under review, all of which were replied/resolved to the satisfaction of the shareholders.

No Stakeholders Grievance remained unattended /pending for more than 15 days. There were no complaints pending disposal as on the 31st March, 2015. No request for dematerialization of Equity Shares of the Company was pending for approval as at the 31st March, 2015.

b) Details of Stakeholders' Queries and Grievances received and attended by the Company

S. No.	Nature of Query/Complaint	Pending as on 1st April, 2014	Received during the year	Addressed during the year	Pending as on 31st March, 2015
1.	Transfer / Transmission / Issue of Duplicate Share Certificate(s)	0	0	0	0
2.	Non-receipt of Dividend	0	10	10	0
3.	Non-receipt of Dividend Advice	0	5	5	0
4.	Non-receipt of Annual Report	0	0	0	0
5.	Dematerialisation/ Rematerialisation of shares	0	0	0	0
6.	Complaints received from:				
	- Securities and Exchange Board of India	0	4	4	0
	- Stock Exchanges	0	1	1	0
	- Registrar of Companies/ Ministry of Corporate Affairs	0	0	0	0
	Total	0	20	20	0

The Company also has a Share Transfer Committee to deal with the requests of transfer/transmission of Equity Shares, issue of duplicate share certificates and consolidation/split/replacement of share certificates, etc. The Share Transfer Committee presently comprises of:

1. Shri Shekhar Agarwal
2. Dr. Kamal Gupta

The Share Transfer Committee of the Company meets as often

as required under the chairmanship of Shri Shekhar Agarwal, Vice Chairman. All valid requests for share transfer received during the year have been acted upon by the Company within the stipulated time limit.

To expeditiously approve transfer of shares, Shri Shekhar Agarwal, Vice Chairman and Shri P. S. Puri, President (Corporate Finance) also attends and approves the share transfer requests on fortnightly basis under the delegated authorisation of the Board of Directors.

Nature of Requests	No. of requests Received during the year	No. of Shares Received during the year
Share Transfer	21	4,198
Duplicate Share Certificates	4	23,860
Consolidated/Torn Certificates	0	0

Reconciliation of Share Capital Audit:

Pursuant to Clause 47 (c) of the Listing Agreement with the Stock Exchanges, certificates, on half-yearly basis, have been issued by a Company Secretary-in-practice for due compliance of share transfer formalities by the Company.

A qualified practicing Company Secretary carries out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital and places the report for the perusal of the Board.

The report confirms that the total issued and listed capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

IV. Corporate Social Responsibility Committee.

In order to comply with the provisions of the Companies Act, 2013 and the rules framed there under, the Company has constituted the Corporate Social Responsibility Committee comprising of Shri Arun Churiwal, Managing Director, Shri Riju Jhunjhunwala, Managing Director and Shri A. N. Choudhary, Independent Director with Shri Arun Churiwal acting as the Chairman of the Committee.

During the year 2014-2015, the committee met 3 times on 2nd August 2014, 11th November 2014 and 10th February 2015.

The Corporate Social Responsibility Committee function as under:

- Formulate and recommend to the Board, the Corporate Social Responsibility policy and the activities to be undertaken by the Company.

- Recommend the amount of expenditure to be incurred on the activities undertaken by the Company.
- Monitor the Corporate Social Responsibility policy from time to time.
- Carry out such other functions as are required or appropriate in discharging their duties.

During the year under review, the Company has formulated the CSR policy wherein the activities mentioned under Schedule VII to the Companies Act, 2013 are covered. The CSR policy is uploaded on the website of the Company link of which is given below:

http://rswm.in/pdf/RSWM_CSR_POLICY.pdf

V. Independent Directors' Meeting.

Pursuant to the Code of Independent Directors and Clause 49 of the Listing Agreement, the meeting of the Independent Directors was held on 10th February 2015 without the attendance of Non-Independent Directors and members of management to inter-alia:

- i. review the performance of Non-Independent Directors and the Board as a whole;
- ii. review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- iii. assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Letter of Appointment:

Each Director/KMP/Senior Official is required to sign the duplicate copy of the letter of appointment issued by the Company, which contains the terms and conditions of his/her appointment.

Familiarization programme for Independent Directors

Pursuant to Clause 49 of the Listing Agreement, the Independent Director on being inducted on the Board, is familiarized by way of programme with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, interaction with the senior management which in turn will help them to understand the service and product offerings, markets, finance, human

resources, technology, quality, facilities and risk management and business model of the Company.

The details of the familiarization programmes are disclosed on the website and a web link is given hereunder:

http://rswm.in/pdf/RSWM_Familiarisation_Programmes.pdf

Performance evaluation of Independent Directors

Pursuant to the Code of Independent Directors and Clause 49 of the Listing Agreement, the performance evaluation of

Independent Directors is to be done by the entire Board of Directors except the Director which is being evaluated. The criterion for the evaluation of performance is laid down in the Nomination and Remuneration policy. The evaluation of the performance is being done on an annual basis. The Company has the following Independent Directors Dr. Kamal Gupta, Shri D. N. Davar, Shri A. N. Choudhary, Shri Sushil Jhunjhunwala, Shri P. S. Dasgupta and Smt. Geeta Mathur.

General Body Meetings

ANNUAL GENERAL MEETINGS

The details of the Last Three Annual General Meetings:

Financial Year	Date	Time	Location	Special resolution(s) passed
2011-12	18th September, 2012	2:00 P.M.	Kharigram, P. O. Gulabpura – 311 021 District Bhilwara, Rajasthan	1
2012-13	19th September, 2013	12:30 P.M.	Kharigram, P. O. Gulabpura – 311 021 District Bhilwara, Rajasthan	3
2013-14	16th September, 2014	11:30 A.M.	Kharigram, P. O. Gulabpura – 311 021 District Bhilwara, Rajasthan	1

The following Special Resolutions were taken up in the last three Annual General Meetings, and were passed with requisite majority.

2011-2012:

- Approval for the reappointment of Shri Arun Churiwal, as Managing Director of the Company.

2012-2013:

- Approval for the alteration in the Articles of Association of the Company.
- Approval for the reappointment of Shri J. C. Laddha, as Executive Director of the Company.
- Approval for the appointment of Shri Riju Jhunjhunwala, as Joint Managing Director of the Company.

2013-2014:

- Approval for the creation of mortgage and charges in addition to the existing mortgages, charges and hypothecations created by the Company.

Postal Ballot/e-voting

During the year under review, one Resolution was passed through Postal Ballot and e-voting pertaining to the approval of Scheme of Amalgamation of M/s. Cheslind Textiles Limited

with the Company in pursuance of the undertaking given by the Company to Securities and Exchange Board of India in addition to the seeking approval of members through a Court convened meeting.

DISCLOSURES

a) Related Party Disclosure

As required by the Accounting Standard AS-18, the details of related party transactions are given in Note No. 41 to the Annual Accounts. The transactions with related parties are in the ordinary course of business on an arm's length basis and do not have any potential conflict with the interests of the Company at large. Transactions with related parties entered into by the Company in the ordinary course of business were placed before the Audit Committee.

b) Disclosure of Accounting Treatment in Preparation of Financial Statements

The Company has followed the guidelines of Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its Financial Statements.

c) Risk Management

RSWM has a well-defined risk management framework

in place. Under this framework, the Management has categorized the risks as High risk, Moderate risk and Low risk which were monitored on a continuous basis and initiates appropriate risk mitigation steps as and when deemed necessary. The risk mitigation policy also covers the key risks such as cotton/other raw materials, prices of yarn in addition to forex, insurance and other business related risks. RSWM has established procedures to periodically place before the Board the risk assessment and minimization procedures being followed by the Company and steps taken by it to mitigate those risks through a properly defined framework.

d) Details of Non-Compliance by the Company in Previous Years

With regard to the matters related to capital markets, the Company has complied with all requirements of the Listing Agreement as well as SEBI regulations and guidelines. No penalties/strictures were imposed on the Company by the Stock Exchange or SEBI or any statutory authority during the last three years.

e) Initiatives on Prevention of Insider Trading Practices

In compliance with the SEBI regulation on prevention of insider trading, the Company has instituted a comprehensive code of conduct for its management staff. The Code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of RSWM, and cautions them on consequences of violations.

The company follows closure of trading window prior to the publication of price sensitive information. The Company has been informing the directors, senior management personnel and other persons covered under the code and advice them not to trade in Company's securities during the closure of trading window period.

f) Compliance with Clause 49 (Mandatory and Non-Mandatory Requirements)

The Company is fully compliant with the applicable mandatory requirements of the Clause 49. A certificate from Statutory Auditors to this effect is enclosed in the Annual Report.

Investment and Planning Committee

The Company has constituted the Investment and Planning Committee. The terms of reference of the Committee is to approve capital expenditure schemes and to recommend to the Board of Directors, capital budgets and other major capital schemes, new business plan, change in organisational

structure and to review the Company's business plans and future strategies.

The Committee didn't meet during the year 2014-15.

Audit Qualifications

The Company's Financial Statements are free from any qualifications by the Auditors and Company continues to adopt best practices to move towards a regime of unqualified financial statements.

Management Discussion and Analysis

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

Senior Management personnel (Promoters, Directors, Management or relatives etc,) have made disclosure to the Board relating to all material, financial and other transactions stating that they did not have any personal interest that could result in a conflict with the interest of the Company at large. The interested Directors neither participate in the discussion nor vote on such matters.

Whistle Blower Policy

The objective of pursuing the business in a fair and transparent manner by adopting the highest standards of professional honesty, integrity and ethical behaviour and to encourage and protect the employees who wish to raise and report their genuine concern about any unethical behaviour, actual or suspected fraud or violation of Company's code of conduct, the Company has adopted a Whistle Blower Policy. The Company has adopted a framework whereby the identity of the complainant is not disclosed.

CEO/ CFO Certification

The CEO and CFO certification of the Financial Statements for the year form part of this Annual Report.

Code of Conduct

RSWM's Board has laid down a Code of Conduct for all Board members and Senior Management of the Company. During the year, the Code of Conduct was revised taking into account all regulatory changes. The Company is committed to conduct its business in accordance with the pertinent laws, rules and regulations and with the highest standards of business ethics. The Code of Conduct is displayed on the website of the Company www.rswm.in. Board Members and designated Senior Management Officials have affirmed compliance with the Code of Conduct for the current year. It is further affirmed that access to the Audit Committee of the Company has not been denied to any personnel. A

declaration to this effect forms part of this Annual Report.

Means of Communication

The effective communication of information is considered very essential component of Corporate Governance. The Company interact with their shareholders through various means of communication i.e. Print Media, Company's website, annual report etc.

Quarterly/ Annual results:

The quarterly and annual audited results are forthwith sent to the Stock Exchanges where the Company's shares are listed after they are approved by the Board of Directors. The results of the Company are published in at least one prominent national and one regional newspaper. The financial results are also displayed on the Company's website www.rswm.in.

Website:

The Company's website www.rswm.in has separate section "Investor" where the information for the Shareholders is available. Annual Report, Quarterly Results, Shareholding Pattern, Corporate Governance Report etc. are also available on the website in the user friendly manner.

In order to strengthen the practices of Corporate Governance, NSE has come out with a new website, NEAPS wherein the information such as Annual Report, Financial results, Shareholding Pattern, Corporate Governance, Reconciliation of Share Capital Audit etc. are uploaded.

The Company has dedicated investor email-id rswm.investor@lnjbjhilwara.com.

Shareholders

i. Appointment or Reappointment of Non Independent Directors

Four Non Independent Directors of your Company are liable to retire by rotation. Of these Directors, at least one-third retires every year and if eligible, propose themselves for the re-appointment. This year, Shri Ravi Jhunjhunwala and Shri Arun Churiwal are retiring by rotation and being eligible, offer themselves for re-appointment in the Annual General Meeting.

Shri J. C. Laddha was reappointed as Executive Director for a further period up to 31st March, 2015 with effect from 1st January, 2015. Shri J. C. Laddha was co-opted as Additional Director in the capacity of Non-Independent and Non-Executive Director of the Company under Section 161 of the Companies Act, 2013 w.e.f. the 1st April, 2015.

Shri Riju Jhunjhunwala was re-designated as Managing Director of the Company for the remaining tenure i.e. up to the 30th April, 2016 w.e.f. the 10th February, 2015.

Shri Prakash Maheshwari, who was co-opted as an Additional Director on the Board with effect from 1st April, 2015 was also designated as Executive Director with effect from the same date.

Their brief resumes are given below:

Shri Ravi Jhunjhunwala (59)

Shri Ravi Jhunjhunwala is a Non-Executive Promoter Director of the Company. Shri Jhunjhunwala holds a degree in B. Com (Hons.) and is also an MBA. He joined the Board of the Company on 18th May, 1979. Shri Jhunjhunwala is an industrialist with diversified business experience.

Shri Arun Churiwal (64)

Shri Arun Churiwal is Managing Director of RSWM Limited. He is also Chairman and Managing Director of BSL Limited. Shri Churiwal holds a degree in B.A (Hons.). He joined the Board of the Company as Director on 23rd October, 2003. He is an eminent industrialist having rich experience of textile industry.

Shri J. C. Laddha (65)

Shri J. C. Laddha is FCA with rich experience in Textiles and was Executive Director of RSWM Limited. Shri J. C. Laddha possesses over four decades of experience in Textiles and was instrumental in setting up of various projects of the Company.

Shri Riju Jhunjhunwala (36)

Shri Riju Jhunjhunwala has been designated as Managing Director of RSWM Ltd. He is also the MD of Bhilwara Energy Ltd. Shri Riju Jhunjhunwala is a graduate in Business Management Studies. Shri Jhunjhunwala is an industrialist with diversified business experience

Shri Prakash Maheshwari (59)

Shri Prakash Maheshwari is a graduate in B. Sc and Gold Medalist in CA Final. Shri Maheshwari possesses three decades of experience in Textiles. He joined the Company as Head of Commercial on the 19th February, 1983 and worked as Chief Executive (Corporate Management).

ii Appointment of Independent Directors

Pursuant to the provisions of Section 149 read with schedule IV of the Companies Act, 2013, and Clause 49 of the Listing Agreement entered with the Stock Exchanges, Dr. Kamal Gupta, Shri D. N. Davar, Shri A. N. Choudhary and Shri Sushil Jhunjhunwala were appointed as Independent Directors for

one more term of 5 consecutive years commencing from the previous Annual General Meeting held on the 16th September, 2014.

Shri P. S. Dasgupta was appointed as Independent Director for first term of four consecutive years commencing from the previous Annual General Meeting held on the 16th September, 2014.

Smt. Geeta Mathur was inducted on the Board of Directors of the Company as an additional Director (Independent) with effect from the 11th November, 2014. The Board of Directors upon recommendation of Nomination and Remuneration Committee appointed Smt. Geeta Mathur as Independent Director for the first term of five years commencing from the date of induction on the Board of Directors, subject to the

approval by the Shareholders of the Company at the ensuing Annual General Meeting.

The brief profile of Smt Geeta Mathur, Independent Director proposed to be appointed as above is given below:

Smt. Geeta Mathur (49)

Smt. Geeta Mathur is an Independent Director of the Company. She is a graduate in Commerce and did her articles with Price Waterhouse while pursuing her CA and is a member of ICAI since 1989. Smt. Mathur is an experienced finance professional having worked as a banker both on the asset side and risk side and in large corporate treasuries and investor relations. She specialises in the area of project, corporate and structured finance, treasury, investor relations and strategic planning.

Details of Directorship Held in Other Companies

Directors name	Name of the company in which Directorship held*	Committee Chairmanship	Committee Membership
Shri Ravi Jhunjhunwala	AD Hydro Power Limited	Audit Committee	
	Bhilwara Energy Limited		
	BSL Limited		Stakeholders' Relationship Committee
	Cheslind Textiles Limited #		
	HEG Limited		Stakeholders' Relationship Committee
	India Glycols Limited		
	JK Lakshmi Cement Limited		Audit Committee
	Malana Power Company Limited		
	Maral Overseas Limited		
Shri Arun Churiwal	BSL Limited		Stakeholders' Relationship Committee
	La Opala RG Limited		Audit Committee
	LNJ Financial Services Limited		
Shri Riju Jhunjhunwala	Bhilwara Energy Limited	Audit Committee	
	Bhilwara Green Energy Limited		Audit Committee
	Bhilwara Infotechnology Limited		
	Bhilwara Technical Textiles Ltd.		Audit Committee Stakeholders' Relationship Committee

Directors name	Name of the company in which Directorship held*	Committee Chairmanship	Committee Membership
	Chango Yangthang Hydro Power Ltd.		Audit Committee
	Cheslind Textiles Limited #		Audit Committee
	HEG Limited	Stakeholders' Relationship Committee	
	LNJ Power Ventures Limited		Audit Committee
	NJC Hydro Power Limited		Audit Committee
Shri Prakash Maheshwari	Cheslind Textiles Limited #		Stakeholders' Relationship Committee
Shri J. C. Laddha	None	None	None
Smt. Geeta Mathur	IIFL Holdings Limited		
	Motherson Sumi Systems Limited		Audit Committee
	NIIT Limited	Audit Committee	
	Vardhman Acrylics Limited		
	Maral Overseas Limited		
	India Infoline Limited		Audit Committee
	IIFL Wealth Management Limited		Audit Committee
	Tata Communications Transformation Services Limited	Audit Committee	
	Beetel Teletech Limited		Audit Committee

* Excludes directorships held in private limited companies, foreign companies, memberships of management committee of various chambers/ bodies/ Section 25 companies.

Merged with the Company effective 30th April, 2015.

ADDITIONAL SHAREHOLDER INFORMATION

Annual General Meeting

Date : 25th September, 2015
 Day : Friday
 Time : 11.30 A.M.
 Venue : Kharigram, P. O. Gulabpura, District Bhilwara,
 Rajasthan-311021

- 10th February, 2015 : Third quarter and nine months

- 8th May, 2015 : Fourth quarter and Annual.

For the year ending 31st March, 2016, quarterly results will be announced within 45 days from the end of each quarter except the fourth quarter when the audited annual results will be published within 60 days.

Financial Results

Financial year : 1st April, 2014 to 31st March, 2015

For the year ended 31st March, 2015, results were announced on:

- 2nd August, 2014 : First quarter
- 11th November, 2014 : Second quarter and Half year

Book Closure

The dates of book closure are from 19th September, 2015 (Saturday) to 25th September, 2015 (Friday) (Both days inclusive)

Dividend Dates

A dividend of 100% i.e. ₹10/- per share on 2,31,48,689

equity shares of ₹10/- each has been recommended by the Board. Subject to the approval of the shareholders at the Annual General Meeting, this will be paid between 11th day and 14th day from the date of AGM.

Listing and Stock Codes

The Company's Equity Shares are listed on BSE and National Stock Exchange of India Limited (NSE). Listing fee as prescribed has been paid to the BSE and NSE up to 31st March, 2015.

The stock codes of the Company at BSE and NSE are given in Table 1:

Stock Codes of the Company

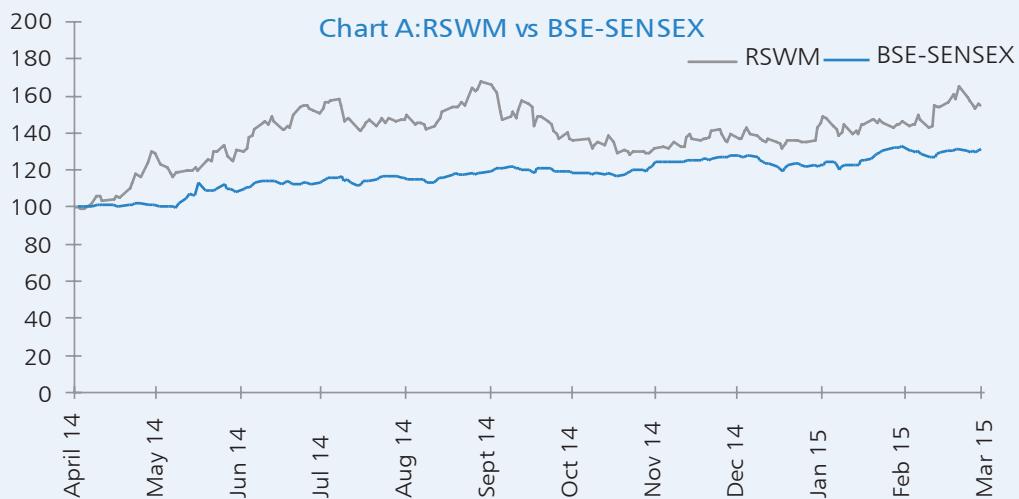
Stock exchanges	Stock codes
BSE	500350
NSE	RSWM

Stock Data

Share Prices of RSWM at BSE/NSE in 2014-15

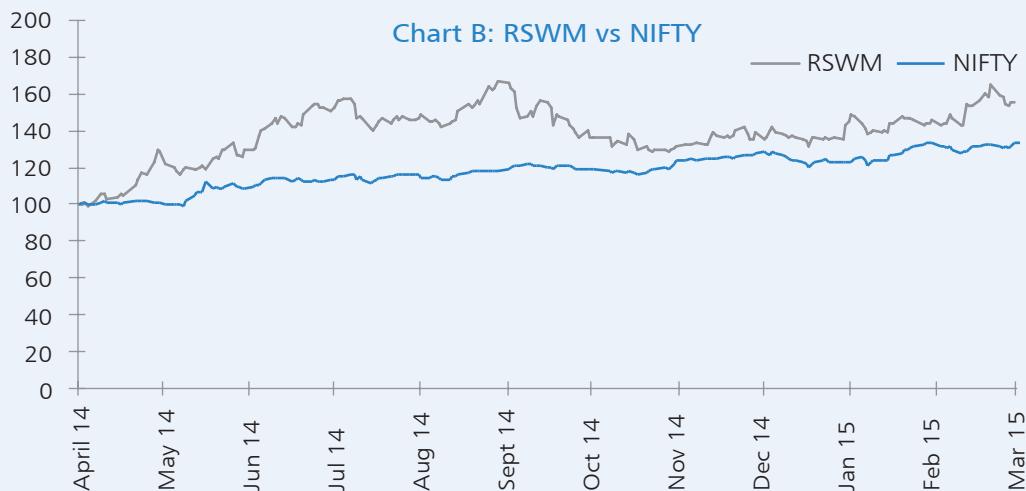
Month	BSE			NSE		
	High	Low	Volume	High	Low	Volume
Apr-14	184.00	134.90	5,09,725	184.00	137.00	9,60,638
May-14	189.00	160.00	4,88,106	190.00	159.55	8,76,866
Jun-14	220.40	179.55	6,95,815	220.00	160.20	17,01,775
Jul-14	224.45	190.00	5,19,335	224.25	189.00	8,98,225
Aug-14	237.80	198.20	10,89,512	237.80	198.35	19,98,406
Sep-14	235.70	185.65	11,44,279	235.80	186.00	17,85,343
Oct-14	196.70	179.10	1,35,706	196.90	178.10	4,31,677
Nov-14	201.80	180.30	2,10,659	201.80	180.05	6,03,806
Dec-14	207.00	181.85	2,23,638	205.95	181.35	6,11,328
Jan-15	211.75	193.00	1,90,909	212.00	193.25	4,44,102
Feb-15	234.20	198.00	3,94,749	234.45	197.85	5,54,086
Mar-15	239.00	205.90	1,86,200	239.00	206.00	4,17,146

Chart A: Relative Share Price Movement of RSWM at BSE compared to BSE Sensex in 2014-15



Note: Share prices and BSE Sensex indexed to 100 as on the first working day of the financial year 2014-15 i.e. 1st April, 2014.

Chart B: Relative Share Price Movement of RSWM at NSE compared to NIFTY Index in 2014-15



Note: Share prices and Nifty indexed to 100 as on the first working day of the financial year 2014-15 i.e. 1st April, 2014

Shareholding Pattern

Shareholding Pattern by Ownership as on 31st March, 2015

Categories	No. of shares	Percentage
Promoters, Directors, Relatives and Associates	1,19,09,804	51.45
Foreign Institutional Investors/Mutual Funds	100	0.00
Public Financial Institutions/State Financial Corporation	1,40,568	0.61
Mutual Funds (Indian)	15,80,225	6.83
Nationalized and other banks	14,596	0.06
NRIs/ Foreign Companies (Other than Promoters)	13,93,749	6.02
Public	81,09,647	35.03
Total	2,31,48,689	100.00

Shareholding Pattern by Size-Class as on 31st March, 2015

Categories	No. of Shareholders	No. of shares held	Percentage
1-1000	12,053	19,44,672	8.40
1001-5000	645	14,46,062	6.25
5001-10000	101	7,50,864	3.24
10001 and above	120	1,90,07,091	82.11
Total	12,919	2,31,48,689	100.00

Dematerialisation of Shares

As on 31st March, 2015, 2,22,78,138 Equity Shares representing 96.24% of the total equity capital were held in dematerialised form. Trading in shares of the Company is permitted in dematerialised form only. The Company makes request to shareholders holding shares in physical form on a regular basis to get shares dematerialised in their own benefit.

The ISIN number for RSWM's equity shares on NSDL and CDSL is INE611A01016.

Registrar and Transfer Agents

The Company on the request of M/s MCS Limited has transferred the share transfer registry work to M/s MCS Share Transfer Agent Limited w.e.f. 19th April, 2014. The Shareholders may contact M/s MCS Share Transfer Agent Limited for matters related to Share Transfers etc. at the following address:

MCS Share Transfer Agent Limited,
F-65, Okhla Industrial Area, Phase I, New Delhi – 110 020
Phone No (s) : 011-41406149-52, Fax No : 011-41709881,
E- Mail : helpdeskdelhi@mcsregistrars.com

Share Transfer System

Matters related to share transfer and transmission are attended by the delegated authorities on a fortnightly basis. Share transfers are registered and returned within 15 days from the date of receipt, if the documents are in order in all respects. As per the requirement of clause 47(c) of the Listing Agreement with the Stock Exchanges, the Company has obtained half-yearly certificates from Practicing Company Secretary for due compliance of share transfer formalities.

Details of Public Funding Obtained in the Last Three Years

RSWM has not obtained any public funding in the last three years.

Outstanding Warrants and their Implications on Equity

The Company has no outstanding warrants/convertible instruments.

Plant Locations

- 1 Kharigram, P.O. Gulabpura – 311 021,
Dist. Bhilwara, Rajasthan
- 2 Mayur Nagar, Lodha, P.O. Banswara – 327 001,
Dist. Banswara, Rajasthan
- 3 LNJ Nagar, Mordi, P.O. Banswara – 327 001,
Dist. Banswara, Rajasthan (Denim, Fabric and TPP).
- 4 Mandpam, Dist. Bhilwara-311025, Rajasthan
- 5 Kanya Kheri, Dist. Bhilwara- 311025, Rajasthan
- 6 Rishabhdev, Dist. Udaipur– 313 802, Rajasthan
- 7 Ringas, Dist. Sikar – 332 404 Rajasthan
- 8 B. Muduganapalli, Bagalur, Dist. Krishnagiri -635103,
Tamil Nadu
- 9 Thirubuvanai-605107, Puducherry

Investor Correspondence

Investor correspondence should be addressed to:

Registrar & Share Transfer Agent:

MCS Share Transfer Agent Limited
F-65, 1st Floor, Okhla Industrial Area Phase I,
New Delhi – 110 020
Phones : 011-4140 6149-52
Fax : 011-4170 9881
E-mail: helpdeskdelhi@mcsregistrars.com

Company Secretary

RSWM Limited
Bhilwara Towers
A-12, Sector 1, Noida – 201 301 (U.P.)
Phones: 0120-4390000/4390300
Fax:: 0120-4277841
E-mail: rswm.investor@lnjbhilwara.com

Registered Office

Kharigram, P.O. Gulabpura
District Bhilwara – 311 021 (Rajasthan) India

Other information to the Shareholders

Green Initiative

As a responsible Corporate citizen, the Company welcome the Green Initiative by sending the communications/documents including Notices for General Meeting and Annual Reports from time to time in electronic mode to those members who have provided their e-mail addresses to their Depository Participants (DP).

Shareholders who have not registered their e-mail addresses are requested to register/update their e-mail addresses in respect of equity shares held by them in demat form with their respective DPs and in case of physical form with the Company.

Internal Complaints Committee (ICC)

As per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 which came into effect from the 9th of December, 2013, the Company has formulated a Internal Complaints Committee that will ensure a work environment free of all forms of sexual harassment- verbal, written, physical, visual or otherwise.

The Committee is formed as per the statute, it is headed by a women employee, the committee comprises of more than half representation of women, it has adequate independent representation of women from the social and legal fields. It lays down the whole procedure of filling complaint, enquiry, redressal of grievance and taking action against those who are found guilty by the Committee in a fairly transparent manner. During the year under review, one incident of sexual harassment was reported which was settled after investigation by ICC.

Information pursuant to Clause 5A of the Listing Agreement

The Company transferred 26,538 equity shares in respect of 406 shareholders in the name of "RSWM Limited – Unclaimed Suspense Account" on 9th August, 2012 and these shares were subsequently dematerialized. Thereafter, the Company received claim from 2 shareholders comprising of 52 shares, which were duly transferred in their respective names. As on the 31st March, 2015, 26,486 equity shares are still lying in the Unclaimed Suspense Account.

Arun Churiwal

Managing Director

DIN : 00001718

Place: Kharigram (Rajasthan)

Dated: 8th May, 2015

CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF THE COMPANY

We, Arun Churiwal, Managing Director & Chief Executive Officer and Brij Mohan Sharma, Chief Financial Officer of RSWM Limited, hereby certify to the Board that:

- a. We have reviewed Financial statements and the Cash Flow statement for the year and that to the best of our knowledge and belief :
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by RSWM Limited during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c. We are responsible for establishing and maintaining internal controls for financial reporting in RSWM Limited and we have evaluated the effectiveness of Internal Control Systems of the Company pertaining to financial reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee:
 - i. significant changes in internal control over financial reporting during the year;
 - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.
- e. We affirm that we have not denied any personnel access to the Audit Committee of the Company (in respect of matters involving alleged misconduct).
- f. We further declare that all Board Members and designated Senior Management have affirmed compliance with the Code of Conduct for the current year.

Place: Kharigram, Rajasthan

Dated: 8th May, 2015

Arun Churiwal

Managing Director & Chief Executive Officer

B. M. Sharma

Chief Financial Officer

AUDITORS' CERTIFICATE

To

The Members of RSWM Ltd

We have examined the compliance of conditions of corporate governance by RSWM Limited, for the year ended on March 31, 2015 as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchange(s).

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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.

For S.BHARGAVA ASSOCIATES

Chartered Accountants

Firm registration number: 003191C

per Sunil Bhargava

Partner

Membership No.: 70964

For S. S. KOTHARI MEHTA & CO

Chartered Accountants

Firm Registration No.000756N

per K. K. Tulshan

Partner

Membership No.: 85033

Place : Kharigram, Rajasthan.

Date : May 08, 2015

6-YEAR FINANCIAL HIGHLIGHTS

(₹ in Crores)

Description	2009-10	Revised Schedule VI				
		2010-11	2011-12	2012-13	2013-14	2014-15
Gross Turnover	1,538.49	1,962.16	2,000.15	2,471.04	2,884.32	3,014.31
Net Turnover	1,530.76	1,950.59	1,987.00	2,453.29	2,870.05	3,003.36
PBIT	192.88	340.11	160.99	331.17	388.78	377.45
Interest	56.73	78.74	104.04	121.29	121.76	125.22
PBDT	136.15	261.37	56.95	209.88	267.02	252.23
Depreciation (Net)	87.64	80.15	89.10	108.45	110.69	135.27
PBT	48.51	181.22	-32.15	101.43	156.33	116.96
TAX	12.48	58.26	-10.36	33.56	57.53	32.05
PAT	36.03	122.96	-21.79	67.87	98.80	84.91
EPS (in ₹)	14.68	53.08	-9.41	29.32	42.68	36.68
Equity	23.15	23.15	23.15	23.15	23.15	23.15
Total Capital Employed	1,284.55	1,661.17	1,733.21	1,850.46	1,854.66	2,038.20
Net Worth	234.23	310.78	286.90	328.57	395.37	445.00
Deferred Tax Liability (DTL)	17.92	41.78	35.27	48.57	72.03	82.78
Net Worth and DTL	252.15	352.56	322.17	377.14	467.40	527.78
Long Term Loans	782.17	592.21	815.18	711.42	605.94	669.18
Working Capital Loans	248.43	437.98	376.09	466.63	458.97	447.35
Unsecured Loans	1.79	2.11	1.70	1.23	0.36	0.00
Total Borrowings (5+6+7)	1,032.39	1,032.30	1,192.97	1,179.28	1,065.27	1,116.53
Fixed Assets (Net)	802.07	807.44	1,030.84	976.95	946.71	1,160.75
Investments	60.15	60.15	60.27	110.67	127.36	90.67
Operating Profit Margin %	12.60	17.44	8.10	13.50	13.55	12.57
Return on Capital Employed % (PBIT/Capital Emp.)	8.19	15.65	4.15	12.04	14.99	11.88
Return on Sales % (PAT/ Turnover)	2.35	6.30	-1.10	2.77	3.44	2.83
Return on Net Worth %	15.38	39.56	-7.59	20.66	24.99	19.08
Debt Equity Ratio	3.35	1.91	2.85	2.17	1.53	1.50
Interest Cover Ratio	3.40	4.32	1.55	2.73	3.19	3.01
Fixed Assets Cover Ratio	1.03	1.36	1.26	1.37	1.56	1.73

Financial Statement

Independent Auditors' Report

To
The Members of
RSWM Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of RSWM Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 these standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these standalone 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 the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone

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, 2015, 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, 2015 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 51 to the financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 45 on 'Hedge Accounting' to the financial statements;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For S. Bhargava Associates
Chartered Accountants
Firm Registration No.003191C

For S. S. Kothari Mehta & Co
Chartered Accountants
Firm Registration No.000756N

Sunil Bhargava
Partner
Membership No. 70964

K K Tulshan
Partner
Membership No. 85033

Place: Kharigram, Rajasthan
Date: 8th May 2015

Annexure To The Independent Auditors' Report

Annexure referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' of the Independent Auditor's Report of even date to the members of RSWM Limited on its standalone financial statements as of and for the year ended March 31, 2015.

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Company has a program of physical verification of fixed assets that covers every item of fixed assets over a period of three years. In our opinion, this periodicity and manner of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification undertaken during the year;
- (ii) (a) The physical verification of inventory has been conducted at reasonable intervals during the year by the management;
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business;
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification of inventory;
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore sub - clauses (iii) (a) & (iii) (b) of the Order are not applicable;
- (iv) There is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. There is no continuing failure to correct major weaknesses in the internal control system;
- (v) As the Company has not accepted deposits, the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under, are not applicable;
- (vi) We have broadly reviewed the books and records required to be maintained as specified by the Central Government under sub-section (l) of section 148 of the Companies Act, 2013 and we are of the opinion that *prima facie*, the prescribed accounts and records have been maintained;
- (vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, customs and excise duty, value added tax, cess and other statutory dues with the appropriate authorities. There are no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable;

- (b) The particulars of dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess that have not been deposited on account of any dispute are as under:

S.No.	Nature of Statutory dues	Amount Disputed (Amount deposited under protest) As at 31st March, 2015 ₹ in lac	Amount Disputed (Amount deposited under protest) As at 31st March, 2014 ₹ in lac
1	Excise Duty CESTAT, New Delhi	8.51	8.51
2	Service Tax		
	(a) CESTAT, New Delhi	217.05	217.05
	(b) Commissioner (Appeals), Jaipur	-	-
3	TC Cess Appellate Tribunal, Mumbai	17.25	17.25
4	Entry Tax	-	1140.11
	Rajasthan High Court		

- (c) The amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time;
- (vii) The Company has been registered for a period of more than five years. The Company has no accumulated losses at the end of the financial year. It has neither incurred cash losses in this financial year nor in the immediately preceding financial year;
- (ix) The Company has not defaulted in repayment of dues to a financial institution or bank. The Company has not issued any debentures;
- (x) The Company has not given any guarantee for loans taken by others from bank or financial institutions, the terms and conditions whereof are prejudicial to the interest of the Company;
- (xi) The term loans were applied for the purpose for which the loans were obtained;

(xii) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year except a fraudulent encashment of a fake cheque of ₹7.95 lacs from a bank account of the Company by a person not connected with the Company. The amount has since been repaid to the Company by the concerned bank.

For S. Bhargava Associates
Chartered Accountants
Firm Registration No.003191C

For S. S. Kothari Mehta & Co
Chartered Accountants
Firm Registration No.000756N

Sunil Bhargava
Partner
Membership No. 70964

K K Tulshan
Partner
Membership No. 85033

Place: Kharigram, Rajasthan
Date: 8th May 2015

Balance Sheet As at 31st March, 2015

₹ in lac

Particulars	Note No.	As at 31st March 2015	As at 31st March 2014
I. EQUITY & LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2	3,339.78	2,314.87
(b) Reserves and Surplus	3	40,940.48	37,089.85
		44,280.26	39,404.72
(2) Government Capital Grants	3	219.94	132.36
(3) Non-current Liabilities			
(a) Long-term borrowings	4	66,917.80	60,629.63
(b) Deferred tax liabilities (Net)	5	8,278.04	7,203.16
(c) Other long term liabilities	6	718.66	767.64
(d) Long-term provisions	7	387.08	1,789.09
		76,301.58	70,389.52
(4) Current Liabilities			
(a) Short-term borrowings	8	44,735.21	45,896.57
(b) Trade payables	9	8,704.95	3,633.94
(c) Other current liabilities	10	26,514.85	22,428.45
(d) Short-term provisions	11	3,062.88	3,580.42
		83,017.89	75,539.38
TOTAL		2,03,819.67	1,85,465.98
II. ASSETS			
(1) Non - current assets			
(a) Fixed Assets	12		
(i) Tangible Assets		1,02,829.73	92,676.83
(ii) Intangible Assets		620.37	595.29
(iii) Capital work-in-progress		12,625.21	1,398.54
		1,16,075.31	94,670.66
(b) Non-current Investments	13	9,067.16	12,735.78
(c) Long-term loans and advances	14	2,926.78	3,934.15
(d) Other non-current assets	15	433.11	111.96
		1,28,502.36	1,11,452.55
(2) Current Assets			
(a) Inventories	16	39,863.92	37,625.11
(b) Trade Receivables	17	19,695.97	23,686.27
(c) Cash & Bank Balances	18	456.80	153.23
(d) Short-term loans and advances	19	5,879.27	3,575.44
(e) Other current assets	20	9,421.35	8,973.38
		75,317.31	74,013.43
TOTAL		2,03,819.67	1,85,465.98

See accompanying notes 1 to 51 forming part of financial statements

As per our report of even date

FOR AND ON BEHALF OF BOARD OF DIRECTORS

For S. Bhargava Associates
Chartered Accountants
Firm Regn. No. 003191C

For S.S. Kothari Mehta & Co.
Chartered Accountants
Firm Regn. No. 000756N

Ravi Jhunjhunwala
Arun Churiwal

Chairman
Managing Director &
Chief Executive Officer

DIN No. 00060972
DIN No. 00001718

Per SUNIL BHARGAVA
Partner
M. No. 70964

Per K. K. TULSHAN
Partner
M. No. 085033

Riju Jhunjhunwala
Prakash Maheshwari

Managing Director
Executive Director

DIN No. 00061060
DIN No. 02388988

Place: Kharigram, Rajasthan
Date: 8th May 2015

B. M. Sharma
Surender Gupta

Chief Financial Officer
Company Secretary

M. No. FCA 35012
M. No. FCS 2615

CIN L17115RJ1960PLC008216

Statement of Profit and Loss For the Year ended 31st March , 2015

₹ in lac

Particulars	Note No.	Year ended 31st March 2015	Year ended 31st March 2014
I. Revenue from operations	21	3,01,430.75	2,88,451.92
Less- Excise Duty		1,094.89	1,426.84
Net Revenue		3,00,335.86	2,87,025.08
II. Other Income	22	3,156.62	2,539.96
III. Total Revenue (I+II)		3,03,492.48	2,89,565.04
IV. Expenses:			
Cost of material consumed	23	1,75,154.59	1,68,120.34
Purchases of Stock-in-trade	24	3,234.97	5,296.55
Change in inventories of finished goods, work-in-progress and stock-in- trade	25	436.71	1,759.62
Employee benefits expense	26	27,698.39	23,282.96
Finance cost	27	12,522.07	12,176.38
Depreciation and amortization expense	28	13,526.86	11,069.01
Other expenses	29	59,222.38	52,226.72
Total Expenses		2,91,795.97	2,73,931.58
V. Profit before tax (III-IV)		11,696.51	15,633.46
VI. Tax expense:			
(1) Current Tax		2,450.35	3,407.56
(2) Deferred Tax		754.91	2,345.89
Total Tax Expenses		3,205.26	5,753.45
VII. Profit / (Loss) for the period (After Tax) (V -VI)		8,491.25	9,880.01
VIII. Earnings per equity share:			
(1) Basic	43	36.68	42.68
(2) Diluted		35.72	42.68

See accompanying notes 1 to 51 forming part of financial statements

As per our report of even date

FOR AND ON BEHALF OF BOARD OF DIRECTORS

For S. Bhargava Associates Chartered Accountants Firm Regn. No. 003191C	For S.S. Kothari Mehta & Co. Chartered Accountants Firm Regn. No. 000756N	Ravi Jhunjhunwala Arun Churiwal	Chairman Managing Director & Chief Executive Officer	DIN No. 00060972 DIN No. 00001718
Per SUNIL BHARGAVA Partner M. No. 70964	Per K. K. TULSHAN Partner M. No. 085033	Riju Jhunjhunwala Prakash Maheshwari	Managing Director Executive Director	DIN No. 00061060 DIN No. 02388988
Place: Kharigram, Rajasthan Date: 8th May 2015		B. M. Sharma Surender Gupta	Chief Financial Officer Company Secretary	M. No. FCA 35012 M. No. FCS 2615

Notes to Financial Statement As at 31st March, 2015

Notes annexed to and forming part of the Financial Statements

1 | ACCOUNTING POLICIES

I. BASIS OF ACCOUNTING

The financial statements are prepared on historical cost convention and on the accounting principles of going concern, in accordance with Generally Accepted Accounting Principles ('GAAP'), comprising of the Accounting Standard notified by the Companies (Accounting Standard) Rules, 2006 and recommendatory Accounting Standards (AS)-30, Guidance Notes and other authoritative guidance etc. issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 2013, on accrual basis, as adopted consistently by the Company.

USE OF ESTIMATES:

In preparation of the financial statements in confirmation with Generally Accepted Accounting Principle in India, management is required to make estimates & assumptions that affect the reported amount of assets & liabilities and the disclosures of contingent liabilities as at the financial reporting date. The amount of revenue & expenditure during the reported period and that of actual results could be different from those of estimates. Any revision to such estimates is recognized in the period in which the same are determined.

CLASSIFICATION OF ASSETS AND LIABILITIES AS CURRENT AND NON CURRENT

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, 12 months has been considered by the Company for the purpose of current/ non-current classification of assets and liabilities.

II. REVENUE RECOGNITION

- a) Sales revenue is recognized when property in the goods with all significant risk and rewards as well as the effective control of goods usually associated with ownership are transferred to the buyer, at a price and includes excise duty.
- b) Promotional Benefits, Export Incentives and Export Growth Incentives are accounted for on accrual basis when reasonable certainty and their probable use within reasonable time in the normal course of business, is established.
- c) Claims and refunds due from Government authorities and parties, though receivable / refundable are not recognized in the accounts, if the amount thereof is not ascertainable. These are accounted for as and when ascertained or admitted by the concerned authorities / parties in favour of the Company.
- d) Claims lodged with insurance companies are recognized as Income on acceptance by the Insurance Company. The Excess / Shortfall of claims passed are adjusted in the year of receipt.
- e) The Interest Subsidy under Technology Up-gradation Fund Scheme of Government of India and Rajasthan Investment Promotion Schemes of Government of Rajasthan are recognized on accrual basis and adjusted against the respective expenses.
- f) Dividend from investment in shares are recognized when the right to receive dividend is established.

III. GOVERNMENT GRANTS

Government grant /subsidies are recognized on the reasonable assurance of receipt of subsidy and completion of all the conditions attached. If the grant/ subsidies is related to a particular expense then in that case, it is deducted from that expense in the year of recognition.

Government Subsidies relating to depreciable Fixed Assets are treated as Deferred Income as per Accounting Standard (AS)-12, 'Accounting for Government Grants' which are recognized in Statement of Profit & loss over the useful life of the respective assets.

The Capital Subsidy under Technology Up-gradation Fund Scheme from Government(s) on specified machinery is recognized on a systematic and rational basis by adopting Deferred Income Approach, in proportion of the applicable depreciation over the useful life of the respective assets, and is adjusted against the depreciation in the Statement of Profit and Loss

Notes to Financial Statement As at 31st March, 2015

Notes annexed to and forming part of the Financial Statements

IV. INVENTORY VALUATION

- a) Inventories are valued at historical cost and net realizable value whichever is lower on a consistent basis. Historical cost is determined on Actual / Weighted Average basis on relevant categories of Inventories. The net value is determined after providing for obsolete, slow moving and defective inventories, wherever necessary.
- b) The cost of Inventories comprise all costs of purchase, costs of conversion and other direct costs incurred in bringing the inventories to their present location and condition.

V. INVESTMENTS

Non-Current Investments are stated at cost. In case of diminution in value other than temporary, the carrying amount is reduced to recognize the decline. Current Investments are carried at cost or fair value whichever is lower.

VI. TANGIBLE FIXED ASSETS, INTANGIBLE FIXED ASSETS AND CAPITAL WORK IN PROGRESS

- a) Cost of Fixed Assets comprises of its purchase price, including import duties and other non-refundable taxes or levies carrying amount of foreign exchange fluctuation on loans against Fixed Assets, expenditure incurred in the course of construction or acquisition, Start-up, Reconditioning, Commissioning, test runs & experimental production and other attributable costs of bringing the assets to its working conditions for the purpose of use for the business.
- b) Borrowing cost directly attributable and/or funds borrowed generally and used for the purpose of acquisition/construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized, at its capitalization rate to expenditure on that assets, for the period, until all activities necessary to prepare qualifying assets for its intended use are complete.
- c) Assets retired from active use and held for disposal are stated at the lower of their net book value and / or realizable value and are shown separately. Any subsequent revision in net realizable value is credited to statement of Profit and loss to the extent of amount written off in earlier years.
- d) Intangible Fixed assets acquired separately are measured on initial recognition at cost. Following initial reorganization, intangible assets are carried at cost less accumulated amortization and accumulated losses, if any. Internally generated Intangible assets are recognized, if and when the parameters laid down under Accounting Standard (AS)-26 'Intangible Assets' for recognition are satisfied.
- e) Goodwill acquired and/or arising upon amalgamation is amortized over a period of 5 years from the appointed date in accordance with paragraph 19 of Accounting Standard (AS) -14, 'Accounting for Amalgamations'.

VII. LEASES

Where the Company is the lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of the ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight line basis over the lease term.

Where the Company is the lessor

Assets subject to operating leases are included in fixed assets. Lease income is recognized in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation are recognized as an expense in the statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc are recognized immediately in the Statement of Profit and Loss

VIII. DEPRECIATION AND AMORTISATION

Depreciation on Tangible Fixed Assets and Amortization on Intangible Assets has been provided as follows:-

- a) For Plant and Machinery of Textile Division, Company has internally assessed the useful life considering use of the same wherever applicable on triple shift basis, which has also been evaluated by an external expert. These useful lives are amortized on Straight Line Method.

Notes to Financial Statement As at 31st March, 2015

Notes annexed to and forming part of the Financial Statements

- b) For Plant and Machinery of Power Generation Division also the useful life has been internally assessed, considering these assets use as a Continuous Process Plant and the same is also evaluated by an external expert. These useful lives are amortized on Straight Line Method.
- c) All other tangible assets other than as specified above, are depreciated over its useful life specified in Schedule II of Companies Act, 2013 by using Straight Line Method.
- d) Residual Value of All tangible and intangible assets is considered as 5%.
- e) Leased assets of the Company are amortized over the useful life/operating period of the lease following Accounting Standard (AS)-19
- f) (i) Intangible assets acquired by the Company are amortized over their useful life determined by the management on technical evaluation on straight line method.
(ii) Intangible assets arising out of irrevocable exclusive right to use under the Deposit Scheme of State Electricity Board guidelines and rules is also depreciated over its useful life determined by the management on technical evaluation /its residual period, on Straight Line Method.
- g) Goodwill acquired and/or arising upon amalgamation is amortized over a period of 5 years from the date of acquisition and/or appointed date in accordance with Para 19 of Accounting Standard (AS) -14, 'Accounting for Amalgamation'
- h) As a result the revised useful life of the assets determined are as under

S.No.	Nature of Assets	Effective Useful Lives
1.	Plant & Machinery of Textile Division	9 years 2 months
2.	Plant & Machinery for Power Generation	18 years
3.	All other tangible assets	As per Companies Act-2013
4.	Intangible Assets (a)Intangible Assets acquired (b)Intangible Assets being right to use (c) Goodwill	6 years 18 years 4 months 5 years

IX. IMPAIRMENT OF FIXED ASSETS

Factors giving rise to any indication of Impairment of the carrying amounts of Company's Assets are appraised at each Balance Sheet date by the Management to determine and provide/reverse an impairment loss following Accounting Standard (AS) -28, 'Impairment of Assets'.

X. FOREIGN EXCHANGE TRANSACTIONS/TRANSLATIONS

- a) (i) Export and Import transactions not covered by a hedging instrument are accounted for at the prevailing conversion rates on the transaction date.
(ii) Monetary items denominated in Foreign Currency (except financial instruments designated as Hedge Instruments) and outstanding at year end are translated at year end conversion rates.
(iii) Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss.
(iv) Borrowings in Foreign Currency have been recorded initially at the prevailing exchange rate on the date of availment. The Gain / Loss on Renewal / Payment of the Forward contract booking is accounted for in the Statement of Profit and Loss for the period. Premium or discounts arising on amount covered under Forward Contracts / Fixed Rate Contracts are amortized as expenses or income over the life of such contracts. The exchange gain / loss on un-hedged exposure are valued at the exchange rates prevailing at each balance sheet date.

Notes to Financial Statement As at 31st March, 2015

Notes annexed to and forming part of the Financial Statements

- b) Pursuant to The Institute of Chartered Accountants of India (ICAI) announcement "Accounting for Derivatives" on the early adoption of Accounting Standard (AS)-30 "Financial Instruments: Recognition and Measurement", the Company had early adopted the Accounting Standard (AS)-30 with effect from July 1, 2011, to the extent that such adoption does not conflict with existing mandatory accounting standards and other authoritative pronouncements, Company law and other regulatory requirements.

The Company holds foreign currency forward contracts, designated as hedges of expected future sales of yarn/fabric to customers in countries other than India, for which the Company has highly probable forecasted transactions. As permitted by the risk management policy of the Company, the Company also has foreign currency forward contracts outstanding at end of the year designated as hedges of expected future purchases from suppliers in countries other than India for which the company has firm commitments. Foreign currency forward contracts and cross currency forward contracts are being used to hedge the foreign currency risk of the firm commitments.

The terms of the foreign currency forward contracts have been negotiated to match the terms of the commitments. Whenever there are highly probable transactions for which hedge accounting is claimed, and where significant element of hedge ineffectiveness occurs, the same is recognized in the Statement of Profit & Loss.

A financial instrument is designated as an effective hedge after the management objectively evaluates, at the inception of each contract as to whether the instrument is effective in offsetting the cash flows attributable to the hedged risk. The same evaluation is carried out at the end of each reporting period. In the absence of such hedge being identified or being continued to be identified as an effective hedge, the value thereof is taken to the Statement of Profit & Loss.

Exchange difference relating to effective cash flow hedge is accumulated in a Hedging Reserve account. Amounts from hedging reserve account are transferred in the Statement of Profit and Loss when-

- I) the forecast transaction materializes, or
- ii) the hedging instrument expires or is sold, terminated or exercised (except for the replacement or rollover of a hedging instrument into another hedging instrument where such replacement or rollover is part of the instrument's hedging strategy), or
- iii) the hedge no longer meets the criteria for hedge accounting in Accounting Standard (AS)- 30, Financial Instruments, Recognition and Measurement.
- iv) The Company revokes the designation.

Exchange difference relating to Fair Value Hedge effectiveness is measured on the reporting date and exchange difference of fair value hedge is recognized in the Statement of Profit & Loss.

Hedge effectiveness of financial instruments designated as Hedging instruments is evaluated at the end of each financial reporting period as per the risk management policy of the Company framed under requirements of Accounting Standard (AS) -30, 'Financial Instruments', Recognition and Measurement and Para 14A.9 of Foreign Exchange Management Act, 1999.

XI. REPLENISHMENT

Indigenous raw materials are to be used on occasions, for exports, to be subsequently replenished under Duty Free Entitlement Schemes of the Government of India. The cost of such indigenous raw materials is accounted for at its equivalent imported / duty free prices by adjusting the value of such entitlements granted for neutralization of the import duties and levies.

XII. EMPLOYEE BENEFITS

- a) Defined Contribution Plan:

The Company makes defined contribution to Provident Fund and Superannuation Fund, which are accounted on accrual basis.

Notes to Financial Statement As at 31st March, 2015

Notes annexed to and forming part of the Financial Statements

b) Defined Benefit Plan:

The Company's Liabilities on account of Gratuity and Earned Leave on retirement of employees are determined at the end of each financial year on the basis of actuarial valuation certificates obtained from Registered Actuary in accordance with the measurement procedure as per revised Accounting Standard (AS)-15, 'Employee Benefits'. These liabilities are funded on year-to-year basis by contribution to respective funds. The costs of providing benefits under these plans are also determined on the basis of actuarial valuation at each year end. Actuarial gains and losses for defined benefit plans are recognized in full in the period in which they occur in Statement of Profit & Loss.

XIII. TAXES ON INCOME

- a) Taxes on Income are computed using Tax Deferral Assets or Liability Method where taxes accrue in the same period as the respective revenues and expenses arises. The differences that result between the profit offered for Income Tax and the profit as per financial statements are identified for recognition as Deferred Tax Liability being timing difference, that originate in one accounting period and reverse in another, based on the tax effect of the prevailing enacted regulations in force.
- b) Deferred Tax Assets are recognized subject to prudence, only if there is virtual certainty that they will be realized and are subject to appropriate reviews at each balance sheet date. For the purpose of measurement of Deferred Tax Liability or Assets, the applicable tax rates and enacted regulations expected to apply in the year in which the temporary differences are expected to be recovered or settled are applied and due consideration of the relief available under the provisions of Chapter VI A of the Income Tax Act, are appropriately considered.
- c) The Minimum Alternate Tax credit available is adjusted against the Deferred Tax Liability / Current Tax payable as per provision of the Income Tax Act, 1961

XIV. PROVISIONS AND CONTINGENT LIABILITIES / ASSETS

- a) Provisions are made when the present obligation of a past event gives rise to a probable outflow, embodying economic benefits on settlement, and the amount of obligation can be reliably estimated.
- b) Contingent Liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote.
- c) Provisions and Contingent Liabilities are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.
- d) Contingent Assets are neither accounted for nor disclosed in the financial statements.

XV. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) among the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity shares to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue, bonus element in a Rights issue to existing shareholders, share split, and reverse share split (consolidation of shares).

XVI. CASH & BANK BALANCES

Cash and bank balances for the purpose of cash flow statement comprise cash at bank, cash in hand, cheques in hand and other permissible instruments as per Accounting Standard (AS)-3, 'Cash flow statement'.

Notes to Financial Statement As at 31st March, 2015

Notes annexed to and forming part of the Financial Statements

2 | SHARE CAPITAL

	₹ in lac	As at 31st March 2015	As at 31st March 2014
AUTHORISED			
6,00,00,000 (Previous year : 4,75,00,000) Equity Shares of ₹10/- each		6,000.00	4,750.00
25,00,000 (Previous year : 25,00,000) Optionally Convertible Redeemable Preference Shares of ₹150/- each		3,750.00	3,750.00
5,00,00,000(Previous Year NIL) Optionally Convertible Redeemable Preference Shares of ₹ 7.50/- each		3,750.00	-
		13,500.00	8,500.00
ISSUED			
2,31,48,689 (Previous year : 2,31,48,689) Equity Shares of ₹10/- each		2,314.87	2,314.87
Preference Share to be allotted (See Note 2 Below)		1,024.91	-
SUBSCRIBED & FULLY PAID UP			
2,31,48,689 (Previous year : 2,31,48,689) Equity Shares of ₹10/- each		2,314.87	2,314.87
Preference Share to be allotted (See Note 2 Below)		1,024.91	-
		3,339.78	2,314.87

1. Shareholders holding more than 5 % of shares

Name of share holder	As at 31st March 2015		As at 31st March 2014	
	Number of Shares	Percentage of holding	Number of Shares	Percentage of holding
Microbase Limited	36,50,970	15.77	36,50,970	15.77
IDFC Sterling Equity Fund	-	-	15,72,818	6.79
IDFC Premier Equity Fund	15,72,769	6.79	-	-
LNJ Financial Services Limited	17,67,394	7.63	17,67,394	7.63
Purvi Vanijya Niyojan Limited	12,18,431	5.26	12,18,431	5.26

2. The whole Undertaking of Transferor Company Cheslind Textiles Limited (CTL) is merged into RSWM Limited (Transferee Company) with effect from appointed date of 1st April 2013. Upon coming into effect of the Merger Scheme 1 (one) Optionally Convertible Redeemable Preference Share (OCRPS) of the nominal value of ₹7.50 (Rupees Seven and Fifty paise) at par of Transferee Company and credited as fully paid up for every 1 (One) Equity Share of nominal value of ₹10 (Rupees Ten) each fully paid up held in Transferor Company. (See Note 30)

The major terms and conditions of the OCRPS are as under:

(a) Dividend rate

12% p.a. on the paid up value per share of ₹ 7.50

(b) Accumulation of dividend

Cumulative

(c) Payment of dividend

The preference shares will qualify for preferential payment of dividend at the rate set out above from the allotment date upto the date of redemption or conversion.

Notes to Financial Statement As at 31st March, 2015

Notes annexed to and forming part of the Financial Statements

(d) **Tenure**

5 years from the date of allotment

(e) **Listing**

The preference shares will, subject to the applicable laws and regulations, be listed and/or admitted to trading on the relevant stock exchange(s), where the existing shares of the Company are listed and/or admitted to trading.

(f) **Convertibility and conversion price ratio**

The said preference shares will carry the right and option to apply for conversion of the said preference shares into the equity shares of the Company in the ratio 1 (one) equity share of ₹10/- (Rupees Ten) each at par of the Company credited as fully paid up for every 22 (Twenty two) OCRPS of ₹7.50/- (Rupees Seven and Fifty paise) each to be issued and allotted by the Company. The said right must be exercised by the eligible preference shareholders before the expiry of 6 months from the date of allotment of such preference shares failing which the right shall lapse. No coupons shall be issued by the Company towards any fractional entitlement and all fractional entitlements, if any, shall be ignored.

(g) **Redemption Terms**

The Company shall have an option to redeem by giving not less than 3 months' notice to all the outstanding preference shares (i.e. such preference shares for which the option to convert into equity shares has not been exercised, as mentioned above) at par any time after the expiry of the conversion option period and before the expiry of 5 years from the allotment date.

3. The number of issued, subscribed and fully paid up shares remained unchanged during the year as there were no buy back or issue of share capital.
4. The Company has only one class of Issued and Subscribed Equity Shares having a par value of ₹10/. Each holder of equity shares is entitled to one vote per share. There are no restrictions attached to any equity shares. The Company declares and pays dividends, if any, in Indian rupees. During the year ended 31st March 2015, the amount of per share dividend recognized as distribution to equity share holders was ₹10/- (Previous year ₹12.50/-). The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the respective shareholders.
5. There are no shares issued for consideration other than cash in the last 5 financial years. However, 1,35,13,607 Equity shares of ₹10/- each were issued as fully paid up bonus shares by capitalisation of reserves in earlier years. 12,28,689 Equity shares of ₹10/- each were issued for consideration other than cash, pursuant to the scheme of merger of erstwhile Jaipur Polyspin Limited and Mordi Textiles & Processors Limited as approved by the Hon'ble High Court of Rajasthan.

Notes to Financial Statement As at 31st March, 2015

Notes annexed to and forming part of the Financial Statements

3 | RESERVES AND SURPLUS

	₹ in lac	As at 31st March 2015	As at 31st March 2014
A. Reserve and Surplus			
(a) Capital Reserve			
(i) Opening Balance		700.97	700.97
(ii) Additions during the period		-	-
		700.97	700.97
(b) Preference Share Capital Redemption Reserve			
(i) Opening Balance		5,700.00	5,700.00
(ii) Additions during the period		-	-
		5,700.00	5,700.00
(c) Securities Premium Reserve			
(i) Opening Balance		8,995.23	8,995.23
(ii) Additions during the period		-	-
		8,995.23	8,995.23
(d) State Investment Subsidy			
(i) Opening Balance		70.00	70.00
(ii) Additions during the period		-	-
		70.00	70.00
(e) General Reserve			
(i) Opening Balance		4,910.27	3,922.27
(ii) Additions during the period		-	988.00
		4,910.27	4,910.27
(f) Hedging Reserve			
(i) Opening Balance		188.92	(44.93)
Add- Addition due to Amalgamation of Cheslind Textiles Ltd.		117.42	-
(ii) Deletion during the period		(241.31)	233.85
		65.03	188.92
(g) Surplus in Statement of Profit & Loss			
Opening Balance		16,524.46	11,017.80
Add- Addition/Deletion due to CTL Amalgamation		(1,739.02)	-
Add : Profit for the period		8,491.25	9,880.01
		23,276.69	20,897.81
Less: Appropriations			
(i) Transfer to General Reserve		-	988.00
(ii) Proposed Dividend on Equity Shares		2,314.87	2,893.59
(iii) Tax on Dividend		462.84	491.76
		2,777.71	4,373.35
Net Surplus in Statement of Profit & Loss		20,498.98	16,524.46
Total Reserves & Surplus		40,940.48	37,089.85
B. Government Capital Grants (Deferred Income Approach)			
TUFS Capital Investment Subsidy			
(i) Opening Balance		132.36	181.24
(ii) Additions during the period *		152.92	-
Less : Adjusted against depreciation		(65.34)	(48.88)
		219.94	132.36

* Capital Subsidy claim amounting to ₹363.27 lac receivable under RR-TUFS is contingent upon eligibility confirmation by Textile Ministry and hence not recognized in the books of accounts on March 31, 2015.

Notes to Financial Statement As at 31st March, 2015

Notes annexed to and forming part of the Financial Statements

4 | LONG-TERM BORROWINGS

	₹ in lac	As at 31st March 2015	As at 31st March 2014
I SECURED			
Term Loans			
(i) From Banks		50,368.32	41,665.07
(ii) From Other Parties (Financial Institutions)		16,549.48	18,929.00
		66,917.80	60,594.07
II UNSECURED			
Deferred payment Liabilities		-	35.56
		66,917.80	60,629.63

Term loans are secured by way of joint equitable mortgage of all the present and future immovable properties of the Company and hypothecation of movable assets ranking pari passu amongst the term lenders and second charge on the current assets of the Company on pari-passu basis with lenders of working capital loans:

CURRENT YEAR FIGURES

I Secured

Repayment and Interest Conditions of Term Loans are summarise below:

(A) Floating Rate - Carrying floating interest rate of Base Rate + 0.50% to 2.50% as on 31st March 2015

Date of Final Maturity	Outstanding 31st March 2015			Installments due after 31st March 2015	₹ in lac
	Total Outstanding	Long Term Maturity	Current Maturity		
(a) From Banks					
15-Mar-2016	526.00		526.00	4	
25-Mar-2016	1,426.99		1,426.99	4	
30-Mar-2016	1,064.00		1,064.00	4	
20-Dec-2016	918.50	318.50	600.00	7	
20-Sep-2017	8,964.00	7,112.00	1,852.00	10	
25-Feb-2018	10,696.00	8,040.00	2,656.00	12	
20-Jun-2018	8,281.90	6,094.36	2,187.54	13	
25-Feb-2019	2,055.00	1,707.00	348.00	16	
20-Feb-2020	950.00	880.00	70.00	20	
20-Mar-2020	5,115.00	4,815.00	300.00	20	
20-Aug-2020	13,700.89	12,836.89	864.00	20	
20-Feb-2021	5,200.00	5,200.00	-	20	
Sub Total	58,898.28	47,003.75	11,894.53		

Date of Final Maturity	Outstanding 31st March 2015			Installments due after 31st March 2015	₹ in lac
	Total Outstanding	Long Term Maturity	Current Maturity		
(b) From Other Parties (Financial Institutions)					
20-Sep-2016	310.00	110.00	200.00	6	
20-Sep-2017	8,215.00	6,165.00	2,050.00	10	
20-Feb-2018	10,404.00	7,820.00	2,584.00	12	
1-Jul-2021	1,750.00	1,750.00	-	20	
Sub Total	20,679.00	15,845.00	4,834.00		
Total A	79,577.28	62,848.75	16,728.53		

Notes to Financial Statement As at 31st March, 2015

Notes annexed to and forming part of the Financial Statements

4 | LONG-TERM BORROWINGS (Contd.)

(B) Fixed Rate - Carrying fixed interest rate of 11.50% to 13.50% as on 31st March 2015

₹ in lac

Date of Final Maturity	Outstanding 31st March 2015			Installments due after 31st March 2015
	Total Outstanding	Long Term Maturity	Current Maturity	
(a) From Banks				
1-Jan-2018	414.58	290.58	124.00	12
1-Jul-2018	180.49	144.49	36.00	14
15-Sep-2020	432.00	352.00	80.00	22
31-Dec-2020	1,461.91	1,205.91	256.00	23
1-Mar-2021	1,185.99	1,101.99	84.00	70
31-Mar-2021	317.60	269.60	48.00	24
Sub Total	3,992.57	3,364.57	628.00	

₹ in lac

Date of Final Maturity	Outstanding 31st March 2015			Installments due after 31st March 2015
	Total Outstanding	Long Term Maturity	Current Maturity	
(b) From Other Parties (Financial Institutions)				
20-Mar-2021	848.49	704.48	144.01	24
Sub Total	848.49	704.48	144.01	
Total B	4,841.06	4,069.05	772.01	
Total A+B	84,418.34	66,917.80	17,500.54	

II Unsecured

(A) Deferred payment liability under sales tax deferment scheme 1987 of State Government

₹ in lac

Date of Final Maturity	Outstanding 31st March 2015			Installments due after 31st March 2015
	Total Outstanding	Long Term Maturity	Current Maturity	
15-Dec-2015	32.49	-	32.49	2
Total	32.49	-	32.49	-

PREVIOUS YEAR FIGURES

I Secured

Repayment and Interest Condition of Term Loans are summarised below:

(A) Floating Rate - Carrying floating interest rate of Base Rate + 1.00% to 2.50% as on March 31, 2014

₹ in lac

Date of Final Maturity	Outstanding 31st March 2014			Installments due after 31st March 2014
	Total Outstanding	Long Term Maturity	Current Maturity	
(a) From Banks				
15-Mar-2015	200.00	-	200.00	4
22-Mar-2015	505.00	-	505.00	4
15-Mar-2016	972.00	526.00	446.00	8
25-Mar-2016	1,952.00	1,052.00	900.00	8
30-Mar-2016	1,914.00	1,064.00	850.00	8
25-May-2016	699.00	375.00	324.00	9
20-Dec-2016	1,519.00	919.00	600.00	11
20-Sep-2017	10,793.00	8,964.00	1,829.00	14
25-Feb-2018	12,760.00	10,692.00	2,068.00	16
20-Jun-2018	10,468.65	8,281.40	2,187.25	17
25-Feb-2019	3,996.67	3,726.67	270.00	20
20-Feb-2020	950.00	950.00	-	20
20-Mar-2020	5,395.00	5,115.00	280.00	24
Sub Total	52,124.32	41,665.07	10,459.25	

Notes to Financial Statement As at 31st March, 2015

Notes annexed to and forming part of the Financial Statements

4 | LONG-TERM BORROWINGS (Contd.)

Date of Final Maturity	Outstanding 31st March 2014			Installments due after 31st March 2014	₹ in lac
	Total Outstanding	Long Term Maturity	Current Maturity		
(b) From Other Parties (Financial Institutions)					
20-Sep-2016	480.00	310.00	170.00	10	
20-Sep-2017	10,211.00	8,215.00	1,996.00	14	
20-Feb-2018	12,416.00	10,404.00	2,012.00	16	
Sub Total	23,107.00	18,929.00	4,178.00	-	
Total A	75,231.32	60,594.07	14,637.25	-	

II Unsecured

(A) Deferred payment liability under sales tax deferment scheme1987 of State Government

Date of Final Maturity	Outstanding 31st March 2014			Installments due after 31st March 2014	₹ in lac
	Total Outstanding	Long Term Maturity	Current Maturity		
15-Dec-2015	71.12	35.56	35.56	4	
Total A	71.12	35.56	35.56	-	

(B) Deferred payment liability under Sales tax Deferment scheme1998 of State Government

Date of Final Maturity	Outstanding 31st March 2014			Installments due after 31st March 2014	₹ in lac
	Total Outstanding	Long Term Maturity	Current Maturity		
1st April 2015	48.87	-	48.87	4	
Total B	48.87	-	48.87	-	
Total A+B	119.99	35.56	84.43	-	

5 | DEFERRED TAX LIABILITY

Deferred tax liability has been calculated as per Accounting Standard 22 'Accounting for Taxes on Income'. Major components are as under:

		As at 31st March 2015	As at 31st March 2014
Deferred Tax Liability for Depreciation		9,895.05	9,337.93
Total		9,895.05	9,337.93
Deferred Tax Assets			
Unabsorbed depreciation		-	-
Disallowance under IT Act		916.84	885.30
Provision for doubtful debts		428.39	410.01
Total		1,345.23	1,295.31
Deferred Tax Liability		8,549.82	8,042.62
Less : MAT available		271.78	839.46
Net Deferred Tax Liability		8,278.04	7,203.16

Notes to Financial Statement As at 31st March, 2015

Notes annexed to and forming part of the Financial Statements

6 | OTHER LONG TERM LIABILITIES

	₹ in lac	As at 31st March 2015	As at 31st March 2014
(a) Security Deposits		586.30	633.35
(b) Other liabilties		132.36	134.29
		718.66	767.64

7 | LONG TERM PROVISIONS

	₹ in lac	As at 31st March 2015	As at 31st March 2014
(a) Provision for employee benefits (Refer Note 39)		387.08	648.63
(b) Others		-	1,140.46
(i) Provision for Entry Tax (Refer Note 31)		387.08	1,789.09

8 | SHORT-TERM BORROWINGS

	₹ in lac	As at 31st March 2015	As at 31st March 2014
I SECURED			
(a) Loan repayable on demand			
From Banks		38,893.70	41,146.57
From Others		5,841.51	4,750.00
		44,735.21	45,896.57

1. Secured loans repayable on demand include working capital loans secured by hypothecation of raw materials, stock in process, finished goods, semi finished goods, stores, spares, book debts and other current assets as well as second charge on fixed assets of the company on pari passu basis.

2. All loans repayable on demand carry floating interest rate of 10.25% to 12.50%.

9 | TRADE PAYABLES

	₹ in lac	As at 31st March 2015	As at 31st March 2014
(a) Related Party			
BSL Ltd		2.55	0.40
Maral Overseas Ltd		3.97	(0.52)
(b) Others		8,698.43	3,634.06
		8,704.95	3,633.94

Notes to Financial Statement As at 31st March, 2015

Notes annexed to and forming part of the Financial Statements

9 | TRADE PAYABLES (Contd.)

Based on the information so far obtained by the Company, payment to enterprises covered under the Micro, Small and Medium Enterprises Development Act, 2006. (MSMED ACT) has been made within 45 days and disclosure in accordance with Section 22 of MSMED ACT is as under:-

Particulars	₹ in lac	
	As at 31st March 2015	As at 31st March 2014
1. Principal Amount remaining unpaid	104.55	20.11
2. Principal Amount remaining unpaid above 45 days	-	-
3. Interest due on above	-	-
4. Total of (1) and (2) (included in trade payable others)	104.55	20.11
5. Interest paid in terms of section 16	-	-
6. Interest due and payable for the period of delay in payment	-	-
7. Interest accrued and remaining unpaid	-	-
8. Interest due and payable even in succeeding years	-	-

10 | OTHER CURRENT LIABILITIES

Particulars	₹ in lac	
	As at 31st March 2015	As at 31st March 2014
(a) Current Maturities of long-term debt	17,500.54	14,637.25
(b) Current maturities of deferred payment liabilities	32.49	84.43
(c) Interest Accrued but not due on borrowings	299.76	157.63
(d) Interest accrued and due on borrowings	-	-
(e) Income received in advance	-	-
(f) Un-paid dividend	78.22	59.98
(g) Application money received for allotment of securities and due for refund and interest accrued there on	-	-
(h) Unpaid matured deposits and interest accrued thereon	-	-
(i) Unpaid matured debentures and interest accrued thereon	-	-
(j) Security Deposits	347.28	313.79
(k) Advance from customers	1,243.61	978.60
(l) Liability towards staff and workers	2,167.75	1,893.73
(m) Government dues	725.85	351.21
(n) Other Payables	25.39	27.94
(o) Commission, discounts etc. payable on sales	1,994.00	1,865.12
(p) Other Liabilities for expenses	2,099.96	2,058.77
	26,514.85	22,428.45

11 | SHORT TERM PROVISIONS

Particulars	₹ in lac	
	As at 31st March 2015	As at 31st March 2014
(a) Provision for employees benefits	285.17	195.07
(b) Others		
(i) Proposed dividend on Equity Share	2,314.87	2,893.59
(ii) Tax on Dividend	462.84	491.76
(iii) Provision for taxation	-	-
	3,062.88	3,580.42

Notes to Financial Statement

As at 31st March, 2015

Notes annexed to and forming part of the Financial Statements

12 | NON CURRENT ASSETS - FIXED ASSETS

Particulars	As at 01.04.2014	Acquisition on CTI Amalgama- tion	GROSS BLOCK			Up to 01.04.2014	For the year 2014-15	DEPRECIATION / AMORTISATION			NET CARRYING VALUE As at 31.03.2015
			3	4	5	6	7	8	9	10	
A) Tangible Assets	1	2									
Free Hold Land	1,814.54	2,586.30	19.10	-		4,419.94	1.44	-		1.44	4,418.50
Lease Hold Land	387.78	-	-	-		387.78	10.86	-		18.37	369.41
Buildings (Including Roads) ***	28,966.64	4,687.90	3,995.08	19.38	37,630.24	6,373.45	1,085.36	1,601.48	7.51	30.05	9,030.24
Plant and Machinery	1,41,734.05	15,060.44	10,436.95	851.18	1,66,380.26	82,835.25	12,920.12	9,702.64	762.25	1,04,695.76	61,684.50
Furniture Fixture & Others	3,787.80	111.53	52.29	34.51	3,917.11	1,441.17	62.83	418.08	27.17	1,894.91	58,898.80
Vehicles	1,438.45	51.25	318.33	167.49	1,640.54	527.13	29.16	218.84	113.96	661.17	2,022.20
Office Equipments	1,433.10	60.44	229.10	60.91	1,661.73	727.08	25.40	266.97	54.12	965.33	2,346.63
Electric Fitting and Water Supply Installation	7,606.39	726.87	79.21	30.90	8,381.57	2,575.54	448.81	1,324.59	26.72	4,322.22	911.32
Total (A)	1,87,168.75	23,284.73	15,130.06	1,164.37	22,419.17	94,491.92	14,571.68	13,540.11	1,014.27	1,21,589.44	1,02,829.73
B) Intangible Assets (Acquired)											
Computer Software	144.44	13.45	9.91	0.40	167.40	96.72	7.43	35.16	0.40	138.91	28.49
Enabling Assets	673.46	-	23.07	-	696.53	125.89	-	16.55	-	142.44	554.09
Goodwill on Amalgamation	-	62.99	-	-	62.99	-	12.60	12.60	-	25.20	37.79
Total (B)	817.90	76.44	32.98	0.40	926.92	222.61	20.03	64.31	0.40	306.55	620.37
Total (A + B)	1,87,986.65	23,361.17	15,163.04	1,164.77	22,534.69	94,714.53	14,591.71	13,604.42	1,014.67	1,21,895.99	1,03,450.10
C) Capital Work in Progress											
Building Under Construction	716.20	-	3,522.27		1,078.70	3,159.77	-	-			
Plant & Machinery Under Erection/Commissioning	585.69	-	11,575.35	3,263.13	8,897.91	-	-	-			
Pre-operative Expenses pending allocation	96.65	-	1,491.73	1,020.85	567.53	-	-	-			
Total (C)	1,398.54	-	16,589.35	5,352.68	12,625.21	-	-	-	-	12,625.21	1,398.54
D) Intangible Assets under development	-	-	-	-	-	-	-	-	-	-	-
Total (A+B+C+D)	1,89,385.19	23,361.17	31,752.39	6,527.45	2,37,971.30	94,714.53	14,591.71	13,604.42	1,014.67	1,21,895.99	1,16,075.31
Previous Year	1,81,979.07	-	11,215.81	3,809.69	1,89,355.19	84,283.68	-	11,117.89	687.04	94,714.53	94,670.66

Notes :

- *Deduction from Gross Block represents Sale/Transfer/Discarding of Fixed Assets/ Lease hold rights written off.
- ** Deduction in depreciation ₹1014.67 lac (previous Year ₹687.04 lac) represents adjustment on account of Sale/Transfer/Discarding of fixed assets.classified as held for sale
- *** Roads and Buildings includes value of irrevocable Licencing right to use of a flat in New Delhi ₹10.00 lac.
- Depreciation for the year 2014-2015 includes ₹65.34 lac (Previous Year ₹48.88 lac) against amortisation of government capital grants and ₹12.22 lac (Previous Year Nil) against capitalisation of ongoing projects.
- Intangible assets acquired by the Company are amortized over their useful life determined by the management on technical evaluation on straight line method.
- Intangible assets arising out of irrevocable exclusive right to use under the Deposit Work Scheme of State Electricity Board guidelines and Rules & the cost of pipelines of State Water Supply department are also depreciated over its' useful life determined by the management on technical evaluation on straight line method

As a result the useful life is determined as under

Assets	Useful life
Computer Software	6 years
Enabling Assets	18.4 Years
Water Pipe lines laid down by State Water Board	6 Years



Notes to Financial Statement As at 31st March, 2015

Notes annexed to and forming part of the Financial Statements

13 | NON CURRENT INVESTMENTS (AT COST)

Particulars		₹ in lac	As at 31st March 2015	As at 31st March 2014
A. Quoted, Non-Trade				
(i) In Subsidiary Company				
In Equity Shares of ₹10/- each (Unless stated otherwise) fully paid up (At cost)				
Holding (Nos.)	Name of the Company			
a) NIL {Previous Year 3,16,57,900} Cheslind Textile Ltd. (Refer note no. 30)		0.00	5,849.52	
		0.00	5,849.52	
(ii) In others				
In Equity Shares of ₹10/-each (Unless stated otherwise) fully paid up (At cost)				
Holding	Name of the Company			
(a) 9,78,000 (Previous Year 9,78,000)	HEG Limited	34.94	34.94	
(b) 372 (Previous Year 372)	Whirlpool India Limited (of ₹1/- each)	0.01	0.01	
(c) 30 (Previous Year 30)	Vardhman Holding Limited	0.00	0.00	
(d) 150 (Previous Year 150)	Tata Construction & Project Limited	0.02	0.02	
(e) 775 (Previous Year 775)	Graphite India Limited (of ₹2/- each)	0.03	0.03	
(f) 8,600 (Previous Year 8,600)	State Bank of Bikaner & Jaipur	14.72	14.72	
(g) 4,715 (Previous Year 4,715)	Punjab National Bank (of ₹2/- each)	3.68	3.68	
(h) 180 (Previous Year 180)	Vardhman Textiles Ltd.	0.01	0.01	
(i) 36 (Previous Year 36)	Vardhman Special Steel Limited	0.00	0.00	
(j) 31,396 (Previous Year 31,396)	BSL Limited	0.50	0.50	
		53.91	53.91	
Total Value of Quoted Non-Trade Investments		53.91		5,903.43
B. Unquoted Non-Trade				
(i) In Associates (Refer note no. 33)				
In Equity Shares of ₹10/-each				
(a) 2,60,000 (Previous Year 2,60,000) Share of LNJ Power Ventures Ltd		26.00	26.00	
In Debenture of ₹100000/-each				
(a) 3,200 (Previous Year 3200) 13.54% Compulsorily Convertible Debenture (CCD)of LNJ Power Ventures Ltd		3,200.00	3,200.00	
		3,226.00	3,226.00	
(ii) In Others				
In Equity Shares of ₹10/-each				
(a) 2,94,63,559 (Previous Year 2,77,78,432) Bhilwara Energy Limited		5,514.88	3,606.35	
(b) 26,25,000 (Previous Year Nil) Ind Eco Ventures Limited		262.55	-	
(c) 50,000 (Previous Year Nil) Indowind Power Private Limited		5.00	-	
(d) 13,000 (Previous Year Nil) Asian Wind Energy Private Limited		1.30	-	
(e) 32,000 (Previous Year Nil) OPG Power Generation Private Limited		3.52	-	
		5,787.25	3,606.35	
Total Value of unquoted Non-Trade Investments		9,013.25		6,832.35
Total Cost of Investments		9,067.16		12,735.78
Aggregate Market Value of Quoted Investments		2,201.86		3,514.53

1. All investments have been classified as non-trade investments based on the management's business assessment and legal expert, relied upon by the auditors.
2. The investment in Cheslind Textiles Limited of ₹5,849.52 lacs (Previous year ₹5,849.52 lacs) are no longer the investment as Cheslind Textiles Ltd. (CTL) is amalgamated into RSWM Ltd from the appointed date of scheme i.e.1st April 2013 (Refer Note No. 30)
3. The Compulsorily Convertible Debentures are to be converted into Equity Shares, based on the fair market valuation to be done by independent agency, at the end on 20th year from 21st March 2013.

Notes to Financial Statement As at 31st March, 2015

Notes annexed to and forming part of the Financial Statements

14 | LONG TERM LOANS & ADVANCES

Particulars	₹ in lac	
	As at 31st March 2015	As at 31st March 2014
UNSECURED, CONSIDERED GOOD		
(a) Capital Advances	2,108.79	3,121.00
(b) Security Deposits	766.15	690.78
(c) Loans & Advances to Related Parties Cheslind Textile Ltd. (Refer note no. 30)	-	60.00
(d) Other Loans & Advances		
- To directors of the company	-	-
- To Officers & staff of the company	50.90	49.16
- To Firm or company under the same management	-	-
- To Others	0.94	0.94
- Advance Against Supply	-	12.27
	2,926.78	3,934.15

15 | OTHER NON CURRENT ASSETS

Particulars	₹ in lac	
	As at 31st March 2015	As at 31st March 2014
(Unsecured, considered good unless otherwise stated)		
(i) Long Term Doubtful Trade Receivable Less: Provision for doubtful debts	1,260.35 (1,260.35)	1,206.26 (1,206.26)
(ii) Others	333.14	-
(a) Duty claims and other receivables	99.79	111.96
(b) Bank deposits with more than 12 months maturity	0.18	-
	433.11	111.96

16 | INVENTORIES

(AT LOWER OF THE COST OR NET REALISABLE VALUE - REFER ACCOUNTING POLICY NO.IV - NOTE 1)

Particulars	₹ in lac	
	As at 31st March 2015	As at 31st March 2014
Raw Material		
- Fibre (Includes in-transit ₹157.93 lac, Previous year ₹342.62 lac)	17,109.11	14,635.65
- Yarn	835.55	711.54
- Others - Dyes & Chemicals	665.17	549.66
Work in Progress		
- Yarn	6,314.50	6,070.83
- Fabric	1,315.65	959.42
- Fibre	280.56	-
Finished Goods		
- Yarn	7,649.91	7,562.83
- Fabric	2,857.20	3,712.39
- Garment	90.29	133.04
- Fibre	5.88	-
Traded Goods		
- Fabric	290.02	163.62
- Garment	7.70	-
Stores & Spares (Includes in-transit ₹2.97 lac, Previous year ₹549.64 lacs)	2,216.78	2,910.74
Loose Tools	94.92	100.83
Others - Waste	130.68	114.56
	39,863.92	37,625.11

Notes to Financial Statement As at 31st March, 2015

Notes annexed to and forming part of the Financial Statements

17 | TRADE RECEIVABLES (CURRENT)

₹ in lac

Particulars	As at 31st March 2015	As at 31st March 2014
(Unsecured considered good)		
Trade Receivable	19,678.95	23,480.90
Due from Related Parties	17.02	205.37
	19,695.97	23,686.27

Trade receivable include amount due over 180 days is ₹105.28 lac (Previous year ₹208.41 lac)

18 | CASH AND BANK BALANCES

₹ in lac

Particulars	As at 31st March 2015	As at 31st March 2014
(a) Cash & Cash Equivalents		
(i) Current accounts	177.15	25.79
(ii) Cheques, Drafts in hand	17.28	1.79
(iii) Cash-in-hand	67.58	54.05
(iv) Bank deposits within 3 months maturity	10.22	4.05
	272.23	85.68
(b) Bank Balances		
(i) Un-paid dividend account *	78.22	59.98
(ii) Margin money account	97.08	1.80
(iii) Bank deposits above 3 months but within 12 months maturity	9.27	5.77
	184.57	67.55
	456.80	153.23

* Earmarked for specific use

19 | SHORT- TERM LOANS & ADVANCES

₹ in lac

Particulars	As at 31st March 2015	As at 31st March 2014
A. Loans & Advances (Unsecured considered good)		
(a) To related Parties	854.79	620.01
Total A	854.79	620.01
B. Other Loans & Advances (Unsecured considered good)		
(a) Security Deposit	14.61	10.03
(b) Advance tax (Net of tax Provision ₹7,360.59 lac)	846.27	353.02
(c) Advance against supply	3,113.83	1,772.75
(d) Others	1,049.77	819.63
Total B	5,024.48	2,955.43
Total (A+B)	5,879.27	3,575.44

Notes to Financial Statement As at 31st March, 2015

Notes annexed to and forming part of the Financial Statements

20 | OTHER CURRENT ASSETS

Particulars	₹ in lac	As at 31st March 2015	As at 31st March 2014
Duties, Claims and Other Receivables	2,705.51	1,184.58	
Subsidies Receivable	2,677.25	1,927.80	
DEPB, DBK & Advance Licence Receivable	1,668.78	1,988.62	
Export Growth Entitlement Receivable	735.62	903.41	
SHIS Scheme Benefit Receivable (Refer Note 32)	12.29	901.57	
Excise Rebate Claim Receivables	1,190.66	1,349.99	
Interest receivable from trade debtors	151.24	185.08	
Assets Held for Sale (Refer Note 33)	280.00	532.33	
	9,421.35	8,973.38	

21 | REVENUE FROM OPERATIONS

Particulars	₹ in lac	Year ended 31st March 2015	Year ended 31st March 2014
(A) Sale of Products			
Manufactured Goods			
Yarn	2,48,028.69	2,39,820.98	
Fabric	43,628.51	38,304.41	
Garment	365.05	322.93	
Traded Goods			
Yarn	91.22	-	
Fabric	2,735.92	5,344.65	
Garment	109.33	184.84	
(B) Sale of Services			
Job & processing charges	2,347.20	2,670.29	
Other Services	17.47	19.73	
(C) Other Operating Revenue			
Gain on utilisation of SHIS purchase	674.06	-	
Sale of Waste	3,433.30	1,784.09	
	3,01,430.75	2,88,451.92	
Less: Excise Duty	1,094.89	1,426.84	
	3,00,335.86	2,87,025.08	

22 | OTHER INCOME

Particulars	₹ in lac	Year ended 31st March 2015	Year ended 31st March 2014
(a) Interest Income	1,202.65	1,137.41	
(b) (i) Dividend from subsidiary companies	-	-	
(ii) Dividend from others	60.27	80.01	
(d) Other non-operating income			
(i) Rent	640.97	676.18	
(ii) Consultancy fee	17.96	132.29	
(iii) Provision/Liability no longer required written back	657.00	102.40	
(iv) Insurance and other claims received	63.99	27.87	
(v) Profit/(loss) on sale of fixed assets (Net)	44.28	-	
(vi) Miscellaneous Receipts	409.26	394.18	
(e) Net gain/(loss) on foreign currency translation & transaction (Other than considered as finance cost)	54.76	(18.31)	
(f) Prior Period Income	5.48	7.93	
	3,156.62	2,539.96	

Notes to Financial Statement As at 31st March, 2015

Notes annexed to and forming part of the Financial Statements

23 | COST OF MATERIAL CONSUMED

Particulars	₹ in lac	
	Year ended 31st March 2015	Year ended 31st March 2014
(A) Raw Materials		
Opening Stock	15,896.84	16,151.37
Opening stock of Cheslind Textiles Ltd. on Amalgamation (Note 30)	2,755.55	-
Add: Purchases	18,652.39	16,151.37
	1,81,176.88	1,73,124.05
Less: Sales, Returns and Adjustments	1,99,829.27	1,89,275.42
	6,064.85	5,258.24
Less: Closing Stock	1,93,764.42	1,84,017.18
	18,609.83	15,896.84
Raw Material Consumed	1,75,154.59	1,68,120.34
Raw Material Consumption under broad heads:		
(A) Synthetic Fibres		
Polyester	69,241.42	73,684.49
Viscose	26,751.92	25,416.42
Other	4,371.70	5,117.82
(B) Natural Fibre		
Cotton	61,267.77	51,665.14
(C) Yarn		
Synthetic	1,806.81	2,508.88
Cotton	3,969.52	3,318.85
(D) Grey Fabric	274.91	482.56
(E) Coal	16.90	11.75
(F) Dyes & Chemicals	7,181.57	5,914.43
(F) PET Bottle Consumption	272.07	-
	1,75,154.59	1,68,120.34

24 | PURCHASES OF TRADED GOODS

Particulars	₹ in lac	
	Year ended 31st March 2015	Year ended 31st March 2014
Fabric	3,047.95	5,157.75
Garment	98.49	138.80
Yarn	88.53	-
	3,234.97	5,296.55

25 | CHANGE IN INVENTORY

Particulars	₹ in lac	
	Year ended 31st March 2015	Year ended 31st March 2014
CLOSING INVENTORY		
Finished Goods	10,901.00	11,571.88
Waste	130.69	114.56
Stock in Process	7,910.70	7,030.25
	18,942.39	18,716.69
OPENING INVENTORY*		
Finished Goods	11,843.00	12,652.92
Waste	123.64	111.53
Stock in Process	7,412.46	7,711.86
	19,379.10	20,476.31
Increase/(Decrease) in Inventory	(436.71)	(1,759.62)

*Opening inventory of current year is higher by ₹662.41 lac when compared with closing inventory of preceding year due to amalgamation of Cheslind Textiles Ltd. (see Note 30)

Notes to Financial Statement As at 31st March, 2015

Notes annexed to and forming part of the Financial Statements

26 | EMPLOYEE BENEFITS EXPENSES

Particulars	₹ in lac	
	Year ended 31st March 2015	Year ended 31st March 2014
(a) Salaries, Wages and Bonus	23,839.58	19,920.12
(b) Contribution to Provident and other Funds	3,364.88	3,008.87
(c) Workmen and Staff Welfare	493.93	353.97
	27,698.39	23,282.96

27 | FINANCE COST

Particulars	₹ in lac	
	Year ended 31st March 2015	Year ended 31st March 2014
(a) Interest Expenses *	11,876.75	11,687.24
(b) Other borrowing costs	176.40	123.85
(c) Bank charges	468.92	365.29
	12,522.07	12,176.38

* Interest Expenses recorded are Net of Subsidy received/receivable under Technology upgradation fund (TUFs), amounting to ₹2633.08 lac (Previous Year ₹3056.67 lac)

28 | DEPRECIATION AND AMORTISATION EXPENSES

Particulars	₹ in lac	
	Year ended 31st March 2015	Year ended 31st March 2014
Tangible Assets	13,515.54	11,062.73
Intangible Assets	64.31	55.16
Total A	13,579.85	11,117.89
Amortisation on Government Capital Grants	65.34	48.88
Excess Depreciation Written Back	0.25	-
Amortisation of Goodwill	12.60	-
Total B	52.99	48.88
Total A+B	13,526.86	11,069.01

Hitherto upto 31st March, 2014, the Company was providing depreciation as per Schedule XIV of the Companies Act, 1956. That schedule provided rates of depreciation. Now, with effect from 1st April, 2014, due to promulgation fo Companies Act, 2013, the Company is providing depreciation in accordance with Schedule II of the said Act. This schedule, instead of rates of depreciation, provides useful life of various assets on which depreciation can be provided on any of the prescribed methods. also refer Note No. 1 VIII.

29 | OTHER EXPENSES

Particulars	₹ in lac	
	Year ended 31st March 2015	Year ended 31st March 2014
A. Manufacturing Expenses		
(a) Stores and Spare parts Consumed (Net of scrap sales ₹481.73 lac, Previous Year ₹499.24 lac)	7,040.90	6,883.15
(b) Power and Fuel	26,842.26	22,469.49
(c) Packing Expenses	4,334.45	3,936.20
(d) Processing and Job Charges	1,546.53	1,426.19
(e) Research and Development	172.00	158.46
(f) Repairs to Building	728.60	644.48
(g) Repairs to Machinery	1,669.10	836.53
(h) Repair & Maintenance (Other)	349.41	339.67
	42,683.25	36,694.17

Notes to Financial Statement As at 31st March, 2015

Notes annexed to and forming part of the Financial Statements

29 | OTHER EXPENSES (Contd.)

₹ in lac

Particulars	Year ended 31st March 2015	Year ended 31st March 2014
B. Administrative Expenses		
(a) Rent	134.72	103.53
(b) Insurance Net of Recovery ₹70.70 lac (Previous Year ₹64.40 lac)	410.26	466.13
(c) Rates and Taxes	104.37	85.87
(d) Lease Rent	21.30	19.30
(e) Directors' Remuneration and Fees	737.06	658.98
(f) Directors' Travelling	130.21	77.96
(g) Charity and Donations	18.60	38.57
(h) Payment to Auditors*		
As Auditors	51.13	48.89
For Taxation Matters	-	4.94
For Other Services	5.19	10.29
For Reimbursement of Expenses	11.07	9.96
(i) Other Miscellaneous Expenses**	2,302.52	1,927.66
	3,926.43	3,452.08
*Payment to auditors during the year include Service Tax amounting to ₹5.19 lac (Previous year ₹5.70 lac)		
** Other Miscellaneous Expenses includes CSR Expenses of ₹150.41 as per Section 135 of the Companies Act-2013		
C. Selling Expenses		
(a) Commission	747.73	850.37
(b) Brokerage	306.14	211.99
(c) Incentives and Discounts	1,915.54	1,866.64
(d) Claims and Rebates	130.22	127.83
(e) Freight, Forwarding and Octroi	1,486.07	1,375.70
(f) Expenses on Export Sales:		
Ocean Freight	3,965.31	3,742.44
Commission	1,720.64	1,452.25
Others	729.20	351.03
(g) Advertisement	277.79	299.36
(h) Foreign Travelling Expenses	189.32	147.61
(i) Other Selling Expenses	748.97	730.35
	12,216.93	11,155.57
D. Other expenses		
(a) Net loss on Foreign currency transaction & translation (other than considered as finance cost)	52.55	52.61
(b) Bad debts and provision for doubtful debts & advances	54.67	705.65
(c) Entry tax	103.15	75.17
(d) Profit/Loss on sale/discarding of Fixed Assets (net)	-	52.21
(e) Profit/Loss on sale of stores/raw material (net)	180.24	13.62
(f) Prior period expenses	5.16	25.64
	395.77	924.90
	59,222.38	52,226.72

Notes to Financial Statement As at 31st March, 2015

Notes annexed to and forming part of the Financial Statements

30 | Pursuant to the (a) order dated 26th March, 2015 of Hon'ble High Court of Rajasthan at Jodhpur in Company petition No.10 of 2014; (b) order dated 31st March, 2015 of Hon'ble High Court of Madras at Chennai in Company petition No.79 of 2015; (c) taken on record by the Registrar of Companies, Rajasthan on 30th April, 2015 and Registrar of Companies, Tamil Nadu on 30th April, 2015, (the last of the date being the 'effective date') in the matter of amalgamation of Cheslind Textiles Limited (CTL) with RSWM Limited in a scheme of amalgamation under section 391 to 394 of the Companies Act, 1956 (the 'Scheme') from the 'appointed date' (1st April, 2013), in accordance with paragraph 8 of the scheme of amalgamation, with effect from the appointed date, the company has accounted for amalgamation of Cheslind Textiles Limited in its books of accounts as per "Purchase Method" as described in Accounting Standard(AS)-14 "Accounting for Amalgamations" issued by the Institute of Chartered Accounts of India. In accordance with Para 12 of Accounting Standard (AS) 14, 'Accounting for Amalgamation', the company has effected said amalgamation recognizing the identifiable assets at fair value. In accordance with Paragraph 37 of aforesaid Accounting Standard-14, the excess of amount of consideration over the value of net assets of Cheslind Textiles Limited, amounting to ₹63 lac, has been recognized as Goodwill arising on amalgamation, to be written off in 5 years as required by Paragraph 38 of Accounting Standard (AS)- 14.

The current year's figures in these financial statements as at and for the year ended 31st March, 2015 include results of CTL as at and for the year ended on that date as amalgamated with RSWM Limited. The results of CTL from the 'appointed date' (1st April 2013) to 31st March, 2014 have been recognized in the opening balances of these financial statements. The previous year figures in these financial statements are of RSWM Limited only. Hence in these financial statements, the current year figures consisting of RSWN Limited after amalgamation of CTL are not comparable with the previous year's figures that are of RSWM Limited only without effecting the amalgamation of CTL. Had the amalgamation of CTL with RSWM Limited been effected from the 'appointed date', the comparable figures of previous year with that of current year would have been as under:

Balance Sheet - Merged

₹ In lac

PARTICULARS	As at 31st March 2015			
	RSWM	CTL	Elimination	Total
1 EQUITY & LIABILITIES				
i Shareholder's Funds				
a Share Capital	3,339.78	-	-	3,339.78
b Reserves and Surplus	45,116.21	(4,175.73)	-	40,940.48
	48,455.99	(4,175.73)	-	44,280.26
2 Government Capital Grants	219.94	-	-	219.94
3 Non-current Liabilities				
a Long-term Liabilities				
b Deferred tax liabilities (Net)	62,848.74	4,384.06	(315.00)	66,917.80
c Other long term liabilities	8,278.04	-	-	8,278.04
d Long term provisions	718.66	-	-	718.66
	323.49	63.59	-	387.08
	72,168.93	4,447.65	(315.00)	76,301.58
4 Current Liabilities				
a Short-term borrowings	43,579.22	1,158.05	(2.06)	44,735.21
b Trade payables	4,195.50	4,254.45	255.00	8,704.95
c Other current liabilities	25,646.04	868.17	0.64	26,514.85
d Short-term provisions	3,028.33	34.54	0.01	3,062.88
	76,449.09	6,315.21	(253.59)	83,017.89
TOTAL	1,97,293.95	6,587.13	(61.41)	2,03,819.67

Notes to Financial Statement As at 31st March, 2015

Notes annexed to and forming part of the Financial Statements

30 | (Contd.)

₹ In lac

PARTICULARS	As at 31st March 2015			
	RSWM	CTL	Elimination	Total
1 Non-current assets				
a Fixed Assets				
i Tangible Assets	94,767.70	8,062.03	-	1,02,829.73
ii Intangible Assets	615.34	5.03	-	620.37
iii Capital work-in-progress	12,625.21	-	-	12,625.21
	1,08,008.25	8,067.06	-	1,16,075.31
b Non-current Investments	8,794.79	272.37	-	9,067.16
c Long-term loans and advances	2,728.74	198.04	-	2,926.78
d Other non-current assets	99.97	333.14	-	433.11
	11,623.50	803.55	-	12,427.05
2 Current Assets				
a Inventories	36,847.55	3,016.37	-	39,863.92
b Trade receivables	18,828.26	867.70	0.01	19,695.97
c Cash & Cash equivalents	356.44	91.10	9.26	456.80
d Short-term loans and advances	5,553.32	325.95	-	5,879.27
e Other current assets	8,598.11	832.51	(9.27)	9,421.35
f Inter Unit balance	7,478.52	(7,417.11)	(61.41)	-
	77,662.20	(2,283.48)	(61.41)	75,317.31
TOTAL	1,97,293.95	6,587.13	(61.41)	2,03,819.67

Statement of Profit and Loss - Merged

₹ In lac

PARTICULARS	Year ended 31st March 2015			
	RSWM	CTL	Elimination	Total
I Revenue from operations	2,76,631.91	24,815.69	(16.85)	3,01,430.75
Less: Excise Duty	1,094.89	-	-	1,094.89
Net Revenue	2,75,537.02	24,815.69	(16.85)	3,00,335.86
II Other Income	3,116.91	39.71	-	3,156.62
III Total Revenue (I+II)	2,78,653.93	24,855.40	(16.85)	3,03,492.48
IV Expenses				
Cost of material consumed	1,59,010.51	16,196.88	(52.80)	1,75,154.59
Purchases of Stock-in-trade	3,234.97	-	-	3,234.97
Change in inventories of finished goods, work-in-progress and stock-in-trade	100.74	335.97	-	436.71
Employee benefits expense	25,679.07	2,019.32	-	27,698.39
Finance costs	10,945.90	1,642.17	(66.00)	12,522.07
Depreciation and amortization expense	12,787.06	739.80	-	13,526.86
Other expenses	53,565.99	5,554.44	101.95	59,222.38
Total Expenses	2,65,324.24	26,488.58	(16.85)	2,91,795.97
V Profit before tax (III-IV)	13,329.69	(1,633.18)	-	11,696.51
VI Tax expense:				
1 Current Tax	2,450.35	-	-	2,450.35
2 Deferred Tax	754.91	-	-	754.91
Total Tax Expenses	3,205.26	-	-	3,205.26
VII Profit/ (Loss) for the period (after tax) (V-VI)	10,124.43	(1,633.18)	-	8,491.25

Notes to Financial Statement As at 31st March, 2015

Notes annexed to and forming part of the Financial Statements

Balance Sheet - Merged

₹ in lac

PARTICULARS	As at 31st March 2014			
	RSWM	CTL	Elimination	Total
1 EQUITY & LIABILITIES				
(i) Shareholders Fund	-	-	1,024.91	1,024.91
(a) Preference Share Under Allotment			(4,532.33)	
(b) Share Capital	2,314.87	4,532.33		2,314.87
(c) Reserves and Surplus	37,089.85	(1,315.55)	(306.05)	35,468.25
2 Government Capital Grants	39,404.72	3,216.78	(3,813.47)	38,808.03
132.36		-	-	132.36
3 Non-current Liabilities				
(a) Long-term Borrowings	60,629.63	5,156.10	(60.00)	65,725.73
(b) Deferred Tax Liabilities (Net)	7,203.16	-	319.98	7,523.14
(c) Other Long Term Liabilities	767.64	-	-	767.64
(d) Long Term Provisions	1,789.09	77.42	-	1,866.51
	70,389.52	5,233.52	259.98	75,883.02
4 Current Liabilities				
(a) Short Term Borrowings	45,896.57	2,435.28	-	48,331.85
(b) Trade Payables	3,633.94	3,085.65	-	6,719.59
(c) Other Current Liabilities	22,428.45	866.18	-	23,294.63
(d) Short Term Provisions	3,580.42	14.72	-	3,595.14
	75,539.38	6,401.83	-	81,941.21
Total	1,85,465.98	14,852.13	(3,553.49)	1,96,764.62
II. Assets				
1 Non - Current Assets				
(a) Fixed Assets				
(i) Tangible Assets	92,676.83	6,942.73	1,770.32	1,01,389.88
(ii) Intangible Assets	595.29	6.01	50.39	651.69
(iii) Capital Work-in-progress	1,398.54	-	-	1,398.54
	94,670.66	6,948.74	1,820.71	1,03,440.11
(b) Non-Current Investments	12,735.78	268.85	(5,849.52)	7,155.11
(c) Long Term Loans and advances	3,934.15	127.72	(60.00)	4,001.87
(d) Other non-current assets	111.96	466.36	-	578.32
	16,781.89	862.93	(5,909.52)	11,735.30
2 Current Assets				
(a) Inventories	37,625.11	3,541.62	-	41,166.73
(b) Trade Receivables	23,686.27	1,893.63	(0.01)	25,579.89
(c) Cash & cash equivalents	147.46	257.48	-	404.94
(d) Short-term Loans & advances	3,575.44	384.03	535.33	4,494.80
(e) Other current assets	8,979.15	963.69	0.01	9,942.85
	74,013.43	7,040.45	535.33	81,589.21
Total	1,85,465.98	14,852.12	(3,553.48)	1,96,764.62

Notes to Financial Statement As at 31st March, 2015

Notes annexed to and forming part of the Financial Statements

Statement of Profit and Loss - Merged

₹ In lac

PARTICULARS	For the year ending 31st March 2014			
	RSWM	CTL	Elimination	Total
I. Revenue From Operations	2,88,432.19	26,071.71	(31.63)	3,14,472.27
Less- Excise Duty	1,426.84	-	-	1,426.84
Net Revenue	2,87,005.35	26,071.71	(31.63)	3,13,045.43
II. Other Income	2,551.76	321.42	(122.12)	2,751.06
III. Total Revenue (I+II)	2,89,557.11	26,393.13	(153.75)	3,15,796.49
IV. Expenses:				
Cost of material consumed	1,68,120.34	16,905.57	(152.98)	1,84,872.93
Purchases of Stock-in-trade	5,296.55	-	-	5,296.55
Change in inventories of finished goods,work-in-progress and stock-in-trade	1,759.62	(208.58)	-	1,551.04
Employee benefits expense	23,282.96	1,845.60	-	25,128.56
Finance costs	12,176.38	1,473.42	-	13,649.80
Depreciation and amortization expense	11,069.01	686.49	2,908.29	14,663.79
Other expenses	52,218.79	5,343.07	(1.47)	57,560.39
Total Expenses	2,73,923.65	26,045.57	2,753.84	3,02,723.06
V Profit before tax (III-IV)	15,633.46	347.56	(2,907.59)	13,073.43
VI Tax Expense:				
(1) Current Tax	3,407.56	-	(535.34)	2,872.22
(2) Deferred Tax	2,345.89	-	(285.67)	2,060.22
Total Tax Expenses	5,753.45	-	(821.01)	4,932.44
VII Profit/ (Loss) for the period (after tax) (V-VI)	9,880.01	347.56	(2,086.58)	8,140.99

Note: In the above abstract of financial statements, Cheslind Textiles Limited's figures have been rearranged in accordance with RSWM Limited's classification of accounting heads.

Future interest sacrifice aggregating to ₹582.94 lac by the banks and financial institutions is amortized over the life of the loan in equal quarterly installments of ₹16.65 lacs per quarter till 31st March 2021.

Notes to Financial Statement As at 31st March, 2015

Notes annexed to and forming part of the Financial Statements

Disclosures as per AS 14

- a) **Names and general nature of business of the amalgamating companies;** Cheslind Textiles Limited(Transferor Company) and RSWM Limited (Transferee Company) are both engaged in similar business of spinners, doublers, weavers, bleachers, dyers in cotton, wool, jute, linen and all others synthetic fibers.
- b) **Effective date of amalgamation for accounting purposes;** 30th April 2015
- c) **Method of accounting used to reflect the amalgamation;** " Purchase Method" as per Para 12 of Accounting Standard – AS-14 " Accounting of Amalgamations" in compliance of Para 8 of the Scheme of Amalgamation.
- d) **Particulars of the scheme sanctioned under a statute:** The same are available on company's website www.rswm.in.
- e) **Consideration for the amalgamation and a description of the consideration paid or contingently payable;** ₹1024.91 lac in the form of 12% Optionally Convertible Redeemable Preference Shares of ₹7.50 each fully paid up.

The amount of any difference between the consideration and the value of net identifiable assets acquired, and the treatment thereof including the period of amortization of any goodwill arising on amalgamation (₹63 lac) to be amortized over a period of 5 years.

31 | Jodhpur Bench of Hon'ble Rajasthan High Court, in its interim order on constitutional validity of the levy of Entry Tax, had directed the Company to pay 50% of the assessed entry tax and provide solvent guarantee for the balance assessed and non-assessed tax and interest thereon till the date of payment. In its final order dated 11th December, 2014 the said Court dismissed the petition and discharged the interim order. The said Final Order was challenged in the Hon'ble Supreme Court, which in its interim order dated 30th January, 2015 directed to pay 50% of the arrears of the tax/demand within 6 weeks and provide bank guarantee for the balance amount. Subsequently, the Government of Rajasthan announced an Amnesty Scheme on 18th March, 2015, allowing waiver of interest & penalty if an assessee paid full amount of Entry Tax due and withdrew all legal proceedings from Courts. Company applied for amnesty under the scheme after withdrawing its petition from the Hon'ble Supreme Court and paid a sum of ₹975.87 lac during the year towards outstanding liability of Entry Tax. Accordingly, provision for outstanding liability of Interest amounting to ₹367.95 has been written back.

32 | Foreign Trade Policy 2009-2014 introduced Status Holder Incentive Scheme (SHIS), under which an Exporter is entitled for scripts @1% of FOB Value of Exports. These scripts can be used within 18 months of the date of script, for payment of Import /Excise duties on capital goods and spare parts and are freely transferable.

Based on opinion obtained from an expert, the full face value of SHIS Scripts receivable aggregated to H1005.95 lac at the end of previous years, upon ascertaining it's probable use in the normal course of business based on projects approved by the Board. Out of aforesaid SHIS scripts for a value of H1005.95 lac, scripts for a value of H981.99 lac were used during the current financial year. script valuing ₹12.83.lac could not be used on account of expiry of validity and loss on such script is accounted for in the current period.

During the year, Company also purchased SHIS scripts of a face value of ₹1048.17 lac at a price of ₹416.33 lac .Out of this purchased SHIS scripts, scripts of the face value of ₹1022.43 lac (Cost ₹404.04 lac) were utilized for payment of applicable duty and difference of face value of scripts used and its cost of acquisition amounting to ₹618.39 lac has been recognized as Other Income.

SHIS script for the face value of ₹36.87 lac (Cost ₹12.29 lac) inclusive of own eligibility and purchase, are in hand as on 31st March, 2015 valid for utilisation within next 3 months, Utilisation thereof within the next 3 month has been ascertained.

33 | After commissioning of Thermal Power Plant at Banswara in 2007, HFO fuelled Wartsila power generators at various units considered as standby, became redundant. During financial year 2012-2013, company had also invested under Group Captive Scheme in a Special Purpose Vehicle (SPV) viz. LNJ Power Ventures Limited, which on 29th March 2013 commissioned a 20 MW Wind Power Unit in Rajasthan. As per Power Purchase Agreement signed by Company with SPV, 100% power generated by SPV starting 29th March, 2013 is available for use by company for 20 years at a fixed price. Considering very

Notes to Financial Statement As at 31st March, 2015

Notes annexed to and forming part of the Financial Statements

33 | (Contd.)

high cost of retention of Wartsila Power generators and uneconomical power generation, Company decided to retire them from active use and sell them at all locations, retaining only one at Denim Unit at Mayur Nagar as back-up for use in case of extreme emergency. Pending disposal of these assets, estimated realizable value of Wartsila Generators ₹1068.46 lac was transferred to "Assets held for sale" as on 31.03.2013. During financial year 2013-2014, Generators having carrying value of ₹358.53 had been sold out at a value of ₹201.69 lac, resulting into a further loss of ₹156.64 lac. Remaining generators had been accounted for at estimated realizable value of ₹532.33 lac as on 31st March, 2014.

Out of above estimated realizable value as on 31st March, 2014, during the year Generator with carrying value of H297.37 lac was sold at a value of H264.19 lac resulting into further loss of ₹33.18 lac. For remaining one generator carrying value of ₹234.96 lac, there is a confirmed order of sale at the value of ₹280.00 lac therefore it has been accounted for at estimated realizable value of ₹280 lac as on 31st March, 2015.

34 | The Company has incurred expenditure on implementation of Loom Project at Mordi, Recycled Fibre Project at Ringas and Spinning Project at Kanyakheri which have been considered as Pre-operative Expenses thereon pending capitalisation as detailed here under :-

Particulars	Opening Balance	Additions	Capitalized *	₹ In lac Closing Balance
Raw Material	-	142.11	120.47	21.64
Payment to and provision for Employees	20.77	380.94	259.44	142.27
Professional & Consultancy Charges	14.02	118.54	82.89	49.67
Interest & Financial Expenses	10.89	770.65	436.50	345.04
Misc. and Other Expenses	50.97	174.88	216.94	8.91
	96.65	1587.12	1116.24	567.53
Less: Recoveries/recoverable	-	95.39	95.39	-
TOTAL	96.65	1491.73	1020.85	567.53

*The Company during the year on 29th March, 2015 commenced the commercial operations of its Recycled Fiber Plant at Ringas.

35 | The Company has adopted Accounting Standard (AS)-30 'Financial Instruments: Recognition and Measurement' and the gain on account of change in effective portion of such forward contracts is taken into Hedging Reserve ₹65.03 lac as on 31/03/2015, (Previous year H188.92 lac) and gain of H54.76 lac on ineffective portion of hedge is taken into Statement of Profit & Loss (Previous year Loss of H18.31 lac). (Refer Note 45)

36 A | The loans & advances, debtors and other current assets are reviewed annually and their value in the ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet as assessed by the management. However, balance confirmation from parties is under process.

36 B | Response to the letter(s) sent by Company requesting confirmation of balances has been insignificant. Company notes that the Marketing and Accounting team has a system of periodical verification of balances and required adjustments are carried-on that basis regularly. In view of the above, management considered that impact of reconciliation, on receipt of balance confirmation would not be significant on the same.

37 | In view of legal opinion and various reliefs available under Income Tax Act, 1961 provision for taxation has been considered adequate.

38 | The figures for the previous year have been regrouped and/or rearranged wherever found necessary to make these comparable with those of the current year.

Notes to Financial Statement As at 31st March, 2015

Notes annexed to and forming part of the Financial Statements

ACCOUNTING STANDARD DISCLOSURES

39 | (AS)-15 'EMPLOYEE BENEFITS'

The company has complied with Accounting Standard 15 (Revised 2005) and the required disclosures are given hereunder:

(a) Defined Benefit Plans (Funded)

The Following table set out the status of the Gratuity Plan and Earned Leave Plan as required under AS-15 (Revised 2005)

Particulars	Year ended 31-Mar-15		Year ended 31-Mar-14	
	Gratuity	Earned Leave	Gratuity	Earned Leave
(I) Reconciliation of opening and closing balances of defined benefit obligation.				
(a) At the beginning of the year	3,226.97	717.42	2,854.20	662.87
(b) Current Service Cost	430.29	188.55	377.92	128.76
(c) Interest Cost	274.29	60.98	228.34	53.03
(d) Actuarial Gain/loss	(219.75)	(74.49)	130.46	(48.64)
(e) Benefits paid	(296.61)	(89.81)	(363.95)	(78.60)
(f) Settlement Cost	-	-	-	-
(g)Defined Benefits obligations at the year end	3,415.19	802.65	3,226.97	717.42
(ii) Reconciliation of opening and closing balances of fair value of plan assets				
(a) At the beginning of the year	2,671.07	624.69	2,273.33	540.50
(b) Expected Return on plan assets	267.11	49.98	227.33	43.24
(c) Actuarial Gain/loss	(42.91)	(1.39)	(46.51)	(2.82)
(d) Employer Contribution	555.90	92.73	580.87	122.37
(e) Benefits paid	(296.61)	(89.81)	(363.95)	(78.60)
(f) Fair Value of the plan assets at the year end	3,154.57	676.20	2,671.08	624.69
(iii) Reconciliation of the present value of the defined benefit obligation & the fair value of the plan assets to the assets & Liabilities recognized in the Balance Sheet.				
(a) Present value of obligation as at 31.03.2015	3,415.19	802.65	3,226.97	717.42
(b) Fair value of Plan Assets as at 31.03.2015	3,154.57	676.20	2,671.08	624.69
(c) Amount Recognized in Balance Sheet (a-b)	260.62	126.45	555.89	92.73
(iv) The total Expense recognized in the statement of Profit & Loss during the year				
(a) Current Service Cost	416.81	138.43	377.92	128.76
(b) Interest Cost	274.29	60.98	228.34	53.03
(c) Expected return on plan assets	(267.11)	(49.98)	(227.33)	(43.24)
(d) Actuarial Gain/loss	(176.84)	(73.10)	176.97	(45.82)
(e) Others	13.47	50.12	-	-
Net Cost (a+b+c+d+e)	260.62	126.45	555.89	92.73

Notes to Financial Statement As at 31st March, 2015

Notes annexed to and forming part of the Financial Statements

39 | (AS)-15 'EMPLOYEE BENEFITS' (Contd.)

(v) Investment Details of Plan Assets for each major category of plan assets, following is the percentage that each major category constitute of the fair value of the total plan assets.

Name of Retirement Benefit	Name of Trust	Policy number	Particulars		Sharing of Investment
			Investment with		This Year
(i) Gratuity	Rajasthan Spinning Staff Gratuity fund trust	36	ICICI Prudential Life Insurance Co. Ltd.	67%	79%
		300786114	Bajaj Allianz Life Insurance Company Limited	8%	10%
		GR000225	Kotak Mahindra Old Mutual Life Insurance Limited	9%	9%
		NEB02426342 40001274 GLES 311308	Aviva Life Insurance Co. Ltd Reliance Life Insurance Co. Ltd LIC of India	2% 14% 100%	2% - 100%
(ii) Earned Leave					

(vi) There is no amount included in the fair value of plan assets for the company's own financial instruments and property occupied by or other assets used by the company.

(vii) Principle Actuarial Assumption at the Balance Sheet date

Particulars	This Year		Previous Year	
	For Gratuity	For Earned Leave	For Gratuity	For Earned Leave
(a) Discount Rate	8.00%	8.00%	8.50%	8.50%
(b) Expected Rate of Return on plan assets	10.00%	8.00%	10.00%	8.00%
(c) Mortality Index used by the actuary	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)

The estimates of future salary increase considered in actuarial valuation, take account of inflation, seniority promotion and other relevant factors, such as supply and demand in the employment market. The above information is certified by the actuary. The Annual Return on plan asset for the year and estimate of contribution for the next year as per actuarial valuation is as under :-

Particulars	Actual Return on Plan Assets (₹ In lac)		Estimate of Contribution for next year (₹ In lac)	
	This Year	Previous Year	This Year	
			Previous Year	Previous Year
(a) Gratuity	227.27	227.33	621.42	633.63
(b) Earned leave	48.59	43.24	154.84	141.72

(viii) The overall expected return on assets is assumed based on the market prices prevailing on that date which is having Insurer Managed Fund. The description of Insurance Policies are "ICICI Pru Group Gratuity Platinum Policy, Kotak Gratuity Group Plan, Bajaj Allianz Group Employee Benefit Plan and Employee Leave Encashment-cum-life Assurance of Life Insurance Corporation Of India".

Notes to Financial Statement As at 31st March, 2015

Notes annexed to and forming part of the Financial Statements

39 | (AS)-15 'EMPLOYEE BENEFITS' (Contd.)

(ix) Experience adjustment

Particulars	(₹ In lac)											
	31st March 2015	Gratuity	Earned Leave	31st March 2014	Gratuity	Earned Leave	31st March 2013	Gratuity	Earned Leave	31st March 2012	Gratuity	Earned Leave
Defined Benefit Obligation	3,415.19	802.65	3,226.97	717.42	2,854.20	662.87	2,402.10	556.47	2,069.89	525.72		
Plan Assets Surplus/Deficit	3,154.57 (260.62) (42.91)	676.20 (126.45) (1.39)	2,671.08 (555.89) (46.51)	624.69 (92.73) (2.82)	2,273.30 (580.87) (6.10)	540.50 (122.40) (0.15)	2,005.80 (396.28) (18.22)	522.46 (34.01) 9.81	1,645.03 (424.86) (107.83)	460.47 (65.26) 5.45		
Experience adjustment on plan assets	215.74	73.63	(128.73)	49.24	(245.04)	1.39	(159.57)	56.30	(127.80)	26.49		
Experience adjustment on plan liabilities												

b) Defined contribution plans

The company has recognized the following amount as an expense in statement of Profit & Loss and included in the Note No. 44 "Contribution to Provident and other Funds"

Particulars	₹ in lac	
	31st March 2015	31st March 2014
(i) Employer's Contribution to Provident Fund	1,361.07	1,253.17
(ii) Employer's Contribution to Superannuation	244.96	203.80

The Guidance Note on Implementation of AS-15 (Revised), "Employee Benefits" issued by the ICAI states that Provident Fund set up by the employers, which requires interest shortfall to be met by the employer needs to be treated as defined benefits plan. The Company set up Provident Fund does not have existing deficit of interest shortfall. With regard to future obligation arising due to interest shortfall (i.e. Government interest to be paid on the Provident Fund Scheme exceeding rate of interest earned on investment) pending issuance of the Guidance Note from Actuarial Society of India, Company actuary has expressed his inability to reliably measure the Provident Fund liability.

40 | ACCOUNTING STANDARD (AS)-17, SEGMENT REPORTING

The Company's operations predominantly relates to manufacturing of Yarn and Fabric & Denim. On the basis of assessment of the risk and return differential in terms of Accounting Standard (AS)-17, Segment Reports the Company has identified Yarn and Fabric & Denim as primary reportable business segments. Further the geographical segments have been considered as secondary segments and divided into India, Europe, Middle East, America and Other Countries.

The accounting policy in respect of Segments is in conformity with the accounting policies of the enterprise as a whole. The inter segment transfers are accounted at the prevailing market prices charged to unaffiliated customers for similar goods. These transfers are eliminated in consolidation.

The revenue and expenditure in relation to the respective segments have been identified and allocated to the extent possible. Other items i.e. extraordinary items, Loss /Profit on sale of investments and foreign currency transactions, corporate office expenses, etc. not allocable to specific segments are being disclosed separately as unallocated and adjusted directly against the Total Income of the Company.

Notes to Financial Statement As at 31st March, 2015

Notes annexed to and forming part of the Financial Statements

40 | ACCOUNTING STANDARD (AS)-17, SEGMENT REPORTING (Contd.)

(A) Business Segment

₹ in lac

Particulars	Yarn*	Fabric, Denim	Other Items	Total
	Year ended March 31, 2015 (previous year)			
Segment Revenue				
External Sales / Other Operating Income	2,53,607 (2,42,217)	48,606 (45,980)	85 (32)	3,02,298 (2,88,229)
Inter Segment Transfers	9,262 (7,665)	- (1)	- (-)	9,262 (7,666)
Gross Revenue	2,62,869 (2,49,882)	48,606 (45,981)	85 (32)	3,11,560 (2,95,895)
Segment Result (earnings before interest and taxes)	20,629 (24,974)	4,267 (3,053)	- (-)	24,896 (28,027)
Less: Interest (Net)	- (-)	- (-)	- (-)	(12,522) (12,176)
Unallocable expenses net of unallocable income	- (-)	- (-)	- (-)	(678) (218)
Profit Before Tax	- (-)	- (-)	- (-)	11,696 (15,633)
Less: Taxation	- (-)	- (-)	- (-)	(3,205) (5,753)
Net profit for the year	- (-)	- (-)	- (-)	8,491 (9,880)
Other Information	- (-)	- (-)	- (-)	- (-)
Segment Assets	1,41,475 (1,30,005)	32,466 (32,769)	29,878 (22,692)	2,03,819 (1,85,466)
Segment Liabilities	15,230 (10,182)	3,397 (3,198)	3,226 (4,098)	21,853 (17,478)
Capital Employed	1,26,245 (1,19,823)	29,069 (29,571)	26,652 (18,594)	1,81,966 (1,67,988)
Capital Expenditure incurred during the year	23,319 (5,764)	1,872 (2,471)	60 (56)	25,251 (8,291)
Depreciation	9,531 (8,648)	3,697 (2,301)	299 (120)	13,527 (11,069)

* Yarn includes captive and standby power figures.

Notes to Financial Statement As at 31st March, 2015

Notes annexed to and forming part of the Financial Statements

40 | ACCOUNTING STANDARD (AS)-17, SEGMENT REPORTING (Contd.)

(B) GEOGRAPHICAL SEGMENTS

PARTICULARS	India	Europe	Middle East	Africa, South East & Far East Asia	America	Total
Segments Revenue						
Based on location of the customers	2,01,233 (1,97,869)	37,557 (38,083)	7,825 (31,070)	54,524 (20,175)	1,159 (1,032)	3,02,298 (2,28,229)
Segment Assets						
Based on location of the assets	1,99,342 (1,78,455)	1,837 (2,450)	239 (1,109)	2,132 (3,349)	269 (103)	2,03,819 (1,85,466)
Capital Expenditure						
Based on location of the assets	25,251 (8,291)	- (-)	- (-)	- (-)	- (-)	25,251 (8,291)

Figures in brackets and italics represents previous year's figures.

41 | ACCOUNTING STANDARD (AS)-18 'RELATED PARTY DISCLOSURES'

Related Party Relationships as per paragraph 3 of AS - 18		Name of related party
a	Enterprises that directly, or indirectly through one or more intermediaries:	
	- controls RSWM Limited	None
	- are controlled by RSWM Limited	Cheslind Textiles Limited
	- are under common control with RSWM Limited	None
b	Associates and joint ventures of RSWM Limited	Associates: LNJ Power Ventures Limited Joint Venture: None
	Investing party or venture in respect of which the RSWM Limited is an associate or a joint venture	None
c	Individuals owning, directly or indirectly, an interest in the voting powers of RSWM Limited that gives them control or significant influence over RSWM Limited and relatives of such individual	None
d	Key Management Personnel	1. Shri Ravi Jhunjhunwala 2. Shri Shekhar Agarwal 3. Shri Arun Churiwal 4. Shri Riju Jhunjhunwala 5. Shri J. C. Laddha 6. Shri B M Sharma 7. Shri Surender Gupta
	Relatives of Key Managerial Personnel	See Table A below
e	Enterprises over which any person described in(c) or (d) above is able to exercise significant influence	See Table A below

Notes to Financial Statement As at 31st March, 2015

Notes annexed to and forming part of the Financial Statements

41 | ACCOUNTING STANDARD (AS)-18 'RELATED PARTY DISCLOSURES' (Contd.)

Table A

Key Managerial Personnel	Relatives of KMP		Enterprises where KMPs & their relatives exercises significant influence
	Relationship	Name of the relative	
Shri Ravi Jhunjhunwala	Father	Shri L N Jhunjhunwala	1. Investors India Limited
	Mother	Smt. Mani Devi Jhunjhunwala	2. Kalati Holdings Private Limited
	Spouse	Smt. Rita Jhunjhunwala	3. Raghav Commercial Limited
	Brother	-	4. Shashi Commercial Co. Limited
	Sister	Smt. Shashi Agarwal	5. Giltedged India Securities Limited
	Son	Shri Riju Jhunjhunwala	6. Purvi Vanijya Niyojan Limited
	Daughter	Shri Rishab Jhunjhunwala	7. Nivedan Vanijya Niyojan Limited 8. India TexFab Marketing Limited 9. Veronia tie-up Private Limited 10. Nikita Electrotrades Private Limited 11. Bhilwara Services Private Limited 12. Bhilwara Energy Limited 13. LNJ Financial Services Limited 14. Malana Power Company Limited 15. AD Hydro Power Limited 16. Maral Overseas Limited 17. Zongoo Commercial Co. Private Limited 18. Bharat Investment Growth Limited 19. Modify Distributors Private Limited 20. Glorious Commodeal Private Limited 21. Indo Canadian Counsultancy Serv. Limited 22. HEG Limited (managerial position – CMD) 23. Malana Power Company Ltd (managerial position – CMD)
Shri Shekhar Agarwal	Father	Deceased	1. Maral Overseas Limited
	Mother	Deceased	2. Essay Marketing Co. Ltd.
	Spouse	Smt. Shashi Agarwal	3. Jyoti Knits Pvt Ltd
	Brother	Deceased	4. Mayur Knits Pvt Ltd
	Sister	Smt. Bindu Saraogi	5. Raghav Knits & Textiles Pvt Ltd
	Son	Shri Shantanu Agarwal	6. BMD Power Pvt. Ltd.
	Daughter	Ms. Shuchi Agarwal	7. BMD Renewable Energy Pvt. Ltd. 8. Aadi Marketing Company Pvt. Ltd. 9. Agarwal Trademart Pvt. Ltd. 10. BMD Private Limited 11. Ultramarine Impex Pvt. Ltd. 12. Apeksha Vyapar Pvt. Ltd. 13. Diplomat Leasing & Finance Pvt Ltd 14. Agarwal Finestate Private Ltd

Notes to Financial Statement As at 31st March, 2015

Notes annexed to and forming part of the Financial Statements

41 | ACCOUNTING STANDARD (AS)-18 'RELATED PARTY DISCLOSURES' (Contd.)

Key Managerial Personnel	Relatives of KMP		Enterprises where KMPs & their relatives exercises significant influence
	Relationship	Name of the relative	
Shri Arun Churiwal	Father	Deceased	1. Churiwala Properties & Investments Pvt. Ltd. 2. PRC Niyojan Pvt. Ltd. 3. Mandawa Niyojan Pvt. Ltd. 4. Mandapam Vikas Pvt. Ltd. 5. Prapti Apparels Company Pvt. Ltd.
	Mother	Smt. Shakuntala Churiwal	
	Spouse Brother	Smt. Sudha Churiwal	
		Shri Vinay Churiwal	
	Sister Son	Shri Atul Churiwal	
		Smt. Vina Agarwal	
Shri Riju Jhunjhunwala	Daughter	Shri Nivedan Churiwal	
	Father	Shri Ravi Jhunjhunwala	1. Bhilwara Energy Ltd (managerial position – MD) 2. Bhilwara Green Energy Ltd. 3. Investors India Limited 4. Giltedged India Securities Ltd. 5. Purvi Vanijya Niyojan Ltd. 6. Raghav Commercial Limited 7. India Texfab Marketing Limited 8. Kalati Holdings Pvt. Ltd. 9. Veronia Tie-up Pvt Ltd 10. Nikita Electrotrades Pvt Ltd 11. Zongoo Commercial Co. Pvt. Ltd.
	Mother	Smt. Rita Jhunjhunwala	
	Spouse Brother	Smt. Amrita Jhunjhunwala	
		Shri Rishabh Jhunjhunwala	
	Sister Son	-	
		Master Jawahar Jhunjhunwala	
Shri J. C. Laddha	Daughter	-	
	Father	Deceased	1. Sudiva Spinners Pvt. Ltd 2. Maheshwari Vastra Bhandar
	Mother	Deceased	
	Spouse Brother	Smt. Sunita Laddha	
		Shri Rampal Laddha	
	Sister Son	Shri Omprakash Laddha	
		Shri Fateh Lal Laddha	
Shri B. M. Sharma	Daughter	Shri Suresh Chandra Laddha	
		Smt. Kavita Devi Sharda	
		Shri Varun Laddha	
		Ms. Anamika Toshniwal	
		Ms. Namrata Malpani	
		Ms. Kavita Choudhari	

Notes to Financial Statement As at 31st March, 2015

Notes annexed to and forming part of the Financial Statements

41 | ACCOUNTING STANDARD (AS)-18 'RELATED PARTY DISCLOSURES' (Contd.)

Key Managerial Personnel	Relatives of KMP		Enterprises where KMPs & their relatives exercises significant influence
	Relationship	Name of the relative	
Shri Surender Gupta	Father	Deceased	None
	Mother	Smt. Bimla Gupta	
	Spouse	Smt. Puja Gupta	
	Brother	Sh. Manish Gupta	
	Sister	-	
	Son	Master Vinayak Gupta	
	Daughter	Ms. Bhavya Gupta	
		Ms. Ramya Gupta	

₹ in lac

Transactions/ Balances	Associates		Key Management Personnel		Enterprises over which any person described in (a) or (b) are able to exercise significant influence. This includes enterprises owned by directors or major shareholders of the reporting enterprise & enterprise that have a member of key management in common with the reporting enterprise.	
	As at/ Year ended 31 March 2015	As at/ Year ended 31 March 2014	As at/ Year ended 31 March 2015	As at/ Year ended 31 March 2014	As at/ Year ended 31 March 2015	As at/ Year ended 31 March 2014
	(a)	(b)	(c)			
Sale of Finished Goods	-	-	-	-	3,247.61	2,759.27
Sales of Raw Material	-	-	-	-	38.18	66.18
Purchases of Raw Material & Finished Goods	-	-	-	-	1,226.19	1,191.16
Sale of Stores items	-	-	-	-	2.12	9.18
Purchase of Stores Items	-	-	-	-	7.56	2.97
Rent Received	-	-	-	-	330.54	389.73
Rent Paid	-	-	-	-	79.07	65.85
Reimbursement received of revenue expenditure	6.86	7.87	-	-	330.73	304.40
Reimbursement made of revenue expenditure	-	-	-	-	16.50	47.83
Job Charges Received	-	-	-	-	423.03	183.15
Job Charges Paid	-	-	-	-	42.21	119.07
Management Consultancy Charges received	-	-	-	-	-	27.30
Commission on Sale of IEX Power received	-	-	-	-	19.48	21.40
Retainer ship charges paid	-	-	-	-	-	84.27
Interest received	475.34	440.23	-	-	5.60	31.32
Purchase of Cement	-	-	-	-	-	-
Investment in Shares of BEL	-	-	-	-	1,908.52	1,143.00

Notes to Financial Statement As at 31st March, 2015

Notes annexed to and forming part of the Financial Statements

41 | ACCOUNTING STANDARD (AS)-18 'RELATED PARTY DISCLOSURES' (Contd.)

₹ in lac

Transactions/ Balances	Associates		Key Management Personnel		Enterprises over which any person described in (a) or (b) are able to exercise significant influence. This includes enterprises owned by directors or major shareholders of the reporting enterprise & enterprise that have a member of key management in common with the reporting enterprise.	
	As at/ Year ended 31 March 2015	As at/ Year ended 31 March 2014	As at/ Year ended 31 March 2015	As at/ Year ended 31 March 2014	As at/ Year ended 31 March 2015	As at/ Year ended 31 March 2014
	(a)		(b)		(c)	
Purchase of Wind Power	2,321.29	1,701.47	-	-	-	-
Investment in Compulsorily Convertible Debentures	-	526.00			-	-
Remuneration and other perquisites	-	-	791.34	641.20	-	-
Director Sitting Fees	-	-	9.65	4.80	-	-
Trade Receivable	-	-	-	-	18.00	239.55
Other Receivable	432.70	396.20	-	-	540.63	337.77
Trade Payable	119.50	143.98	-	-	6.52	
Other Payable	-	-	-	-	-	0.06

42 | ACCOUNTING STANDARD (AS) –19, 'LEASES'

There is no disclosure under Accounting Standard (AS) 19, as there are no cancellable lease.

43 | ACCOUNTING STANDARD (AS) –20, 'EARNING PER SHARE'

The basic and diluted Earnings Per Share (EPS) have been calculated by dividing Net Profit for the year attributable to equity shareholders by the weighted average number of Equity Shares as per AS 20 are as under:-

Particulars	Unit	This Year	Previous Year
I) Calculation of Basic EPS			
a) Net Profit after Tax	₹ In lac	8,491.25	6,786.61
b) Dividend on OCPS/Redeemable Preference Share	₹ In lac	-	-
c) Net Profit available to Equity share (a- b)	₹ In lac	8,491.25	6,786.61
d) Weighted Average Equity Share outstanding during the Year	Nos.	2,31,48,689.00	2,31,48,689.00
e) Basic earning per share	₹	36.68	29.32
II) Calculation of Diluted EPS			
a) Warrants & OCRPS/Redeemable Preference Shares	₹	62,11,560.00	-
b) Payment Received	₹	62,11,560.00	-
c) Diluted potential equity shares	Nos.	6,21,156.00	-
d) Total number of diluted weighted average shares	Nos.	2,37,69,845.00	2,31,48,689.00
e) Diluted earnings per share	₹	35.72	29.32

Diluted earnings per share is calculated assuming that All OCRPS are converted into Equity Shares.

Previous year EPS is calculated after giving impact of merger of Cheslind Textiles Limited, to make them comparable with the EPS of the current year.

Notes to Financial Statement As at 31st March, 2015

Notes annexed to and forming part of the Financial Statements

44 | ACCOUNTING STANDARD (AS)-29'PROVISIONS & CONTINGENT LIABILITIES AND COMMITMENTS'

S. No	PARTICULARS	Carrying amount as at 31.3.14	Additional provisions during the year	Amt used during the year	Unused & reverted during the year	Carrying amount as at 31.03.15
A.	PROVISIONS					
B.	CONTINGENT LIABILITY NOT PROVIDED FOR :					
(a)	Claims against the company not acknowledged as debt	8.99	-	-	-	8.99
(b)	Guarantees					
(i)	Guarantee in favour of International Finance Corporation with M/s. HEG Ltd on joint and several basis on behalf of M/s A. D. Hydro power Limited.	600.00	-	-	-	600.00
(ii)	Guarantee by ICICI Bank Ltd to LNJ Power Ventures Ltd	1,000.00	-	-	-	1,000.00
(c)	Other money for which the company is contingently liable.					
(i)	Excise & Customs Duties, Sales tax and Other demands disputed by the Company.	675.99	-	-	284.99	391.00
(ii)	Future Export Obligation Against EPCG	-	-	-	-	-
C.	COMMITMENTS OUTSTANDING :					
(i)	Estimated Value of contracts remaining to be executed on capital Accounts and not provided for	4,210.86	8,058.14	4,222.67	3,441.35	4,604.98
(ii)	Commitment in 2012-13 to buy ₹350 lac unit per year at a fixed rate of ₹5.75 per unit for 20 years					
(a)	Current Commitment (for next 12 Months)	2,013.00	-	-	-	2,013.00
(b)	Non-current commitment (for next 17 years)	36,225.00	-	2,013.00	-	34,212.00

Notes to Financial Statement As at 31st March, 2015

Notes annexed to and forming part of the Financial Statements

44 | ACCOUNTING STANDARD (AS)-29'PROVISIONS & CONTINGENT LIABILITIES AND COMMITMENTS' (Contd.)

- D. The Rajasthan Government had imposed surcharge on shortfall in meeting Renewable Energy Obligation on the power produced from Captive Power Plants vide their Notification dated 23rd March, 2007 and amended later on 24th May, 2011, which was stayed by Hon'ble High Court of Rajasthan. In its Judgement dated 31st August, 2012, Hon'ble High Court of Rajasthan upheld the validity of the aforesaid Notification and amended Notification issued thereafter. The Company has filed a SLP in the Hon'ble Supreme Court through Rajasthan Textile Mills Association (RTMA) against aforesaid Judgment of Hon'ble High Court of Rajasthan which has been accepted.

On the basis of the legal opinion obtained by the Company, the said Notification and amended Notification to date on Renewable Energy Surcharge are violation of the Article 19 (1) (g) of the Constitution so far as these relate to Captive Power Plants. The Management does not foresee any possible liability in future in view of Commissioning of 20 MW Wind Power Unit set-up under the Group Captive Scheme by its Associate Company "LNJ Power Ventures Ltd", power from which will be solely used by the Company; together with the aforementioned legal opinions.

- E There is no other present obligations requiring provisions, in accordance with the guiding principles as enunciated in Accounting Standard (AS) – 29 "Provisions, Contingent Liabilities & Contingent Assets" other than provided in the books of accounts.(Also see note 51on litigation)

45 | ACCOUNTING STANDARD (AS)-32 FINANCIAL INSTRUMENT DISCLOSURES-'HEDGE ACCOUNTING'

- (a) The Company hedges its realizations on export sales and import obligation for Capital Assets/Raw Material through Foreign Exchange Derivative & Hedge Contracts in the normal course of business so as to reduce the risk of exchange fluctuations. No Foreign Exchange Derivative & Hedge Contracts are taken /used for trading or speculative purpose.
- (b) The Company has following gross derivatives exposure outstanding as at March 31, 2015 which have been designated as cash flow hedge to its exposure to movements in foreign exchange rates:

Fair value of gross derivatives exposure outstanding as on March 31, 2015

S No.	Particulars	Type of Hedge	For the year ended March 31, 2015		For the year ended March 31, 2014	
			Fair value in booking currency (in lac)	Fair Value in INR (in lac)	Fair value in booking currency (in lac)	Fair Value in INR (in lac)
1	Plain Vanilla Forwards 1(a) Sell -USD/INR forward contracts -EUR/INR forward contracts	Cash Flow Hedge Cash Flow Hedge	218.70 17.10	14,007.00 1,268.00	239.24 4.88	14,999.00 428.00
1(b) Buy -USD/INR forward contracts -EUR/INR forward contracts	Cash Flow Hedge Cash Flow Hedge	7.50 -	485.00 -	0.93 0.37	59.00 31.00	
2	Cross Currency Forwards -EUR/USD forward contracts	Cash Flow Hedge	5.00	336.00	-	-
3	Options	Not Applicable				
	Total		-	16,096.00	-	15,517.00

Notes to Financial Statement As at 31st March, 2015

Notes annexed to and forming part of the Financial Statements

45 | ACCOUNTING STANDARD (AS)-32 FINANCIAL INSTRUMENT DISCLOSURES-'HEDGE ACCOUNTING' (Contd.)

- (c) The periods during which the cash flows from the cash flow hedges outstanding as at March 31, 2015 are expected to occur and affect the statement of P&L are disclosed as under:

Periods during which cash flow hedges outstanding as at March 31, 2015 are expected to occur and affect the statement of P & L

S No.	Period During Which Cash Flows Are Expected To Occur And Affect Profit And Loss	Fair value in booking currency (₹ in lac)			
		Buy - USD/INR	Buy - EUR/INR	Sell - USD/INR	Sell - EUR/INR
1	Quarter ending June 30, 2015	2.95	-	120.22	12.10
2	Quarter ending September 30, 2015	4.55	-	79.95	1.00
3	Quarter ending December 31, 2015	-	-	8.53	4.00
4	Quarter ending March 31, 2015	-	-	10.00	-
	Total	7.50	-	218.70	17.10

- (d) The movement in hedging reserve during the year ended March 31, 2015 for derivatives designated as cash flow hedge is as follows:

Particulars	₹ in lac	
	Year ended March 31, 2015	Year ended March 31, 2014
Balance at the beginning of the year	188.92	44.94
Additions on account of Changes in the fair value of effective portion cash flow hedge		
For transactions of expected sales in foreign currency	(124.80)	(233.34)
For transactions of import of goods in foreign currency	0.91	(0.52)
Amount removed from hedge reserve and included in initial cost of a fixed asset/ long term liability, whose acquisition or incurrence was a highly probable forecasted transaction	-	-
Amount transferred to P&L account	-	-
Balance at the end of the year	65.03	188.92

- (e) During the year there are no forecasted transactions for which hedge accounting had been used in the previous periods, but which is no longer expected to occur.

- (f) The foreign currency exposures that are not hedged by derivative instruments or otherwise are as under:

S. No.	Particulars	Currency	As at 31.03.2015	As at 31.03.2014	As at 31.03.2015	As at 31.03.2014
			Amount in (FC)	Amount in (FC)	Amount in (₹)	Amount in (₹)
(a)	Secured Loans	USD	9.15	-	571.97	-
(b)	Trade receivables	USD	11.17	43.09	698.13	2,580.23
		EURO	1.64	2.60	110.19	180.64
		GBP	0.95	0.90	87.85	73.89
(c)	Commission payable	USD	13.60	13.92	850.00	833.63
		EURO	0.34	0.44	22.84	36.38
		GBP	-	0.03	-	2.99
(d)	Advance from Customer	USD	16.25	7.82	1,014.27	475.47
		EURO	0.39	0.05	26.37	4.15
		GBP	0.06	0.01	5.21	0.98
(e)	Creditors	USD	-	-	-	-
		EURO	0.31	-	20.58	-
		CHF	-	-	-	-

Notes to Financial Statement As at 31st March, 2015

Notes annexed to and forming part of the Financial Statements

46 | VALUE OF IMPORTS CALCULATED ON CIF BASIS IN RESPECT OF:

Particulars	₹ in lac	
	Year ended 31st March 2015	Year ended 31st March 2014
I) Raw Materials	5,570.54	2,618.45
ii) Components and Spare Parts	1,367.46	2,121.19
iii) Capital Goods	6,752.50	1,059.32
Total	13,690.50	5,798.96

47 | VALUE OF RAW MATERIALS, COMPONENTS AND SPARE PARTS CONSUMED:

Particulars	Year ended March 31, 2015		Year ended March 31, 2014	
	(₹ in lac)	Percentage	(₹ in lac)	Percentage
Raw Materials :				
a) Imported	5,657.57	3.23	2,659.02	1.58
b) Indigenous	1,69,497.03	96.77	1,65,461.32	98.42
Total	1,75,154.59	100.00	1,68,120.34	100.00
Components and Spare Parts:				
a) Imported	1,533.94	20.05	1,612.02	23.42
b) Indigenous	6,116.73	79.95	5,271.14	76.58
Total	7,650.67	100.00	6,883.15	100.00

48 | EXPENDITURE IN FOREIGN CURRENCY

Particulars	₹ in lac	
	Year ended 31st March 2015	Year ended 31st March 2014
i) Travelling Expenses	179.44	103.42
ii) Commission / Claims		
a) Commission	1,429.42	1,201.83
b) Claims	283.37	45.51
Total	1,892.23	1,350.76
iii) Others	21.00	38.72
Total	1,913.23	1,389.48

49 | EARNING IN FOREIGN CURRENCY

Particulars	₹ in lac	
	Year ended 31st March 2015	Year ended 31st March 2014
FOB value of Export	96,136.26	86,212.37

50 | REMITTANCE IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDEND / INTERIM DIVIDEND

Particulars	₹ in lac	
	Year ended 31st March 2015	Year ended 31st March 2014
Year to which Dividend relates	2013-14	2012-13
Number of non resident shareholders to whom dividend remitted	5	5
Number of shares on which remittance was made	53,53,270	53,53,270
Amount remitted (₹ In lacs)	669.16	535.33

Notes to Financial Statement As at 31st March, 2015

Notes annexed to and forming part of the Financial Statements

51 | LEGAL CASES

Against the Company:

S. No.	Nature of Dispute	Amount Involved	Provision Made	Disclosed as Contingent Liability	Amount Deposited Under Protest	Amount – ₹ in lac
						Claims not acknowledged as debt
1	Indirect Taxation	493.17 (328.27)	170.47 (146.28)	232.05 (88.61)	-	90.65 (93.38)
2	Direct Taxation	2,216.88 (2,133.13)	-	-	-	2,216.88 (2,133.13)
3	State Dues / levies	15.00 (15.00)	-	15.00 (15.00)	-	-
4	Labour laws	99.99 (99.99)	-	-	-	99.99 (99.99)
5	Commercial matters	29.79 (54.02)	- (47.08)	7.05 (2.80)	7.75	22.74 (-)
6	Others	23.53 (24.89)	17.25 (17.25)	6.19 (6.19)	-	0.09 (1.45)
7	Total	2,863.36 (2,655.30)	187.72 (210.61)	260.29 (112.60)	7.75	2,430.35 (2,233.12)

By the Company:

S. No.	Nature of Dispute	Amount Involved	Provision Made	Deposited under Protest	Amount Decreed in favour of the Company	Amount – ₹ in lac
						Remarks
1	Indirect Taxation	455.36 (659.69)	143.16 (140.44)	123.36 (132.78)	-	-
2	Direct Taxation	671.01 (361.10)	-	-	-	-
3	State Dues / levies	- (1,140.11)	- (1,140.11)	-	-	-

Notes to Financial Statement As at 31st March, 2015

Notes annexed to and forming part of the Financial Statements

51 | LEGAL CASES (Contd.)

Amount – ₹ in lac

S. No.	Nature of Dispute	Amount Involved	Provision Made	Deposited under Protest	Amount Decreed in favour of the Company	Remarks
4	Labour laws	3.95 <i>(3.95)</i>	- -	- -	- -	- -
5	Commercial matters	378.02 <i>(313.78)</i>	35.31 <i>(54.93)</i>	- -	- -	- -
6	Others	1,173.01 <i>(1,067.32)</i>	981.82 <i>(937.11)</i>	- -	- -	- -
7	Total	2,681.35 <i>(3,545.95)</i>	1,160.29 <i>(2,272.59)</i>	123.36 <i>(132.78)</i>	- -	- -

Figures in brackets and italic in aforesaid note represent previous year figures

For S. Bhargava Associates Chartered Accountants Firm Regn. No. 003191C	For S.S. Kothari Mehta & Co. Chartered Accountants Firm Regn. No. 000756N	Ravi Jhunjhunwala Arun Churiwal	Chairman Managing Director & Chief Executive Officer	DIN No. 00060972 DIN No. 00001718
Per SUNIL BHARGAVA Partner M. No. 70964	Per K. K. TULSHAN Partner M. No. 085033	Riju Jhunjhunwala Prakash Maheshwari	Managing Director Executive Director	DIN No. 00061060 DIN No. 02388988
Place: Kharigram, Rajasthan Date: 8th May 2015		B. M. Sharma Surender Gupta	Chief Financial Officer Company Secretary	M. No. FCA 35012 M. No. FCS 2615

Cash Flow Statement

For the Period ended 31st March , 2015

₹ in lac

Particulars	For the Year ended 31st March 2015	For the Year ended 31st March 2014
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before Tax	11,696.51	15,633.46
Add:		
Depreciation and Amortisation	13,526.86	11,069.01
Dividend received	(60.27)	(80.01)
Interest cost	12,522.07	12,176.38
Interest Received	(664.62)	(440.89)
Exchange Fluctuation	(2.21)	70.92
Profit/ Loss on sale of Fixed Assets	(44.28)	52.21
Provision for Bad & Doubtful Debts	54.09	703.61
Assets written off	0.58	1.33
Provision for Entry Tax	103.15	75.17
Liabilities no longer required written back	(657.00)	(102.40)
Operating Profit Before Working Capital Changes	36,474.88	39,158.79
Inventories	1,302.81	2,346.36
Trade Receivables (Current & Non Current)	5,883.92	(2,782.41)
Loans and Advances (Current & Non Current)	(550.69)	(2,031.64)
Other Assets (Current & Non Current)	489.83	116.76
Trade payables (Current & Non Current)	1,985.36	(482.20)
Other Liabilities (Current & Non Current)	281.69	965.03
Cash Generated from operations	45,867.80	37,290.69
Direct Taxes	(2,450.35)	(3,407.56)
Net cash from operating activities	43,417.45	33,883.13
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Acquisition of Fixed Assets	(26,377.76)	(8,248.33)
Sale of Fixed Assets	194.05	144.41
Investment in Shares / Debentures	(1,912.05)	(1,668.64)
Interest Received	664.62	440.89
Dividend received	60.27	80.01
Net cash used in investing activities	(27,370.87)	(9,251.66)

Cash Flow Statement For the Period ended 31st March , 2015 (contd.)

₹ in lac

Particulars	For the Year ended 31st March 2015	For the Year ended 31st March 2014
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Long Term Borrowings	18,736.92	4,096.77
Repayment of Long Term Borrowings	(15,505.50)	(13,111.61)
Increase/Decrease in Short Term Borrowings	(3,596.64)	(766.40)
TUF Capital Subsidy	152.92	-
Exchange Fluctuation	2.21	(70.92)
Dividend/Interim Dividend paid	(3,385.35)	(2,708.28)
Interest cost	(12,522.07)	(12,176.38)
Net cash from financing activities	(16,117.51)	(24,736.82)
Net Increase in Cash and Cash equivalents	(70.93)	(105.35)
Opening Cash and Cash equivalents	85.68	191.03
Opening Cash and Cash equivalents of amalgameted company as on 01.04.2013	168.98	-
Cash Flow of amalgameted company during FY 13-14	88.50	-
Closing Cash and Cash equivalents	272.23	85.68

Note : The assets & liabilities taken over on amalgamation of Cheslind Textiles Limited w.e.f. 1st April, 2013 have been excluded

As per our report of even date

For S. Bhargava Associates
Chartered Accountants
Firm Regn. No. 003191C

Per SUNIL BHARGAVA
Partner
M. No. 70964

Place: Kharigram, Rajasthan
Date: 8th May 2015

FOR AND ON BEHALF OF BOARD OF DIRECTORS

For S.S. Kothari Mehta & Co.
Chartered Accountants
Firm Regn. No. 000756N

Per K. K. TULSHAN
Partner
M. No. 085033

Ravi Jhunjhunwala
Arun Churiwal

Riju Jhunjhunwala
Prakash Maheshwari

B. M. Sharma
Surender Gupta

Chairman
Managing Director &
Chief Executive Officer

Managing Director
Executive Director

Chief Financial Officer
Company Secretary

DIN No. 00060972
DIN No. 00001718

DIN No. 00061060
DIN No. 02388988

M. No. FCA 35012
M. No. FCS 2615



NOTES

CORPORATE INFORMATION

L. N. Jhunjhunwala Chairman-Emeritus

BOARD OF DIRECTORS

Ravi Jhunjhunwala	Chairman
Shekhar Agarwal	Vice Chairman
Arun Churiwal	Managing Director & CEO
Riju Jhunjhunwala	Managing Director
Kamal Gupta	Director
D. N. Davar	Director
Sushil Jhunjhunwala	Director
A. N. Choudhary	Director
P. S. Dasgupta	Director
Geeta Mathur	Director
J. C. Laddha	Director
Prakash Maheshwari	Executive Director

KEY MANAGERIAL PERSONNEL

Arun Churiwal	Managing Director & Chief Executive Officer
Surender Gupta	Company Secretary
B. M. Sharma	Chief Financial Officer

BUSINESS HEAD AND KEY EXECUTIVES

Prakash Maheshwari	Chief Executive (Yarn & TPP)
S. C. Garg	Chief Executive (Mélange Yarn)
Prabir Bandyopadhyay	Chief Executive (Denim)
Nirmal Jain	Chief Executive (Fabric)
T. Dev Joshi	President (Corporate HR & OD)
M. L. Jhunjhunwala	President, Mumbai Office

AUDITORS

S. Bhargava Associates
S. S. Kothari Mehta & Co.

REGISTERED OFFICE

Kharigram, P.O. Gulabpura - 311 021
Dist. Bhilwara (Rajasthan)

CORPORATE OFFICE

Bhilwara Towers, A-12, Sector - 1,
Noida - 201 301 (U.P.)

BANKERS

Axis Bank Limited
Bank of Baroda
Canara Bank
Central Bank of India
Dena Bank
Export-Import Bank of India
ICICI Bank Limited
IDBI Bank Limited
Oriental Bank of Commerce
Punjab National Bank
State Bank of Bikaner & Jaipur
State Bank of India
State Bank of Hyderabad
State Bank of Mysore
Union Bank of India

PLANT LOCATIONS

- Kharigram, P.O. Gulabpura - 311 021
Dist. Bhilwara, Rajasthan
- LNJ Nagar, Mordi, Dist. Banswara - 327 001, Rajasthan
(Denim, Fabric and TPP)
- Mayur Nagar, Lodha,
Dist. Banswara - 327 001, Rajasthan
- Mandpam, Dist. Bhilwara - 311 001, Rajasthan
- Kanya Kheri, Dist. Bhilwara - 311 025, Rajasthan
- Rishabhdev, Dist. Udaipur - 313 802, Rajasthan
- Ringas, Dist. Sikar - 332 404, Rajasthan
(Green Fibre and Spinning)
- B. Muduganapalli, Bagalur, Hosur Taluk
Dist. Krishnagiri - 635 103, Tamilnadu
- No.26/8, Perumal Kovil Street,
Thirubuvanai, Puducherry - 605 107



Proud to be Indian
Privileged to be Global



Registered Office:

Kharigram, P.O. Gulabpura - 311 021

Dist. Bhilwara (Rajasthan), India.

website: www.rswm.in/www.lnjbihilwara.com

CIN: L17115RJ1960PLC008216



RSWM LIMITED

CIN:L17115RJ1960PLC008216

Registered Office: Kharigram, P.O. Gulabpura – 311 021, Distt. Bhilwara, Rajasthan
Phone:+91-1483-223144 to 223150, 223478, Fax:+91-1483-223361, 223479
Corporate Office: Bhilwara Towers, A-12, Sector – 1, Noida – 201 301 (U.P)
Phone:+91-120-4390300 (EBABX), Fax:+91-120-4277841
E-mail:rswm.investor@lnjbihilwara.com Website:<http://www.rswm.in>

NOTICE

Notice is hereby given that the Fifty-Fourth Annual General Meeting of the members of the Company will be held on Friday, the 25th day of September, 2015 at 11.30 A.M. at the Registered Office of the Company at Kharigram, P.O. Gulabpura -311 021, District Bhilwara, Rajasthan to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at the 31st March, 2015 and Statement of Profit & Loss for the period ended on that date and the Report of Directors and Auditors thereon.
2. To declare the Dividend on Equity Shares.
3. To appoint a Director in place of Shri Ravi Jhunjhunwala (DIN: 00060972) who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Shri Arun Churiwal (DIN: 00001718) who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint M/s S. Bhargava Associates, Chartered Accountants (Firm Registration No. 003191C) and M/s S. S. Kothari Mehta & Co., Chartered Accountants (Firm Registration No 000756N) as Joint Auditors from the conclusion of this Annual General Meeting, until the conclusion of next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

6. To consider and if thought fit, to pass, with or without modifications, the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules made thereunder, read with Schedule IV to the Act, Smt. Geeta Mathur (DIN : 02139552), who was appointed as an Additional Director of the Company by the Board of Directors w.e.f. 11th November, 2014 and who holds office upto the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013 and who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for first term of 5 (five) consecutive years up to 10th November, 2019.
7. To consider and if thought fit, to pass, with or without modifications, the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT

- a) pursuant to the provisions of Section 196, 197 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Act and subject to such approval as may be necessary, approval of the members be and is hereby accorded to the re-appointment of Shri J.C. Laddha (DIN :00118527) as Executive Director of the Company with effect from the 1st January, 2015 for a period upto 31st March, 2015, on the existing remuneration and further revisions as set out in the Explanatory Statement annexed hereto.
- b) The Board of Directors of the Company be and is hereby also authorised to :
 - i) Agree to such increase or decrease or variations, modifications or amendments in the terms of remuneration set out in Explanatory Statement annexed hereto as considered reasonable by the Board and acceptable to Shri J. C. Laddha, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.
 - ii) Take all such steps and actions as may be considered necessary by the Board for the purpose of implementing this resolution."
8. To consider and if thought fit, to pass, with or without modifications, the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT Shri J. C. Laddha (DIN:00118527) who was appointed by the Board of Directors as an Additional Director of the Company w.e.f. 1st April, 2015 in terms of Section 161 of the Companies Act, 2013, and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as Non-Executive, Non-Independent Director w.e.f. 1st April, 2015, liable to retire by rotation".

9. To consider and if thought fit, to pass, with or without modifications, the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT

- a) pursuant to the provisions of Section 196, 197 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Act and subject to such approval as may be necessary, approval of the members be and is hereby accorded to the re-appointment of Shri Arun Churiwal (DIN :00001718) as Managing Director of the Company with effect from the 17th March, 2015 for a period upto 31st March, 2016, on existing remuneration and further revisions as set out in the Explanatory Statement annexed hereto.

- b) The Board of Directors of the Company be and is hereby also authorised to:
- i) Agree to such increase or decrease or variations, modifications or amendments in the terms of remuneration set out in Explanatory Statement annexed hereto as considered reasonable by the Board and acceptable to Shri Arun Churiwal, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.
 - ii) Take all such steps and actions as may be considered necessary by the Board for the purpose of implementing this resolution."
10. To consider and if thought fit, to pass, with or without modifications, the following resolution as an ORDINARY RESOLUTION:
- "RESOLVED THAT pursuant to Section 196 and 197 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Act, Shri Riju Jhunjhunwala, (DIN : 00061060) who was earlier designated as the Joint Managing Director of the Company be and is hereby appointed as Managing Director w.e.f. 10th February, 2015, till the end of his tenure of appointment i.e. 30th April, 2016 on the same terms and conditions including remuneration as approved earlier by the Members."
11. To consider and if thought fit, to pass, with or without modifications, the following resolution as an ORDINARY RESOLUTION:
- "RESOLVED THAT Shri Prakash Maheshwari (DIN : 02388988), who was appointed by the Board of Directors as an Additional Director of the Company w.e.f. 1st April, 2015 in terms of Section 161 of the Companies Act, 2013, and who hold office as such upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation."
12. To consider and if thought fit, to pass, with or without modifications, the following resolution as an ORDINARY RESOLUTION:
- "RESOLVED THAT
- a) pursuant to the provisions of Section 196, 197 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Act and subject to such approval as may be necessary, approval of the members be and is hereby accorded to the appointment of Shri Prakash Maheshwari (DIN:02388988) as Executive Director of the Company for a period of three years w.e.f. 1st April, 2015 on the remuneration as set out in the Explanatory Statement annexed hereto.
 - b) The Board of Directors of the Company be and is hereby also authorised to:
 - i) Agree to such increase or decrease or variations, modifications or amendments in the terms of remuneration set out in Explanatory Statement annexed hereto as considered reasonable by the Board and acceptable to Shri Prakash Maheshwari, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.
 - ii) Take all such steps and actions as may be considered necessary by the Board for the purpose of implementing this resolution."
13. To consider and if thought fit, to pass, with or without modifications, the following resolution as a SPECIAL RESOLUTION:
- "RESOLVED THAT the consent of the members of the Company be and is hereby accorded in terms of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, to the Board of Directors of the Company for creation of such mortgage(s) and charge(s) in addition to the existing mortgages, charges and hypothecations created by the Company as the Board may direct on the assets of the Company, both present and future and the whole of the undertaking of the Company and/or conferring power to enter upon and take possession of the assets of the Company in certain events to or in favour of:
- Export-Import Bank of India (Exim Bank) in connection with Term Loan of ₹68.00 crore under Technology Up-gradation Fund Scheme (TUFS).
 - Export-Import Bank of India (Exim Bank) in connection with Term Loan of ₹ 40.00 crore under the Long Term Working Capital (LTWC) Programme.
- together with interest thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, commitment charges, premia on pre-payment or on redemption, costs, charges, expenses and other monies payable by the Company to Exim Bank under the Loan Agreement entered into by the Company in respect of the said borrowing."
- "RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to finalise with Exim Bank the documents for creating the aforesaid mortgage(s) and/or charges and to do all such acts and things as may be necessary for giving effect to the above resolution."
14. To consider and if thought fit, to pass, with or without modifications, the following resolution as a SPECIAL RESOLUTION:
- "RESOLVED THAT the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company in terms of Section 180 (1)(a) and other applicable provisions, if any, of the Companies Act, 2013, to the creation of Second Charge subject to the First Charge of the Term Lenders on all the immovable and movable properties of the Company, wheresoever situated, present and future, and the whole of the undertaking of the Company and/or conferring power to enter upon and take possession of the assets of the Company in certain events to or in favour of:
- The consortium Banks viz. State Bank of Bikaner & Jaipur, Punjab National Bank, State Bank of India, Bank of Baroda, Export-Import Bank of India, State Bank of Mysore, Axis Bank Ltd., Union Bank of India, ICICI Bank Ltd. and HDFC Bank for granting to the Company Working Capital Facilities to the extent of ₹ 968.50 crore (Rupees Nine Hundred Sixty Eight crore and Fifty lacs only) or to any enhancements in the limits in future from time to time.
- "RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to finalise with the lenders the documents for creating the aforesaid mortgage(s) and/or charges and to do all such acts and things as may be necessary for giving effect to the above resolution."
15. To consider and if thought fit, to pass, with or without modifications, the following resolution as an ORDINARY RESOLUTION:
- "RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s N. D. Birla & Co. Cost Accountants (Firm Registration No. 000028) appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the

Company for the financial year ending 31st March, 2016, be paid the remuneration of ₹ 4,25,000/- (Rupees Four lac and Twenty Five Thousand only) plus service tax and out of pocket expenses that may be incurred by them during the course of audit.

For **RSWM LIMITED**

Place: Noida
Date : 4th August, 2015

Surender Gupta
Company Secretary
M. No. FCS 2615

NOTES

1. The relevant Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013, relating to Special Business to be transacted at the Meeting is annexed.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE MEETING.** A person can act as a proxy on behalf of Members not exceeding fifty (50) and holding not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
3. Corporate Members intending to send their authorized representative(s) to attend the meeting are requested to send to the Company, a duly certified Board Resolution authorizing their said representative(s) to attend and vote on their behalf at the meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, the 19th September, 2015 to Friday, the 25th September, 2015 (both days inclusive).
5. The relevant documents accompanying the Notice are open for inspection to the members at the Registered Office of the Company during the normal business hours of the Company up to the date of the Meeting.
6. The dividend as recommended by the Board of Directors, if declared at the meeting, will be paid within a period of 30 days from the date of declaration, by the members in the AGM.
7. Members are requested to bring their attendance slip with their copy of Annual Report to the meeting.
8. In case of Joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. Members are requested to:
 - (i) Quote their folio number/client ID in all correspondence with the Company.
 - (ii) Notify immediately to the Company all changes with respect to their bank details, mandate, nomination, Power of Attorney and Change of Address. Members holding shares in electronic form should send their requests regarding the same to their respective Depository Participants.
10. Members who are holding Company's shares in electronic form are required to bring details of their Depository Account such as Client ID and DP ID Numbers for identification.
11. Members seeking any information/clarification with regard to accounts and audit are requested to write to the Company in advance and their queries should reach the Registered Office of the Company at least seven days prior to the date of meeting, so as to enable the Management to keep the

information/clarification ready.

12. Members may please note that the unclaimed dividends for the financial years 1996-97 to 2007-08, if any, have already been transferred to the Investor Education and Protection Fund.
13. Members holding shares in physical form are requested to furnish their email ID through e-mail to us quoting their Folio No. and e-mail ID to enable us to serve any document, notice, communication, annual reports etc. through e-mail. For members who have not registered their email addresses, physical copies of the Annual Report 2015 are being sent by the permitted mode. Members holding shares in demat form may get their email ID updated with their respective Depository Participants. We request the members to continue to support the Green Initiative introduced by MCA and make it a success.
14. The Annual Report of the Company will also be available on the website of the Company, www.rswm.in.
15. Members holding shares in physical form are requested to dematerialize their holdings in their own interest.
16. In case of transfer of Shares, transferee is requested to furnish a copy of the PAN card to the RTA for registration of transfer of shares in physical form.
17. The details under Clause 49 of the Listing Agreement with the Stock Exchange(s) in respect of Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice.
18. Pursuant to the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Amendment Rules, 2015 and pursuant to Listing Agreement, the Members are provided with the facility to cast their vote electronically, through the remote e-voting services provided by NSDL, on all the resolutions set forth in this Notice. The member may cast their votes using an electronic voting system from a place other than the venue of the Meeting (remote e-voting).
The instructions for remote e-voting are as under:
 - (a) In case the Member receives an email from NSDL (for members whose email IDs are registered with the Company/DP):
 - (i) Open the e-mail and then open the PDF file namely "RSWM remote e-voting.pdf" with your Client ID or Folio No. as password. The PDF file contains your user ID and password/PIN for remote e-voting. Please note that the Password provided in PDF is an 'Initial Password'.
 - (ii) Open the internet browser and type the following URL: <https://www.evoting.nsdl.com>
 - (iii) Click on Shareholder-Login.
 - (iv) Put user ID and password as initial password/PIN provided in the PDF file.
 - (v) The password change menu will appear on your screen. Change to a new password of your choice with minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,* etc). Please take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting appears. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select "REVEN" (Remote E-Voting Event Number) of RSWM Limited.
 - (viii) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (ix) Upon confirmation, the message "Vote cast successfully"

will be displayed.

- (x) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xi) Institutional shareholders (i.e. other than individuals, HUF NRI etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/ Authority Letter, etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail at mkg1999@gmail.com with a copy marked to evoting@nsdl.co.in

(b) In case a Member receives physical copy of the Notice of AGM (for members whose email IDs are not registered with the Company/Depository Participants):

 - (i) Initial password is provided in the attached sheet on the 'Procedure and manner of voting'.

REVEN (Remote E Voting Event Number)	USER ID	PASSWORD/PIN
—	—	—

(ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xi) above, to cast vote.

- (c) If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on **www.evoting.nsdl.com** or contact NSDL at the following toll free no.: 1800-222-990.
 - (d) The remote e-voting period commences at 9.00 A.M. on Tuesday, the 22nd September, 2015 and will end at 5.00 P.M. on Thursday, the 24th September, 2015. During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of 18th September, 2015, may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
 - (e) A person whose name is recorded in the Register of Members or in the Register of beneficial owners maintained by the depositories as on the cut-off date i.e. 18th September, 2015 only shall be entitled to avail the facility of remote e-voting as well as voting at the Annual General Meeting through ballot paper. The voting rights of Members shall be in proportion to their share of the paid up equity share capital of the Company as on the cut-off date of 18th September, 2015.
 - (f) In case a person has become the Member of the Company after the dispatch of Notice but on or before the cut-off date i.e. 18th September, 2015, may write to M/s MCS Share Transfer Agent Ltd. on the e-mail ID: **helpdeskdelhi@mcsregistrars.com** or **admin@mcsdel.com** or **mcssta@rediffmail.com**. or **evoting@nsdl.co.in**. After receipt of the above credentials, please follow the instructions for e-voting to cast the vote. If the member is already registered with NSDL remote e-voting platform then he can use his/her existing User ID and Password for casting the vote through remote e-voting.
 - (g) Shri Mahesh Gupta, Practicing Company Secretary (Membership No. FCS 2870), has been appointed as the Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner.
 - (h) The Scrutinizer, after scrutinizing the votes cast at the meeting, will not later than three days of conclusion of the Meeting, make a consolidated Scrutinizer's Report and submit the same to the Chairman or a person authorized by him in writing, who

shall counter sign the same and declare the results of the voting forthwith. The scrutinizer shall unblock the votes in the presence of at least two witnesses not in the employment of the Company.

- (i) Subject to the receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e. 25th September, 2015.
 - (j) The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.rswm.in and on the website of NSDL and communicated to the BSE Limited and National Stock Exchange of India Limited for placing the same on their respective website.
 - (k) Members, who are not casting their vote electronically, may cast their vote at the Annual General meeting by means of ballot.
 - (l) Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
 - (m) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and remote e-voting user manual for Shareholders available at the Downloads Section of **www.evoting.nsdl.com** or call on toll free no.: 1800-222-990.

By Order of the Board
For **RSWM LIMITED**

Place: Noida
Date : 4th August, 2015

Surender Gupta
Company Secretary
M. No. FCS 2615

**ANNEXURE TO THE NOTICE
EXPLANATORY STATEMENT PURSUANT TO SECTION 102
OF THE COMPANIES ACT, 2013**

ITEM NO. 6

Smt. Geeta Mathur was co-opted as an Additional Director of the Company with effect from 11th November, 2014 and she ceases to hold office from the date of Annual General Meeting in terms of Section 161 of the Companies Act, 2013.

The Company has received a notice in writing from a member alongwith the deposit of requisite amount proposing the candidature of Smt. Geeta Mathur for the office of the Director of the Company.

The Company has received consent in writing from Smt. Geeta Mathur to act as Director and intimation to the effect that she is not disqualified from being a Director under Section 164 of the Companies Act, 2014.

The Company has received a declaration from Smt. Geeta Mathur that she meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. In the opinion of the Board, Smt. Geeta Mathur fulfills the conditions for her appointment as an Independent Director as specified in the Companies Act, 2013, and the rules made thereunder and Listing Agreement and is independent of the Management. A copy of draft letter of Appointment, setting out the terms and conditions is available for inspection by members during normal business hours at the Registered Office of the Company.

The resolution seeks the approval of members for appointment of Smt. Geeta Mathur as Independent Director pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and rules made thereunder to hold office for first term of 5 (five) consecutive years up to 10th November 2019.

Your Directors recommend the Ordinary Resolution under item no. 6 of the Notice.

Except Smt. Geeta Mathur and her relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, in the proposed resolution.

ITEM NO. 7 & 8

The term of appointment of Shri J.C. Laddha, Executive Director expired on 31st December, 2014. The Board of Directors at their meeting held on 11th November, 2014 had, upon recommendation of Nomination and Remuneration Committee, reappointed Shri J.C. Laddha as the Executive Director of the Company for a further period upto 31st March, 2015 in accordance with the provisions of the Companies Act, 2013 read with Schedule V thereto on his existing remuneration being paid to him.

The Board of Directors of your Company in their meeting held on 27th March, 2015 upon recommendation of Nomination and Remuneration Committee as a mark of recognition of the unmatched effort by Shri J.C. Laddha had decided to pay him one time ex-gratia amount of ₹ 1,18,42,308 in lieu of long services rendered by him, upon completion of his tenure as Executive Director.

The terms and conditions of his appointment including payment of one time ex-gratia are as under:

1. Salary : ₹ 4,50,000/- per month.
2. Commission : Upto 0.75% of the net profits of the Company as computed in the manner laid down in the applicable provisions of the Companies Act, 2013.
3. Personal Pay : ₹ 1,80,500/- per month.
4. Ex-gratia : ₹ 1,18,42,308/-
5. Perquisites : In addition to the salary, commission and personal pay, Shri J. C. Laddha shall be entitled to the following perquisites:

Category 'A'

i) Housing:

- a) The expenditure incurred by the Company on hiring unfurnished accommodation for him shall be subject to a ceiling, namely (for residence in Delhi/outside Delhi), 60% of the basic salary, over and above 10% payable by him, or
- b) In case the accommodation is owned by the Company 10% of the basic salary shall be deducted by the Company, or
- c) In case no accommodation is provided by the Company, a house rent allowance subject to a ceiling laid down in (a) above shall be paid.

The expenditure incurred by the Company on Gas, Electricity, Water and furnishing shall be valued as per Income Tax Rules, 1962 and shall be subject to a ceiling of 10% of the salary.

ii) Medical Reimbursement:

Expenditure incurred for the Executive Director and his family, subject to a ceiling of one month's basic salary in a year proportionate for three months.

iii) Leave Travel Concession:

For the self and family once in a year incurred in accordance with the rules specified by the Company.

iv) Club fees:

Fees for clubs subject to maximum of two clubs will be allowed. This will not include admission and life membership fees.

v) Personal Accident Insurance:

Of an amount, the annual premium of which not to exceed ₹ 10,000/-.

For the purpose of this category "family" means the spouse, the dependent children and dependent parents.

Category 'B'

i) Provident Fund:

Company's contribution to Provident Fund shall be as per the scheme of the Company

ii) Superannuation/Annuity Funds:

Company's contribution to Superannuation /Annuity fund shall be in accordance with the scheme of the Company.

iii) Gratuity:

Payable as per the rules of the Company.

iv) Leave and other benefits etc. as applicable to other Employees of the Company.

Category 'C'

i) Car:

Provision of car for use on Company's business. Use of car for private purpose shall be billed by the Company.

ii) Telephone:

Telephone at residence. Personal long distance calls shall be billed by the Company.

MINIMUM REMUNERATION

Notwithstanding anything to the contrary hereinabove contained, where in the financial year during the currency of the tenure of the Executive Director, the Company had no profits or had inadequate profits, the Company would pay remuneration to the Executive Director by way of salary, personal pay, perquisites and allowances for the period the 1st January, 2015 to the 31st March, 2015 not exceeding the sum specified in Para 1(A) of Section II of Part II of the Schedule V of the Companies Act, 2013.

The reappointment of Shri J.C. Laddha as Executive Director of the Company and payment of remuneration to him including one time ex-gratia payment to him in lieu of long services requires the approval by the Company in General Meeting by Ordinary Resolution in accordance with the relevant provisions of the Companies Act, 2013 read with Schedule V to the said Act. The Resolution set out in the notice at item No.7 is intended for the purpose.

The Board of Directors of your Company in their meeting held on 10th February, 2015 upon recommendation of Nomination and Remuneration Committee requested Shri J.C. Laddha to continue to be a Non-Executive, Non-Independent Director of the Company w.e.f. the 1st April, 2015 upon completion of his term on 31st March, 2015 by virtue of his induction as an additional Director liable to retire by rotation.

Accordingly, Shri J.C. Laddha ceases to hold office from the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013. The Company has received a notice from a member along with the receipt of requisite amount proposing the candidature of Shri J.C. Laddha for office of the Director of the Company.

The Company has received consent in writing from Shri J.C. Laddha to act as Director and intimation to the effect that he is not disqualified from being a Director under Section 164 of the Companies Act, 2013.

The Resolution set out in the Notice at item No.8 is intended for this purpose.

Your Directors recommend the Ordinary Resolution(s) under item no. 7 & 8 of the Notice.

Except Shri J.C. Laddha and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, in the proposed resolution.

ITEM NO. 9

The term of appointment of Shri Arun Churiwal, Managing Director expired on 16th March, 2015. The Board of Directors at their meeting held on 10th February, 2015 had, upon recommendation of Nomination and Remuneration Committee, reappointed Shri Arun Churiwal as Managing Director of the Company for a further period upto 31st March, 2016 in accordance with the provisions of the Companies Act, 2013 read with Schedule V thereto on the existing remuneration being paid to him.

Your Directors upon further recommendation of Nomination and Remuneration Committee decided at their meeting held on 27th March, 2015, that the salary be paid to Shri Arun Churiwal after considering the increase of annual increment of ₹ 40,000/- which had been a part of his earlier terms of remuneration.

The terms and conditions of his appointment including the annual increment of ₹ 40,000/- in the salary are as under:

Salary : ₹ 3,70,000/- per month.

Commission : Not more than 1% of the net profits of the Company as computed in the manner laid down in the applicable provisions of the Companies Act, 2013.

Perquisites : In addition to salary and commission Shri Arun Churiwal shall be entitled to the following perquisites.

Category 'A'

i) Housing:

- a) The expenditure incurred by the Company on hiring unfurnished accommodation for him shall be subject to a ceiling, namely 60% of the salary, over and above 10% payable by him, or
- b) In case the accommodation is owned by the Company 10% of the salary shall be deducted by the Company, or
- c) In case no accommodation is provided by the Company, house rent allowance subject to a ceiling laid down in (a) above shall be paid.

The expenditure incurred by the Company on Gas, Electricity, Water and furnishing shall be valued as per Income Tax Rules, 1962 and will be subject to a ceiling of 10% of the salary.

ii) Medical Reimbursement:

Expenditure incurred for the Managing Director and his family, subject to a ceiling of one month's salary in a year or three months salary over a period of three years.

iii) Leave Travel Concession:

For self and family once in a year in accordance with the rules specified by the Company.

iv) Club fees:

Fees for clubs subject to maximum of two clubs will be allowed. This will not include admission and life membership fees.

v) Personal Accident Insurance:

Of an amount, the annual premium of which not to exceed ₹ 10,000/-.

For the purpose of this category "family" means the spouse, the dependent children and dependent parents.

Category 'B'

i) Provident Fund:

Company's contribution to Provident Fund shall be as per the scheme of the Company.

ii) Superannuation/Annuity Funds:

Company's contribution to Superannuation/Annuity fund

shall be in accordance with the scheme of the Company.

iii) Gratuity:

Payable as per the rules of the Company.

Category 'C'

i) Car:

Provision of car for use on Company's business. Use of car for private purpose shall be billed by the Company.

ii) Telephone:

Telephone at residence. Personal long distance calls shall be billed by the Company.

MINIMUM REMUNERATION

Notwithstanding anything to the contrary hereinabove contained, where, in the financial year during the currency of the tenure of the Managing Director, the Company had no profits or had inadequate profits, the Company will pay remuneration to the Managing Director by way of salary, perquisites and allowances not exceeding the sum specified in Section II of Part II of the Schedule V of the Companies Act, 2013.

The reappointment of Shri Arun Churiwal as Managing Director of the Company and payment of remuneration to him including the revision in the remuneration considering the annual increment of ₹ 40,000/- in the salary requires the approval by the Company in General Meeting by Ordinary Resolution in accordance with the relevant provisions of the Companies Act, 2013 read with Schedule V to the said Act. The Resolution set out in the notice at item No.9 is intended for the purpose.

Your Directors recommend the Ordinary Resolution under item No. 9 of the Notice.

Except Shri Arun Churiwal and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, in the proposed resolution.

ITEM NO. 10

As the members may be aware that the appointment of Shri Riju Jhunjhunwala as Joint Managing Director with effect from 1st May, 2013 was approved at the Annual General Meeting of the Company held on 19th September, 2013.

The Board of Directors of your Company at their meeting held on 10th February, 2015, upon recommendation of the Nomination and Remuneration Committee, appointed Shri Riju Jhunjhunwala as Managing Director of the Company with immediate effect for the remaining tenure of his appointment i.e. upto 30th April, 2016, on the existing terms in view of the long term succession planning at the top Management.

The appointment of Shri Riju Jhunjhunwala as Managing Director of the Company on the existing terms requires the approval by the Company in General Meeting by Ordinary Resolution in accordance with the relevant provisions of the Companies Act, 2013 read with Schedule V to the said Act.

The Company has received consent in writing from Shri Riju Jhunjhunwala to act as Managing Director of the Company.

Your Directors recommend the Ordinary Resolution under item No.10 of the Notice.

Except Shri Riju Jhunjhunwala himself and Shri Ravi Jhunjhunwala being relative of Shri Riju Jhunjhunwala and their relatives, to the extent of their share holding interest, if any in the Company, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, in the proposed resolution.

ITEM NO. 11

Shri Prakash Maheshwari was co-opted as an Additional Director of the Company with effect from 1st April, 2015 and he ceases to hold office from the date of Annual General Meeting in terms of Section 161 of the Companies Act, 2013.

The Company has received a notice in writing from a member alongwith the deposit of requisite amount proposing the candidature of Shri Prakash Maheshwari for the office of the Director of the Company.

The Company has received consent in writing from Shri Prakash Maheshwari to act as Director and intimation to the effect that he is not disqualified from being a Director under Section 164 of the Companies Act, 2013.

Your Directors recommend the Ordinary Resolution under item No. 11 of the Notice.

Except Shri Prakash Maheshwari and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, in the proposed resolution.

ITEM NO. 12

The Board of Directors at their meeting held on 27th March, 2015, had upon recommendation of Nomination and Remuneration Committee, appointed Shri Prakash Maheshwari as the Executive Director commencing from the 1st April, 2015, in accordance with the provisions of the Companies Act, 2013 read with Schedule V thereto.

The terms and conditions of his appointment are as under:

1. Salary : ₹ 3,05,000/- per month.
2. Commission : Not more than 0.40% of the net profits of the Company as computed in the manner laid down in the applicable provisions of the Companies Act, 2013.
3. Personal Pay : ₹ 4,53,350/- per month.
4. Perquisites : In addition to the salary, commission and personal pay, Shri Prakash Maheshwari shall be entitled to the following perquisites.

Category 'A'

i) Housing:

- a) The expenditure incurred by the Company on hiring unfurnished accommodation for him shall be subject to a ceiling, namely (for residence in Delhi/outside Delhi), 60% of the basic salary, over and above 10% payable by him, or
- b) In case the accommodation is owned by the Company 10% of the basic salary shall be deducted by the Company, or
- c) In case no accommodation is provided by the Company, a house rent allowance subject to a ceiling laid down in (a) above shall be paid.

The expenditure incurred by the Company on Gas, Electricity, Water and furnishing shall be valued as per Income Tax Rules, 1962 and shall be subject to a ceiling of 10% of the salary.

ii) Medical Reimbursement:

Expenditure incurred for the Executive Director and his family, subject to a ceiling of ₹ 1250/- per month.

iii) Leave Travel Concession:

For the self and family once in a year incurred subject to a ceiling of ₹ 5833/- per month.

iv) Club fees:

Fees for clubs subject to maximum of two clubs will be allowed. This will not include admission and life membership

fees.

v) Medical Insurance and Personal Accident Insurance:

As per the Policy of the Company.

For the purpose of this category "family" means the spouse, the dependent children and dependent parents.

Category 'B'

i) Provident Fund:

Company's contribution to Provident Fund shall be as per the scheme of the Company

ii) Superannuation/Annuity Funds:

Company's contribution to Superannuation /Annuity fund shall be in accordance with the scheme of the Company.

iii) Gratuity:

Payable as per the rules of the Company.

iv) Leave and other benefits etc. as applicable to other Employees of the Company.

Category 'C'

i) Car:

Provision of car for use on Company's business. Use of car for private purpose shall be billed by the Company.

ii) Telephone:

Telephone at residence. Personal long distance calls shall be billed by the Company.

MINIMUM REMUNERATION

Notwithstanding anything to the contrary hereinabove contained, where, in the financial year during the currency of the tenure of the Executive Director, the Company had no profits or had inadequate profits, the Company will pay remuneration to the Executive Director by way of salary, personal pay, perquisites and allowances not exceeding the sum specified in Section II of Part II of the Schedule V of the Companies Act, 2013.

The appointment of Shri Prakash Maheshwari as Executive Director of the Company and payment of remuneration to him requires the approval by the Company in General Meeting by Ordinary Resolution in accordance with the relevant provisions of the Companies Act, 2013 read with Schedule V to the said Act.

Your Directors recommend the Ordinary Resolution under item No.12 of the Notice.

Except Shri Prakash Maheshwari and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, in the proposed resolution.

ITEM NO. 13

The Company had approached Export Import Bank of India (Exim Bank), for financial assistances under Technology Up-gradation Fund Scheme (TUFS) and under Long Term Working Capital (LTWC) Programme in the form of Rupee Term Loans of ₹ 68.00 crore towards part financing its modernization project involving installation of Auto Doffing (Automatic Material Transport) system, balancing equipment and normal capex at its existing units and ₹ 40.00 crore for shoring up net working capital of the Company. The above financial assistance(s) are to be secured by mortgage/charge of the assets of the Company, both present and future.

Section 180(1)(a) of the Companies Act, 2013, provides inter-alia that the Board of Directors of the Company shall not, without the consent of members of the Company in general meeting sell, lease or otherwise dispose off the whole of the undertaking of the Company or where the Company owns more than one undertaking of the whole or substantially the whole, of any such undertaking. Since the mortgaging by the

Company of its immovable and moveable properties as aforesaid in favour of Exim Bank may be regarded as disposal of Company's properties/undertaking, it is necessary for the Company's members to pass a resolution under Section 180(1)(a) of the Companies Act, 2013.

Copy of sanction letter received from the lender and copies of relevant documents/correspondence are open for inspection at the Registered Office of the Company during the office hours on any working day prior to the date of meeting.

Your Directors recommend the Special Resolution under item No.13 of the Notice.

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

ITEM NO.14

The Company is availing working capital facilities from the consortium of banks viz. State Bank of Bikaner & Jaipur, Punjab National Bank, State Bank of India, Bank of Baroda, Export-Import Bank of India, State Bank of Mysore, Axis Bank Ltd., Union Bank of India, ICICI Bank Ltd. and HDFC Bank to the extent of ₹ 968.50 crore (Rupees Nine Hundred Sixty Eight crore and Fifty lacs only).

Section 180(1)(a) of the Companies Act, 2013, provides inter-alia that the Board of Directors of the Company shall not, without the consent of members of the Company in general meeting sell, lease or otherwise dispose off the whole of the undertaking of the Company or where the Company owns more than one undertaking of the whole or substantially the whole, of any such undertaking. Since the creation of second charge by the Company on its fixed assets may be regarded as disposal of Company's properties/undertaking, it is necessary for the Company's members to pass a resolution under Section 180(1)(a) of the Companies Act, 2013.

Copies of sanction letters received from these Banks and copies of relevant documents/correspondence are open for inspection at the Registered Office of the Company during the office hours on any working day prior to the date of meeting.

Your Directors recommend the Special Resolution under item No.14 of the Notice.

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

ITEM NO.15

The Board of Directors of the Company had approved the appointment and remuneration of M/s N. D. Birla & Co., Cost Accountants upon the recommendation of Audit Committee to conduct the Cost Audit of the Cost records of the Company for the financial year ending 31st March, 2016, in terms of rules framed in this regard by the Ministry of Corporate Affairs.

Pursuant to the provisions of Section 148 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, the resolution under item No. 15 is proposed for the purpose.

Your Directors recommend the Ordinary Resolution under item No.15 of the Notice.

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

By Order of the Board
For RSWM LIMITED

Place: Noida
Date: 4th August, 2015

Surender Gupta
Company Secretary
M. No. FCS 2615

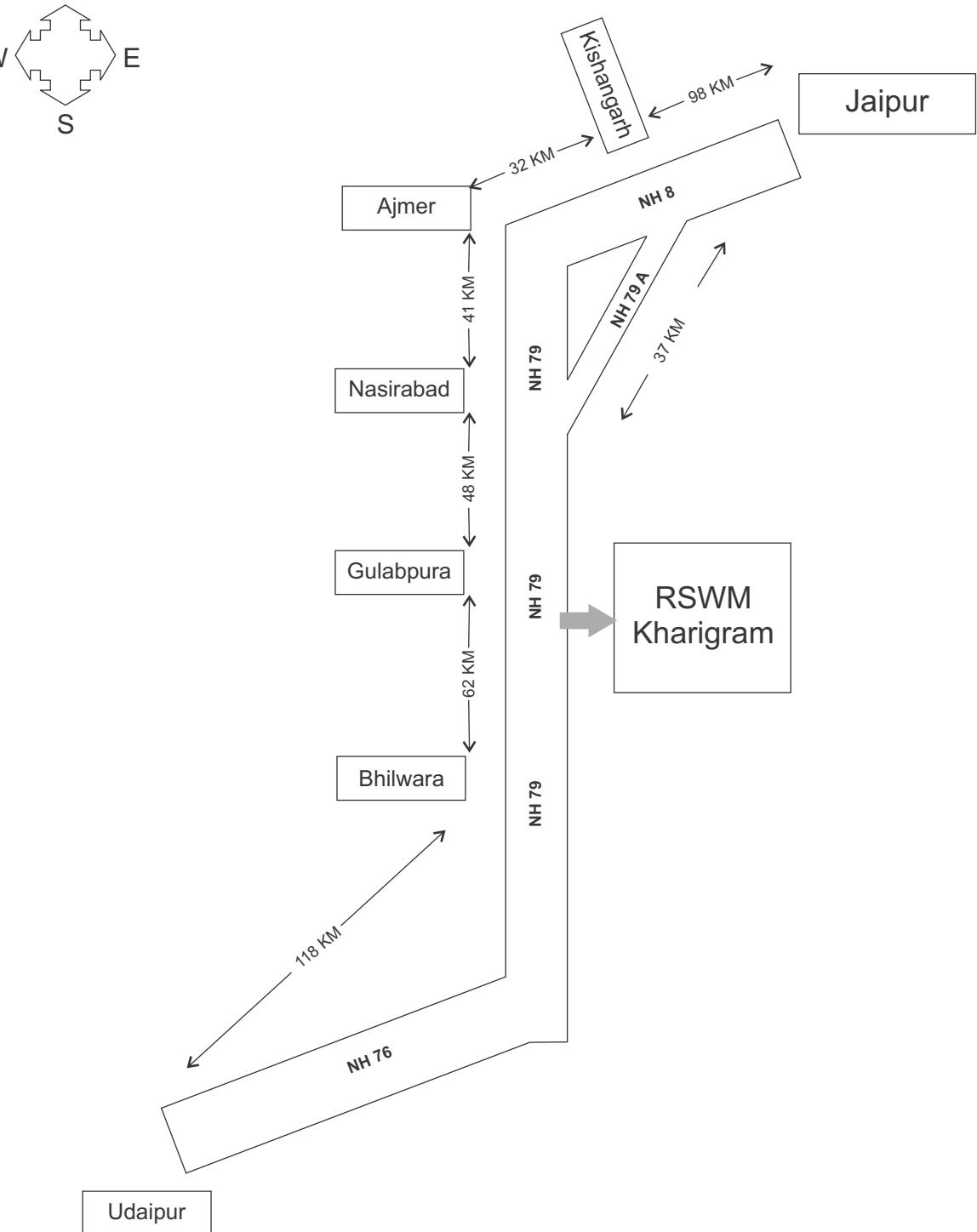
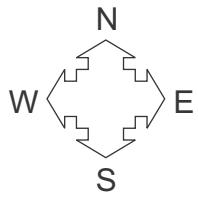
ANNEXURES TO NOTICE
DETAILS OF THE DIRECTORS SEEKING RE-APPOINTMENT IN FORTHCOMING ANNUAL GENERAL MEETING
(In pursuance of Clause 49 of the Listing Agreements)

Name of Director	Shri Ravi Jhunjhunwala	Shri Arun Churiwal	Shri Riju Jhunjhunwala	Shri J.C. Laddha	Shri Prakash Maheshwari	Smt. Geeta Mathur
Category	Promoter -Non Executive	Promoter - Executive	Promoter - Executive	Non Independent - Non Executive	Non Promoter - Executive	Independent - Non Executive
Interse relationship	Father of Shri Riju Jhunjhunwala	N.A	Son of Shri Ravi Jhunjhunwala N.A.		N.A.	N.A.
Date of Birth	28th October, 1955	15th May, 1950	13th January, 1979	12th December, 1949	15th September, 1955	21st November, 1966
Date of Appointment	18th May, 1979	23rd October, 2003	1st May, 2013	1st January, 1990	1st April, 2015	11th November, 2014
Qualification	B.Com, (Hons.) MBA	B.A. (Hons)	Graduate in Business Management Studies	B.Com. FCA	B.Sc, FCA	B.Com (Hons), FCA
Expertise in specific functional areas	Industrialist with diversified business experience	Rich Experience of Textile Industry	Industrialist with diversified business experience.	Possesses rich experience in Textile Industry	Possesses rich experience in Textile Industry	Rich experience in Finance, Treasury, Investor Relations and Strategic Planning.
List of Other Public Companies in which Directorships held	1. AD Hydro Power Limited 2. Bhilwara Energy Limited 3. BSL Limited 4. HEG Limited 5. India Glycols Limited 6. JK Lakshmi Cement Limited 7. Malana Power Company Limited 8. Cheslind Textiles Limited # 9. Maral Overseas Limited	1. BSL Limited 2. La Opala R G Limited 3. LNJ Financial Services Ltd.	1. Bhilwara Energy Limited 2. Bhilwara Green Energy Limited 3. Bhilwara Infotechnology Limited 4. Bhilwara Technical Textiles Ltd. 5. Chango Yangthang Hydro Power Ltd. 6. HEG Limited 7. LNJ Power Ventures Limited 8. NJC Hydro Power Limited 9. Cheslind Textiles Limited #	None	1. Cheslind Textiles Limited #	1. IIFL Holdings Limited 2. Motherson Sumi Systems Ltd. 3. NIIT Limited 4. Vardhman Acrylics Limited 5. Maral Overseas Ltd. 6. India Infoline Ltd. 7. IIFL Wealth Management Ltd. 8. Tata Communications Transformation Services Ltd. 9. Beetal Teletech Ltd.
Chairman/Member of the Committee of the Board of Directors of the Company	None	Stakeholders' Relationship Committee - Member	None	None	None	None

Chairman/Member of the Committees of Directors of other Companies:

a) Audit Committee	1. AD Hydro Power Limited Chairman 2. JK Lakshmi Cement Limited Member	1. La-opala R G Ltd - Member	1. Bhilwara Energy Limited - Chairman 2. Bhilwara Green Energy Limited - Member 3. Bhilwara Technical Textiles Ltd. - Member 4. Chango Yangthang Hydro Power Limited - Member 5. LNJ Power Ventures Limited - Member 6. NJC Hydro Power Limited - Member 7. Cheslind Textiles Limited - Member	None	None	1. Motherson Sumi Limited - Member 2. NIIT Limited - Chairman 3. India Infoline Limited. - Member 4. IIFL Wealth Management Limited - Member 5. Tata communication Transformation Services Limited. - Chairman 6. Beetal Teletech Ltd. - Member
b) Stakeholders' Relationship Committee	1. BSL Limited - Member 2. HEG Limited - Member	1. BSL Limited - Member	1. Bhilwara Technical Textiles Ltd. - Member 2. HEG Limited - Chairman	None	1. Cheslind Textiles Limited- Member	None
No. of Equity Shares held in the Company	809,094	1,610	175,000	Nil	Nil	Nil

Merged with the Company effective 30th April, 2015.



**Route Map of RSWM
Kharigram**

RSWM LIMITED

CIN:L17115RJ1960PLC008216

Registered Office: Kharigram, P.O. Gulabpura – 311 021, Distt. Bhilwara, Rajasthan Phone:+91-1483-223144 to 223150, 223478, Fax:+91-1483-223361, 223479
Corporate Office: Bhilwara Towers, A-12, Sector – 1, Noida – 201 301 (U.P) Phone:+91-120-4390300 (EBABX), Fax:+91-120-4277841
E-mail:rswm.investor@lnjbhilwara.com Website:<http://www.rswm.in>

Please complete this attendance slip and hand it over at the entrance of the meeting hall.

DPId*

Folio No

Client Id*

No. of Share(s) held

Name and address of the Shareholders :

I hereby record my presence at the 54th Annual General Meeting of the Company to be held on Friday, September 25, 2015 at 11.30 a.m. at the Registered Office of the Company at Kharigram, P.O. Gulabpura – 311 021, Distt. Bhilwara, Rajasthan.

* Applicable for investors holding Shares in electronic form

** Strike out whichever is not applicable

Signature of the Shareholder/Proxy/Representative**

Notes:

1. Members are requested to produce this attendance slip, duly signed in accordance with their specimen signatures registered with the Company, for admission to the meeting.



PROXY FORM

RSWM LIMITED

CIN:L17115RJ1960PLC008216

Registered Office: Kharigram, P.O. Gulabpura – 311 021, Distt. Bhilwara, Rajasthan Phone:+91-1483-223144 to 223150, 223478, Fax:+91-1483-223361, 223479
Corporate Office: Bhilwara Towers, A-12, Sector – 1, Noida – 201 301 (U.P) Phone:+91-120-4390300 (EBABX), Fax:+91-120-4277841
E-mail:rswm.investor@lnjbhilwara.com Website:<http://www.rswm.in>

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

Name of Member(s) : Email ID :

Registered Address : Folio No. / Client ID :

DP ID :

I/We being the member(s) of 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:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 54th Annual General Meeting of the Company, to be held on Friday, 25th September, 2015, at 11.30 a.m. at the Registered Office of the Company at Kharigram, P.O. Gulabpura – 311 021, Distt. Bhilwara, Rajasthan and at any adjournment thereof in respect of such resolutions as are indicated below:

** I wish my above proxy to vote in the manner as indicated in the box overleaf:



Resolution Number	Resolutions	For	Against
Ordinary Business			
1	To receive, consider and adopt the Audited Balance Sheet as at the 31st March, 2015 and Statement of Profit & Loss for the period ended on that date and the Report of Directors and Auditors thereon.		
2	To declare the Dividend on Equity Shares		
3	To appoint a Director in place of Shri Ravi Jhunjhunwala (DIN: 00060972) who retires by rotation and being eligible, offers himself for reappointment.		
4	To appoint a Director in place of Shri Arun Churiwal (DIN: 00001718) who retires by rotation and being eligible, offers himself for reappointment.		
5	Appointment of M/s. S. Bhargava Associates, Chartered Accountants (Firm Registration No. 003191C) and M/s S. S. Kothari Mehta & Co., Chartered Accountants (Firm Registration No. 000756N) as Joint Auditors and to fix their remuneration.		
Special Business			
6	Appointment of Smt Geeta Mathur (DIN : 02139552), as Independent Director for first term of 5 (five) consecutive years upto 10th November, 2019.		
7	Re-appointment of Shri J.C. Laddha (DIN :00118527) as Executive Director of the Company with effect from the 1st January, 2015 for a period upto 31st March, 2015.		
8	Appointment of Shri J. C. Laddha as Director (Non-Executive, Non-Independent Director), liable to retire by rotation with effect from 1st April, 2015.		
9	Re-appointment of Shri Arun Churiwal (DIN :00001718) as Managing Director of the Company with effect from the 17th March, 2015 for a period upto 31st March, 2016.		
10	Appointment of Shri Riju Jhunjhunwala (DIN : 00061060) as Managing Director w.e.f. 10th February, 2015.		
11	Appointment of Shri Prakash Maheshwari (DIN : 02388988), as Director of the Company, liable to retire by rotation with effect from 1st April, 2015.		
12	Appointment of Shri Prakash Maheshwari (DIN:02388988) as Executive Director of the Company for a period of three years with effect from 1st April, 2015.		
13	Special Resolution under Section 180(1)(a) for creation of mortgage(s) and charges in addition to the existing mortgages, charges and hypothecations created on the assets of the Company in favour of: <ul style="list-style-type: none"> • Export Import Bank of India (Exim Bank) in connection with Term Loan of ₹ 68.00 crore under Technology Upgradation Fund Scheme (TUFS). • Export Import Bank of India (EXIM Bank) in connection with Term Loan of ₹ 40 crore under the Long Term Working Capital Programme. 		
14	Special Resolution under Section 180 (1)(a) for the creation of Second Charge subject to the First Charge of the Term Lenders on all the immovable and movable properties of the Company to or in favour of : <ul style="list-style-type: none"> • The consortium Banks viz. State Bank of Bikaner & Jaipur, Punjab National Bank, State Bank of India, Bank of Baroda, Export-Import Bank of India, State Bank of Mysore, Axis Bank Ltd., Union Bank of India, ICICI Bank Ltd. and HDFC Bank for granting to the Company Working Capital Facilities to the extent of ₹ 968.50 crore (Rupees Nine Hundred Sixty Eight crore and Fifty lacs only). 		
15	Approval of the remuneration payable to M/s. N. D. Birla & Co., Cost Accountants (Firm Registration No. 000028) as Cost Auditor of the Company for the financial year ending 31st March, 2016.		

Signed this _____ day of _____ 2015



Signature of Shareholder_____

Signature of Proxy holder(s)_____

Notes:

1. The proxy Form 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.
2. ** It is optional to indicate your preference . If you leave the 'for' or 'against' column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.
3. For the Resolutions, Explanatory Statements and Notes, please refer to the Notice of 54th Annual General Meeting.